

Meeting Agenda
BOARD OF DIRECTORS
Lakeshore Regional Entity
January 28, 2026 – 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.

- January 28, 2026, Board of Directors meeting agenda (*Attachment 1*)
- December 17, 2025, Board of Directors meeting minutes (*Attachment 2*)

5. ISF Analysis – Jason Stading, Wakely (*Attachment 3*)
6. Reports –
 - a. CEO – Ms. Marlatt-Dumas (*Attachment 4*)

7. Chairperson's Report – Ms. Gardner (*Attachments 5*)
 - a. January 21, 2026, Executive Committee
 - 2025 CEO Evaluation

8. Action Items – NA
9. Financial Report and Funding Distribution – Ms. Chick (*Attachment 6*)
 - a. FY2026, December Funds Distribution (*Attachment 7*)

Suggested Motion: To approve the FY2026, December Funds Distribution as presented.
 - b. Statement of Activities as of 11/30/2025 with Variance Reports (*Attachment 8*)
 - c. Monthly FSR (*Attachment 9*)

10. Board Member Comments

11. Public Comment

12. Upcoming LRE Meetings
 - February 18, 2026 – Executive Committee, 1:00PM
 - February 25, 2026 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
 - February 25, 2026 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

13. Adjourn

Meeting Minutes

BOARD OF DIRECTORS

Lakeshore Regional Entity

December 17, 2025 – 1:00 PM

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

WELCOME AND INTRODUCTIONS – Ms. Gardner

Ms. Gardner called the December 17, 2025, LRE Board meeting to order at 1:01 PM.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Ms. Thomas

In Attendance: Ron Bacon, Bob Davis, Patricia Gardner, O’Nealya Gronstal, Janice Hilleary, Richard Kanten, Alice Kelsey, Dave Parnin, Stan Stek, Janet Thomas, Craig Van Beek

Online: Jim Storey

Absent: Jon Campbell, Andrew Sebolt

PUBLIC COMMENT

No public comment.

CONSENT ITEMS:

LRE 25-48 Motion: To approve by consent the following items.

- December 17, 2025, Board of Directors meeting agenda
- November 19, 2025, Board of Directors meeting minutes

Moved: Ron Bacon

Support: Janet Thomas

MOTION CARRIED

CONSUMER ADVISORY PANEL (CAP)

The December 11, 2025, CAP meeting minutes are included in the packet for information.

LEADERSHIP BOARD REPORTS

a. CEO Report

- LRE compiled and shared a list of issues related to CCBHC. MDHHS has indicated they will not meet directly with LRE but will forward the concerns to their subject matter experts for review.
- LRE is currently awaiting a judgment regarding the PIHP system procurement. Judge Yates had anticipated issuing an opinion this week.

b. COO Report

The COO report is included in the packet.

i. Legislative Advocacy.

- Oversight Policy Board – [12/10/2025 Full Packet](#)

- Letter to Representatives: The Oversight Policy Board has requested that the full Board be added to a letter in support of prohibiting the use of billboards for the sale of marijuana.

LRE 25-49 Motion: To approve sending a letter to representatives in support of legislation prohibiting the use of billboards for the sale of marijuana.

Moved: Richard Kanten Support: Stan Stek
MOTION CARRIED

CHAIRPERSON'S REPORT

December 10, 2025, Executive Committee meeting minutes are included in the packet for information.

- The Executive Committee received an update regarding the litigation around the procurement of the PIHP system.
- The CEO evaluation will be distributed via DocuSign. Ms. Dumas will complete and circulate a narrative providing an update on her progress of her 2025 evaluation goals.
- The Board members Conflict of Interest will be sent out through DocuSign.

ACTION ITEMS

NA

FINANCIAL REPORT AND FUNDING DISTRIBUTION

CFO Report is included in the Board packet for information.

FY2026 November Funds Distribution

LRE 25-50 Motion: To approve the FY2026, November Funds Distribution as presented.

Moved: Janet Thomas Support: Ron Bacon
MOTION CARRIED

LRE FY2026 Budget Amendment #1

LRE 25-51 Motion: To approve LRE FY2026 Budget Amendment #1.

Moved: Ron Bacon Support: Dave Parnin
MOTION CARRIED

Statement of Activities as of 10/31/2025 with Variance Report-

Included in the Board packet for information.

- Ms. Chick updates that the revenue figures will change due to the budget amendment that was approved during the December board meeting.

BOARD MEMBER COMMENTS

- Ms. Gardner noted that the Board will receive communication from Ms. Dumas once Judge Yates issues his opinion. An additional Executive Committee meeting may be scheduled if this occurs. Happy Holidays.
- Mr. Davis expressed appreciation for the professionalism he has experienced since becoming an LRE Board member and extended happy holiday wishes.

PUBLIC COMMENT

- Jacquie Johnson, Executive Director, Thresholds, expressed concern about the 12% swing in Medicaid and inquired about LRE's plan to address it. She also noted concern about the decrease in the DABs population, which impacts a significant funding source.

UPCOMING LRE MEETINGS

- January 21, 2026 – Executive Committee, 1:00PM
- January 28, 2026 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- January 28, 2026 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

Ms. Gardner adjourned the December 17, 2025, LRE Board of Directors meeting at 1:57 PM.

Ron Bacon, Board Secretary

Minutes respectfully submitted by:
Marion Moran, Executive Assistant



Lakeshore Regional Entity

Internal Services Fund Analysis

PRESENTED BY:

Jason Stading, FSA MAAA

Jason.stading@cirdanhealth.com

Elliot McLeRoy, ASA MAAA

elliot.mcleroy@wakely.com



Sections

- Section 1: Background
- Section 2: Assumptions and Methodology
- Section 3: Results and Recommendations
- Appendix (Exhibits)

Section 1

Background

Section 1: Background

- The Internal Services Fund (ISF) was established by the state so that regional PIHPs could set aside funds for adverse deviations in expected claims experience
- The total ISF has been contractually capped at 7.5% of annual revenue

Section 2

Assumptions and Methodology

Section 2: Assumptions and Methodology

- In analyzing the needs of the ISF, the model utilizes several assumptions in three scenarios (Baseline, Pessimistic, and Optimistic):
 1. Projected Base Rate Changes
 2. Projected Claims Costs
 3. Projected Regional Entity Factor Changes
 4. Projected Admin/Non-Benefit Expense Costs

Section 2: Assumptions and Methodology

<u>Model Input</u>	<u>Baseline</u>	<u>Optimistic</u>	<u>Pessimistic</u>
Rate Change	2.0%	4.0%	0.0%
Claims Change	3.0%	2.0%	4.0%
Admin Increase	3.0%	1.0%	5.0%
Risk Score Change	N/A	N/A	N/A

- A key driver in the results is the combination of the rate change and the claims change. For example, in the optimistic scenario, the projected claims are expected to increase by 2% annually compared to the expected annual rate increase of 4%.
- Overall, the risk score change (or Regional Entity Factor) has been decreasing for LRE. However, beginning in SFY 2026, rates are regionally set and there is no longer a Regional Entity Factor. This assumption is no longer needed moving forward.

Section 2: Assumptions and Methodology

- The modeling assumes the decrease in enrollment due to the end of the PHE is fully captured in the reported enrollment numbers. No additional membership decreases were forecasted.
- Starting in SFY 2026, CCBHC costs are fully carved out and they are not being considered in the projections for this ISF analysis. However, they are still included in the numbers for SFY 2024 and SFY 2025.
- Projected claims costs are modeled using a bootstrapping methodology.
 - 1,000 scenarios are run to develop a statistical distribution based on the assumptions outlined above in each scenario.
 - This distribution is used to develop a range of potential outcomes associated with various confidence levels, shown in the Appendices.

Section 2: Assumptions and Methodology

- The results discussed in Section 3 focus on the 50% confidence level, though it is important to note that in any given year there could be adverse experience leading to higher expected costs than modeled.
- Results also focus on a three-year time horizon to determine what level the ISF should be funded at to reasonably cover future expected operating deficits.

Section 3

Results and Recommendations

Section 3: Results and Recommendations

- Based on a three-year time horizon at a 50% probability using the baseline assumptions, the modeling projects that there could be a total overall loss of roughly \$21.4 million (requiring the ISF to be funded at roughly 5.0% to cover these losses).
- However, it is important to note that any one year of more unfavorable results could significantly impact overall results.
 - For instance, if SFY 2027 results are more in line with the pessimistic scenario, overall losses in the three-year time horizon would increase to nearly \$37 million.

Section 3: Results and Recommendations

- Recommendation:

- To the extent allowable by the contract, our recommendation would be to fund the ISF to at least an average of the 50% probability threshold of the Baseline and Pessimistic scenarios:
 - Recommended Funding Level = **\$41.4 million**
 - This results in an ISF funding percentage of 9.7% based on the interim SFY 2025 FSR.
 - While the recommended level exceeds the 7.5% ISF cap (which equates to a cap of \$32.1M), it aligns with the modeled distribution of possible results and supports maximizing the ISF within contract limits.

Appendix

Exhibits

Exhibit A - Baseline

	Historical	Projected		
	SFY 2024	SFY 2025	SFY 2026	SFY 2027
A Member Months:	3,498,332	3,132,243	3,021,703	3,051,920
B Gross Revenue (\$M):	\$447.7	\$502.10	\$431.84	\$444.88
C HRA/IPA (\$M):	\$22.1	\$24.84	\$21.4	\$22.0
D Net Effective Revenue (\$M):	\$425.5	\$477.3	\$410.5	\$422.9
E Administrative Costs (\$M):	\$60.6	\$67.9	\$70.0	\$72.1
F Revenue Available for MH/SA Treatment Costs:	\$365.0	\$409.3	\$340.5	\$350.8
 Gross Revenue (\$PMPM):	\$127.97	\$160.30	\$142.91	\$145.77
HRA/IPA (\$PMPM):	\$6.33	\$7.93	\$7.07	\$7.21
Net Effective Revenue (\$PMPM):	\$121.64	\$152.37	\$135.84	\$138.56
Administrative Costs (\$PMPM):	\$17.31	\$21.68	\$23.15	\$23.61
Revenue Available for MH/SA Treatment Costs (\$PMPM):	\$104.33	\$130.69	\$112.69	\$114.95
 G MH/SA Treatment Costs (\$PMPM):				
Expected (50% Probability Threshold):	\$113.20	\$137.49	\$112.71	\$114.97
70.0% Probability Threshold:		\$141.15	\$115.49	\$117.80
95.0% Probability Threshold:		\$148.97	\$121.42	\$123.85
 H MH/SA Treatment Total Costs (\$M):				
Expected (50% Probability Threshold):	\$396.0	\$430.7	\$340.6	\$350.9
70.0% Probability Threshold:		\$442.1	\$349.0	\$359.5
95.0% Probability Threshold:		\$466.6	\$366.9	\$378.0
 I Surplus / Deficit (\$M):				
Expected (50% Probability Threshold):	(\$31.0)	(\$21.3)	(\$0.1)	(\$0.1)
70.0% Probability Threshold:		(\$32.8)	(\$8.5)	(\$8.7)
95.0% Probability Threshold:		(\$57.3)	(\$26.4)	(\$27.2)
				<i>Cumulative Surplus/Deficit</i>
				(\$21.4)
				5.0%
				(\$49.9)
				11.7%
				(\$110.8)
				25.9%

Exhibit B - Optimistic

	Historical	Projected					
		SFY 2024	SFY 2025	SFY 2026	SFY 2027		
A Member Months:		3,498,332	3,132,243	3,054,066	3,145,688		
B Gross Revenue (\$M):		\$447.7	\$502.10	\$436.46	\$467.54		
C HRA/IPA (\$M):		\$22.1	\$24.84	\$21.6	\$23.1		
D Net Effective Revenue (\$M):		\$425.5	\$477.3	\$414.9	\$444.4		
E Administrative Costs (\$M):		\$60.6	\$67.9	\$68.6	\$69.3		
F Revenue Available for MH/SA Treatment Costs:		\$365.0	\$409.3	\$346.3	\$375.1		
G MH/SA Treatment Costs (\$PMPM):		\$127.97	\$160.30	\$142.91	\$148.63		
HRA/IPA (\$PMPM):		\$6.33	\$7.93	\$7.07	\$7.35		
Net Effective Revenue (\$PMPM):		\$121.64	\$152.37	\$135.84	\$141.28		
Administrative Costs (\$PMPM):		\$17.31	\$21.68	\$22.46	\$22.03		
Revenue Available for MH/SA Treatment Costs (\$PMPM):		\$104.33	\$130.69	\$113.38	\$119.25		
G MH/SA Treatment Costs (\$PMPM):							
Expected (50% Probability Threshold):		\$113.20	\$133.41	\$109.37	\$113.74		
70.0% Probability Threshold:			\$136.96	\$112.06	\$116.54		
95.0% Probability Threshold:			\$144.55	\$117.82	\$122.53		
H MH/SA Treatment Total Costs (\$M):							
Expected (50% Probability Threshold):		\$396.0	\$417.9	\$334.0	\$357.8		
70.0% Probability Threshold:			\$429.0	\$342.2	\$366.6		
95.0% Probability Threshold:			\$452.8	\$359.8	\$385.4		
I Surplus / Deficit (\$M):					<i>Cumulative Surplus/Deficit</i>	<i>ISF Need</i>	
Expected (50% Probability Threshold):		(\$31.0)	(\$8.5)	\$12.3	\$17.3	\$21.1	0.0%
70.0% Probability Threshold:			(\$19.6)	\$4.0	\$8.5	(\$7.1)	1.7%
95.0% Probability Threshold:			(\$43.4)	(\$13.5)	(\$10.3)	(\$67.3)	15.7%

Exhibit C - Pessimistic

	Historical	Projected			
		SFY 2024	SFY 2025	SFY 2026	SFY 2027
A Member Months:	3,498,332	3,132,243	3,005,448	3,005,448	
B Gross Revenue (\$M):	\$447.7	\$502.10	\$429.52	\$429.52	
C HRA/IPA (\$M):	\$22.1	\$24.84	\$21.2	\$21.2	
D Net Effective Revenue (\$M):	\$425.5	\$477.3	\$408.3	\$408.3	
E Administrative Costs (\$M):	\$60.6	\$67.9	\$71.3	\$74.9	
F Revenue Available for MH/SA Treatment Costs:	\$365.0	\$409.3	\$337.0	\$333.4	
 Gross Revenue (\$PMPM):	\$127.97	\$160.30	\$142.91	\$142.91	
HRA/IPA (\$PMPM):	\$6.33	\$7.93	\$7.07	\$7.07	
Net Effective Revenue (\$PMPM):	\$121.64	\$152.37	\$135.84	\$135.84	
Administrative Costs (\$PMPM):	\$17.31	\$21.68	\$23.73	\$24.92	
Revenue Available for MH/SA Treatment Costs (\$PMPM):	\$104.33	\$130.69	\$112.11	\$110.93	
 G MH/SA Treatment Costs (\$PMPM):					
Expected (50% Probability Threshold):	\$113.20	\$141.57	\$116.06	\$116.06	
70.0% Probability Threshold:		\$145.34	\$118.92	\$118.92	
95.0% Probability Threshold:		\$153.40	\$125.03	\$125.03	
 H MH/SA Treatment Total Costs (\$M):					
Expected (50% Probability Threshold):	\$396.0	\$443.4	\$348.8	\$348.8	
70.0% Probability Threshold:		\$455.2	\$357.4	\$357.4	
95.0% Probability Threshold:		\$480.5	\$375.8	\$375.8	
 I Surplus / Deficit (\$M):					<i>Cumulative Surplus/Deficit</i>
Expected (50% Probability Threshold):	(\$31.0)	(\$34.1)	(\$11.9)	(\$15.4)	(\$61.4)
70.0% Probability Threshold:		(\$45.9)	(\$20.5)	(\$24.0)	(\$90.4)
95.0% Probability Threshold:		(\$71.1)	(\$38.8)	(\$42.4)	(\$152.3)
					<i>ISF Need</i>
					14.3%
					21.1%
					35.6%

Qualifications/Reliances/Limitations

Jason Stading is a fellow of the Society of Actuaries and meets the qualification requirements of the American Academy of Actuaries to provide the opinions that are included within this communication. To prepare this communication, Wakely/Cirdan relied on data provided by Lakeshore Regional Entity (LRE). While we have reviewed the data for reasonableness, we have not completed any audit of the data provided. This communication was prepared for LRE for the purpose of analyzing the Internal Services Fund. Distribution to parties outside of LRE should not be made without permission from Wakely/Cirdan. If this communication is further distributed within LRE, it should be shared in its entirety.

CEO Report
January 28th, 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. 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.

LRE continues to wait for the Court's decision on the motion. There has been no explanation for the delay, and legal has no ability to influence the timing. While LRE legal could request a status conference, the value of doing so is unclear.

Cons: increased legal costs, the possibility of an unfavorable ruling, and the immediate recoupment of funds.

Pros: obtaining a definitive answer, however, if the RFP proceeds, MDHHS would ultimately recoup the funds regardless.

Given these factors, the potential benefits do not appear to outweigh the associated risks.

January UPDATE: No further update.

- Insurance Provider Assessment (IPA) – Update is provided in the Finance Officer report.
- FY25 MDHHS/PIHP Contract Lawsuit
 - Four of the five 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.
- The lawsuit filed by the other 4 PIHPs has not had any movement in the courts since May 2025.

January UPDATE: No further update.

- **Certified Community Behavioral Health Clinic (CCBHC)**
 - The CCBHC responsibilities as of October 1, 2025, have been transferred to the CCBHCs in the region, which for region 3 means all CMHs. This has created some challenges as the state did not have all the areas resolved before the transfer took place, such as BHTEDS, Customer Services, Grievance and Appeals, State Fair Hearings, etc. This creates challenges as the LRE is not receiving any revenue in FY26 to help resolve these matters.

January UPDATE: The CCBHC initiative continues to present challenges for the LRE staff as they troubleshoot an increasing number of issues with our CMHSPs. LRE have reached out to the department and submitted a comprehensive 19-page questionnaire. Unfortunately, the responses from MDHHS were not overly helpful and often referenced the CCBHC Manual without answering our questions directly. However, a meeting scheduled between LRE and MDHHS on January 27 to further discuss these matters was cancelled by MDHHS without explanation. LRE will follow up to reschedule.

2. STATE OF MICHIGAN/STATEWIDE ACTIVITIES

- PIHP RFP Rebid
 - 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 was held on October 9, with a ruling on October 14th. Summary of the outcome, the judge ruled:

1. MDHHS is allowed to move from sole source to competitive procurement.
2. MDHHS is allowed to decide if they want 10 PIHPs, 3 PIHPs or however many they choose.
3. The RFP may violate the mental health code by removing the manage care functions from the CMHSPs to the new PIHPs. The Court's opinion on the motion for preliminary injunction states: "Here, although the Court has not yet granted plaintiffs any declaratory relief, the possibility of such an outcome is significant, and the Court will act expeditiously to address what remains of the complaint seeking a declaratory judgment."

- An additional lawsuit was filed by 5 CMHs on October 16th, 2025, and has been assigned to Judge Yates as well.

January UPDATE: The written decision was shared with the LRE BOD, there has been no further information from MDHHS on this matter regarding next steps

3. Legislative Update: Legislative report is attached to the end of this report.

- Advocacy Update
 - **HB 5134 and HB 5135 (Marijuana Billboards):** These bills were the subject of a letter, approved by motion at the December meeting, and sent by both the Oversight Policy Board (OPB) and the full Board. On December 18, the letters were emailed to all legislators in the LRE region. Several legislators responded, thanking LRE for the correspondence and providing links to websites for tracking the legislation. The package of bills has been referred to the Committee on Regulatory Reform; however, no hearing has been scheduled to date. Additionally, Alan Bolter added this topic to the January 14 CMHA Legislation and Policy Committee meeting, which is co-chaired by Mark Witte (OnPoint). Ongoing disagreements between the House and Senate continue to impact progress on this legislation.
 - **SB 713-14 (A bill to provide regulation of advertisements and promotions for internet gaming):** Set to be discussed in the statewide Gambling Prevention workgroup meeting that LRE Prevention

Coordinator, Amy Embury, will attend this month. Possible updates on this matter in February.

- **SB 462, 463, 465, and 466/Tobacco Licensing:** New action alert: [Sign the Petition — Tobacco Free.](#)
- **HB 5368-70 (same tobacco bills as the senate just proposed in the House by Rep. Brad Slagh of Zeeland):** Jodi Radke from the Campaign for Tobacco-Free Kids noted that no committee hearing has been scheduled for these House Bills. However, action alerts are expected soon, with the goal of having the bills signed into law before summer, when legislators typically shift focus to re-election campaigns. Reports indicate that Rep. Slagh is being targeted by the tobacco industry, and the Campaign for Tobacco-Free Kids will issue action alerts to support him.
- **Artificial Intelligence (AI):** New bills have been added to the legislative grid from Hillary Scholten of Michigan. Additionally, a letter from the Trump Administration terminating several agreements and then rescinding the actions the following day caused undue stress in the region

Other:

CMHA Board Association Winter Conference is scheduled for February 2-4, 2026, in Kalamazoo.

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



Lakeshore Regional Entity's Legislative Update – 1/21/2025



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) and/or the LRE

Highlight = Artificial Intelligence – New Section

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

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	Operations 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

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH				
Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
				Housing and Human Services (143) 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 <i>10/28/2025: Committee Hearing in House</i> 12/9/25: Referred to a second Reading
	HB 4535	Modifies eligibility for mental health court.	Kara Hope	6/3/2025: Introduced, read a first time, referred to Committee on Judiciary <i>10/28/2025: Committee Hearing in House</i>
	SB 221	A bill to provide for outpatient treatment for misdemeanor offenders with mental health issues	Sylvia Santana	4/17/2025: Introduced, referred to committee on Health Policy 5/8/2025: Reported favorably without amendment, referred to Committee of the Whole 5/20/2025: Referred to Committee of the Whole favorably without amendment, placed on order of a third reading 5/21/2025: passed roll call, received in House, read a first time, referred to Committee on Health Policy

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH

Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
	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
	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
	HCR 1	Adverse Childhood Experiences: A concurrent resolution to urge the Governor of Michigan to issue an executive directive that would require administrating agencies to assess if the implementation of their programs reduce Adverse Childhood Experiences (ACEs) and provide an annual report and data to the Legislature and general public about progress in reducing ACEs in Michigan.	Douglas Wozniak	8/19/2025 – Introduced, Referred to the Committee on Families and Veterans 10/28/2025 – Committee Hearing, Reported with Recommendation without amendment
	HB 5334	A bill to amend the Mental Health Code to require assessment by preadmission screening unit of individual being considered for hospitalization within certain period after notification	Matt Bierlein	12/2/2025 – Introduced, read a first time, referred to the Committee on Health Policy
	HB 4968	<i>The bill would amend the Insurance Provider Assessment Act to allow the Department of Health and Human Services (DHHS) to continue assessing the current, federally-approved insurance provider assessment unless the Federal Centers for Medicare and Medicaid Services (CMS) ended the current Federal approval.</i>	Greg VanWoerkem	9/16/2025 – Introduced, read a first time, referred to the Committee on Appropriations 9/25/2025 – Read a second time, third time, 9/29/2025 – Passed the House, Sent to Senate Referred to Committee of the Whole, 10/2/2025 - Placed on Immediate Passage, returned to House 10/7/2025 – Approved by the Governor. Assigned PA 25'25 with Immediate Effect
	HB 5044	By July 1, 2026, every school district, intermediate school district, and public-school academy board must develop and adopt a policy allowing students with a prescription, recommendation, or order from a private health care specialist to receive medically necessary treatment while at school, in compliance with state and federal laws. Upon request, designated school personnel must meet with the student, family, and health care representatives within 30 days to determine how and when treatment will be provided. Treatment must be allowed unless it imposes a fundamental alteration or undue burden on the school.	Pauline Wendzel	9/24/2025 – Introduced, Read a first time, referred to the Committee on Education and Workforce

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 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

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	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 SB 432	Modifies crime of manufacturing, delivering, or possession of with intent to deliver heroin or fentanyl to reflect changes in sentencing guidelines; Amends sentencing guidelines for delivering, manufacturing, or possessing with intent to deliver heroin or fentanyl; Allows probation for certain major controlled substances offenses.	Stephanie Chang Sarah Anthony Roger Victory	6/17/2025 – Introduced, Referred to the Committee on Civil Rights, Judiciary, and Public Safety 9/18/2025 – Committee Meeting 10/6/2025 – Reported favorably without amendment, referred to the Committee of the Whole 10/29/2025 – Placed on order of third reading
#1 Supported by SUD Oversight Policy Board	SB 462, 464-465 HB 5368- 5370	Legislation to require retailers to obtain a state-issued license to sell tobacco products, including e-cigarettes and nicotine pouches.	Sam Singh Joe Bellino Jennifer Wortz Brad Slagh	6/26/2025 – Introduced, referred to the Committee on Regulatory Affairs 12/2/25 – Referred to the Committee of the Whole with Substitute 12/16/25 – Reported to the Committee of the Whole with Substitute, Placed on order of Third Reading

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
				<p>12/18/25 – Amendments adopted, Passed Roll Call in Senate, Received in House, Read a first time, Referred to Committee on Regulatory Reform</p> <p><i>HB 5368-5370 12/16/25 - Introduced and Referred to Committee on Regulatory Reform. No hearings set at this time.</i></p> <p>Sign the Petition — Tobacco Free</p>
#1 – Supported by SUD Oversight Policy Board	SB 463 SB 466	Legislation that will repeal ineffective penalties on young people -- holding retailers accountable not, children.	Paul Wojno Mary Cavanaugh	<p>6/26/2025 – Introduced, referred to the Committee on Regulatory Affairs</p> <p>12/2/25 – Referred to the Committee of the Whole with Substitute</p> <p><i>12/16/25 – Reported to the Committee of the Whole with Substitute, Placed on order of Third Reading</i></p> <p>Sign the Petition — Tobacco Free</p>
	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	<p>6/11/25 – Introduced, Referred to Committee on Health Policy</p> <p>6/26/25 – Referred to Committee of the Whole</p> <p>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</p>
	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	<p>6/11/25 – Introduced, Referred to Committee on Health Policy</p> <p>6/26/25 – Referred to Committee of the Whole</p> <p>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</p>
	SB 592	A bill to require reentry services and support for certain individuals after resentencing.	Sylvia Santana	<p>9/25/25 – Introduced, Referred to Committee on Civil Rights, Judiciary, and Public Safety</p> <p><i>12/4/25 – Referred to the Committee of the Whole</i></p>

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	SB 582	To establish a 32% tax on the sale and distribution of nicotine, vapor, and alternative nicotine products—"Alternative nicotine product" means a noncombustible product that contains nicotine derived from any source and that is intended for human consumption, whether chewed, absorbed, dissolved, or ingested by any other means.	Stephanie Chang	9/24/25 – Introduced, Referred to the Committee on Appropriations
	HB 5087	To mandate \$3,000,000.00 of tax revenue from the sale of tobacco products to be placed in the "Healthy Michigan Fund" each fiscal year for smoking prevention programs.	Phil Green	9/26/25 – Introduced, Read a first time, referred to the Committee on Finance
	SB 597 & 598	The bill would amend the Michigan Regulation and Taxation of Marihuana Act to prohibit the Cannabis Regulatory Agency (Agency) from issuing a marihuana retailer license if doing so would result in more than one marihuana retailer for every 5,000 residents in the applicant's municipality, beginning January 1, 2026	Sam Singh Jeremy Moss	10/2/25 – Introduced, Referred to Committee on Regulatory Affairs
	SB 599-602	<p>The bills would enact the "Industrial Hemp Processing Act" to require a person to hold a license before processing consumable hemp products from industrial hemp. Industrial hemp is generally cannabis with less than 0.3% Tetrahydrocannabinol (THC), the intoxicant in marihuana.</p> <ul style="list-style-type: none"> • Currently, the licensing of persons engaged in the growing, processing, and handling of industrial hemp is governed by the Industrial Hemp Research and Development Act, which the bills would repeal. • The bills would require the Cannabis Regulatory Agency (CRA) to administer the "Industrial Hemp Processing Act's" licensing and regulatory requirements and to promulgate rules. • They also would establish licensure fees and qualifications and civil and criminal penalties for violations of the proposed Act. 	Dayna Polehanki	10/2/25 – Introduced, Referred to Committee on Regulatory Affairs 12/2/25 – Referred to the Committee of the Whole with Substitute 12/9/25 – Placed on order of third reading, placed on immediate passage 12/16/25 – Amendments adopted, Passed roll call in Senate 12/17/25 – Received in House, Read a first time, Referred to Committee on Regulatory Reform
#2 – Supported by SUD Oversight Policy Board	HB 5134 & 5135	To amend MRTMA (or MMFLIA) to say: A person shall not advertise any of the following on a billboard or digital billboard that is located in this state: <ul style="list-style-type: none"> • Marihuana. • A marihuana-infused product. • A marihuana accessory. • A marihuana establishment. 	William Bruck Donovan McKinney	10/23/25 – Introduced, Read a first time, Referred to Committee on Regulatory Reform  121025-OPB-Packet Att 7.pdf
	HB 5122	To amend MLCC to allow "A current photo identification card issued by a local government. A current student photo identification card issued by an educational institution" to be qualified forms of identification to purchase alcohol.	Alicia St. Germaine	10/23/25 – Introduced, read a first time, referred to Committee on Regulatory Reform

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	HB 4969	A bill to regulate the distribution, sale, and manufacture of kratom products; to require licensing for certain conduct related to kratom and kratom products; to prohibit the distribution, sale, and manufacturing of certain kratom products; to provide for the powers and duties of certain state governmental officers and entities; to prescribe fines and sanctions; to provide remedies; and to require the promulgation of rules. – A licensee shall not distribute, sell, or offer for distribution or sale in person or through an online website a kratom product to an individual in this state who is less than 21 years of age.	Cam Cavitt	9/17/25 – Introduced, Read a first time, referred to the Committee on Regulatory Reform 11/13/25 - Referred to second reading in Committee on Regulatory Reform
	HB 5302	A bill to modify a SUD prevention competitive grant program to provide grants for recovery community organizations	Jay DeBoer	12/2/2025 – Introduced, Read a first time, referred to the Committee on Health Policy
	HB 4951	The bill would enact the "Comprehensive Road Funding Tax Act" to do the following: -- Impose a 24% excise tax on the wholesale price of marihuana. -- Create the Comprehensive Road Funding Fund and allocate \$3.0 million of revenue from the Act in Fiscal Year (FY) 2025-2026 to the Fund and \$500,000 of revenue from the Act to the Fund in each following fiscal year. -- Allocate the remainder of revenue collected under the Act to the Neighborhood Road Fund.1 -- Beginning in FY 2027-2028 and in each following fiscal year, require the amount appropriated to the Comprehensive Road Funding Fund to be adjusted by the Consumer Price Index. -- Require the Department of the Treasury to administer the Act. -- Require a person subject to a tax imposed by the Act to file periodic returns at the times and in the manner prescribed by the Department.	Samantha Steckloff	9/16/2025 – Introduced, Read a first time, referred to the Committee on Appropriations. 9/25/2025 – Second & Third Reading, Passed 9/29/2025 – Sent to Senate, Referred to Committee of the Whole 10/2/2025 - Placed on Immediate Passage, returned to House 10/7/2025 – Approved by the Governor. Assigned PA 25'25 with Immediate Effect
	SB 713-714	A bill to provide for regulation of advertisements and promotions for internet gaming	Erika Geiss	11/13/2025 – Introduced, Referred to the Committee on Regulatory Affairs Sen. Geiss Champions Legislation to Protect Michigan Youth from Gambling, Sports Betting Advertisements - Senator Erika Geiss

BILLS & REGULATIONS PERTAINING TO ARTIFICAL INTELLIGENCE

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	HB 4667	A bill to add a new section to the Michigan Penal Code to create three felonies related to AI systems, and provide for related penalties.	Sarah Lightner	6/24/25: Introduced, read a first time, referred to the Committee on Judiciary
	HB 4668	A bill to create a new act, the Artificial Intelligence Safety and Security Transparency Act, which would require large developers of foundation models to create and implement certain risk management practices relating to the use of those models, as well as provide for the powers and duties of government officers and entities, protections for certain employees, and related civil causes of action and sanctions.	Sarah Lightner	6/24/25: Introduced, read a first time, referred to the Committee on Judiciary 9/11/25: reported with recommendation for referral to Committee on Communications and Technology 9/18/25: placed on second reading; referred to Committee on Regulatory Reform
	HB 4536	An insurer that delivers, issues for delivery, or renews in this state a health insurance policy shall not deny, modify, or delay a claim based on a review using artificial intelligence	Carrie Rheingans	6/3/25: Introduced, read a first time; referred to Committee on Communications and Technology 9/18/25: placed on second reading; referred to Committee on Insurance
	HB 4537	The department or a contracted health plan shall not deny, modify, or delay a claim under the medical assistance program based on a review using artificial intelligence	Carrie Rheingans	6/3/25: Introduced, read a first time; referred to Committee on Communications and Technology 9/18/25: placed on second reading; referred to Committee on Insurance
	HB 4661	A bill to establish a crime victim communication modernization grant program to provide grants to certain state and local governmental officers to modernize communication with victims of crime and other individuals; to create the crime victim communication modernization fund and provide for the distribution of money from the fund; to provide for appropriations; and to provide for the powers and duties of certain state and local governmental officers and entities.	Curtis VanderWall	6/17/25: Introduced, read a first time, referred to the Committee on Appropriations
	H.R. 5784 [Federal]	AI-WISE Act: To amend the Small Business Act to help small business concerns critically evaluate artificial intelligence tools, and for other purposes.	Rep. Hillary Scholten	10/17/25: Introduced, Referred to the House Committee on Small Business 12/12/25: Reported by Committee on Small Business, Placed on Union Calendar 1/20/26: Mr. Williams (TX) moved to suspend the rules and pass the bill, DEBATE, On motion to suspend the rules and pass the bill Agreed to by voice vote, Motion to reconsider laid on the table

BILLS & REGULATIONS PERTAINING TO ARTIFICAL INTELLIGENCE

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	H.R. 5764 [Federal]	AI for Main Street Act: To amend the Small Business Act to require small business development centers to assist small business concerns with the use of artificial intelligence, and for other purposes.	Rep. Mark Alford	<p>Agreed to without objection.</p> <p>10/17/25: Introduced, Referred to the House Committee on Small Business</p> <p>12/12/25: Reported by Committee on Small Business, Placed on Union Calendar</p> <p>1/20/26: Mr. Williams (TX) moved to suspend the rules and pass the bill, DEBATE, At the conclusion of debate, the Yeas and Nays were demanded and ordered. Pursuant to the provisions of clause 8, rule XX, the Chair announced that further proceedings on the motion would be postponed, On motion to suspend the rules and pass the bill, as amended</p> <p>Agreed to by the Yeas and Nays, Motion to reconsider laid on the table Agreed to without objection.</p>

FEDERAL LEGISLATION

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH				
Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	H.R. 5725	To direct the Attorney General to establish a grant to support communities transitioning to health-centered responses for mental health-related emergencies	Bonnie Watson Coleman	10/8/25 – Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary
	H.R. 5706	To establish a grant program to assist eligible entities in developing or expanding behavioral health crisis response programs that do not rely primarily on law enforcement, and for other purposes.	Yassamin Ansari	10/8/25 – Introduced, Referred to the Committee on Energy and Commerce
	H.R. 5557	Mental Health Services for Students Act of 2025: to amend the Public Health Service Act to revise and extend projects relating to children and to provide access to school-based comprehensive mental health programs.	Andrea Salinas	9/23/25 - Introduced, Referred to the Committee on Energy and Commerce

Supported by LRE	S. 3402	Ensuring Excellence in Mental Health Act: A bill To amend titles XVIII and XIX of the Social Security Act and the Public Health Service Act to improve the certified community behavioral health clinic program, and for other purposes.	John Cornyn	12/9/25 – Introduced, Read twice, Referred to the Committee on Finance Action Alert: Contact your Senator - National Council for Mental Wellbeing Ensuring Excellence in Mental Health Act
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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

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	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	<p>3/31/2025 – Introduced in the House, Referred to the Committees on Energy, and Commerce, Education and Workforce, Judiciary, and Financial Services.</p> <p>5/29/2025 – Placed on the Union Calendar</p> <p>6/4/2025 – General Debate. Passed in the House</p> <p>6/5/2025 – Received in the Senate, read twice, referred to the Committee on Health, Education, Labor, and Pensions</p> <p>9/18/2025 – Passed Senate with unanimous consent</p> <p>9/19/2025 – Message sent to House</p> <p>11/25/2025 – Presented to the President</p> <p>12/1/2025 – Signed by the President, Became Public Law No: 119-44.</p>
	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

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	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>Proposed Federal Legislation Would Ban Virtually All Hemp-Based Cannabinoid Products Shipman & Goodwin LLP</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</p> <p>5/22/2025 - On passage Passed by the Yeas and Nays: 215 – 214 in the House</p> <p>6/27/2025 – Received in the Senate</p> <p>7/1/2025 - Passed Senate with an amendment by Yea-Nay Vote. 51 – 50</p> <p>7/3/2025 - On motion that the House agree to the Senate amendment Agreed to by recorded vote: 218 – 214. Presented to President.</p> <p>7/4/2025 - Signed by President. Became Public Law No: 119-21.</p> <p>H.R.1 Implementation Journey</p>
	H.R. 5630	To amend the Public Health Service Act to require additional information in State plans for Substance Use Prevention, Treatment, and Recovery Services block grants.	Erin Houchin	9/30/25 - Introduced, Referred to the Committee on Energy and Commerce
	H.R. 5415 S. 3076	To amend the Controlled Substances Act to permanently schedule the class of 2-benzylbenzimidazole-opioids known as nitazenes	Rep. Eugene Vindman Sen. David McCormick	<p>09/16/2025 – (House) Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary</p> <p>10/30/2025 – (Senate) Read twice and referred to the Committee on the Judiciary;</p>
	H.R. 5844	To amend the Controlled Substances Act with respect to the registration of opioid treatment programs to increase stakeholder input from relevant communities and to ensure such programs are treating patients in need—the applicant will address community impacts;	Adriano Espaillat	10/28/2025 – Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary
	H.R. 5573	The Attorney General, acting through the Director of the Bureau of Justice Assistance, and in consultation with the Secretary of Health and Human Services, is authorized to award grants to State and local law enforcement agencies to assist such agencies in planning, designing, establishing, or operating locally based, proactive programs to combat the unlawful sale, marketing, or distribution of controlled substances using social media platforms	Gabe Evans	9/26/2025 – Introduced, Referred to the House Committee on the Judiciary

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	S. 3522	No Red Tape For Addiction Treatment Act: A bill to amend title XIX of the Social Security Act to require that State Medicaid programs provide at least one formulation of each type of medication for the treatment of opioid use disorder without prior authorization or limitations on dosage, and for other purposes.	Margaret Wood Hassan	12/17/2025 – Introduced, Read Twice, Referred to Committee on Finance

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.		 PDF 2025-5-2-HB4255-4256_Opposition_Letter.pdf
	H.R.1 Implementation	As states move to implement the Medicaid provisions of H.R. 1, behavioral health providers face both operational challenges and critical opportunities to shape the path forward. This journey map is designed to equip National Council for Mental Wellbeing members with clear, actionable guidance on the policy changes ahead, the roles of key stakeholders, and the opportunities that matter most for engagement. By proactively collaborating with state officials, leveraging community partnerships, and elevating the needs of people with mental health and substance use challenges, providers can help ensure implementation decisions preserve and strengthen access to care.		H.R.1 Implementation Journey
	SAMHSA Action Alert	Congress must keep mental health a bipartisan priority in the FY 26 appropriations bill		Funding Restored! Thank Congress & Encourage them to Keep Mental Health a Bipartisan Priority

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/)

EXECUTIVE COMMITTEE SUMMARY

Wednesday, January 21, 2026, 1:00 PM

Present: Patricia Gardner, Janet Thomas, Richard Kanten, Craig Van Beek

Absent: Ron Bacon

LRE: Mary Marlatt-Dumas, Stephanie VanDerKooi, Stacia Chick

WELCOME and INTRODUCTIONS

- i. Review of January 21, 2026, Meeting Agenda
- ii. Review of December 11, 2025, Meeting Minutes

January 21, 2026, agenda and December 11, 2025, meeting minutes are accepted as presented.

MDHHS UPDATES

- i. FY22 Cost Settlement Update
 - Currently no update.
- ii. Treasury Department Update
 - Currently no update. LRE should receive the next payment within the next couple months.
- iii. 4 PIHPs Lawsuit
 - Currently no update.
- iv. PIHP Rebid Update
 - There has been no new information currently. The ruling was issued on January 8, and Judge Yates gave MDHHS 30 days to either revise the RFP or withdraw it.
 - An email was distributed by CMHAM outlining areas to be addressed in reshaping the mental health system, which will be discussed at the next Director's Forum (1/28/26).

BOARD MEETING AGENDA ITEMS

- i. Internal Service Fund (ISF) Analysis
 - Jason Stading from Wakely will present the ISF analysis during the January Board meeting.
- ii. Action Items – None

BOARD WORK SESSION AGENDA

- i. Work Sessions vs. Board Meeting
 - To better utilize Board members' time, LRE will begin covering more items during Board meetings rather than holding separate Work Sessions, although Work Sessions will be used when needed.
- ii. Work Session Agenda Items/Cancel

- The January Work Session will be cancelled.

CEO DISCUSSION WITH EXECUTIVE COMMITTEE

LRE CEO and Executive Committee discussed various concerns and possible solutions.

PIHP CEO PERFORMANCE EVALUATION

The next Executive Committee meeting will be used to update the LRE CEO goals.

OTHER

UPCOMING MEETINGS

- January 28, 2026 – LRE Executive Board Work Session, 11:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- February 18, 2026, – Executive Committee, 1:00PM
- February 26, 2026 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- February 26, 2026 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

Lakeshore Regional Entity Board Financial Officer Report for January 2026

1/28/2026

- **Disbursements Report** – A motion is requested to approve the December 2026 disbursements. A summary of those disbursements is included as an attachment.
- **Statement of Activities** – Report through November is included as an attachment. These figures are draft and will not be final until after the audit is complete.
- **LRE Combined Monthly FSR** – The November 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 **surplus** fiscal year-to-date through November of \$4.1 million, a projected annual **deficit** of \$1.7 million, and a budgeted **deficit** of \$1.8 million regionally (Medicaid and HMP) is shown in this month's report. All CMHSPs have an actual **surplus** except Network180 who has a **deficit** of \$2.5 million. HealthWest and West Michigan CMH have projected **surpluses**. Network180 and CMH of Ottawa have projected **deficits**. OnPoint is projected to breakeven. All CMHSPs have a budgeted **surplus or breakeven**, except Network180 with a budgeted **deficit** of \$2.1 million.

HealthWest, OnPoint, and West Michigan reported **surpluses** for the first two months; however, they reported those surpluses will be reduced throughout the year to end more in line with their budgets.

Network180 reported a \$2.5 million **deficit** for the first two months, though their annual **deficit** is projected at \$2.1 million in line with their November budget submission. They reported that they are developing and implementing changes to meet this target.

CMH of Ottawa reported a \$1.7 million **surplus** but projected a \$3.5 million **deficit**, which was not indicated in their November budget submission. They are seeking authority status to better manage expenses.

The Operations Advisory Council will meet in the second week of February to address regional financial issues.

- **Cash Flow Issues** – No new concerns reported to LRE. N180 has an outstanding \$6 million cash advance due May 1, 2026. At the January 20, 2026 Finance ROAT meeting, CMHSP Members confirmed current cash flow and payment timing processes are effective and require no changes.
- **Treasury/IPA Update** – On January 22, 2026, MDHHS made a gross adjustment payment to LRE, covering the full amount owed back to Treasury for the quarterly IPA payment scheduled on January 30, 2026.
- **FY2025 Rate Amendment #5** – MDHHS issued amendment number 5 to the FY25 capitation rates to fund the \$12.48 minimum wage increase under the Improved Workforce Opportunity Wage Act and cover extra employer costs from the Michigan Earned Sick Time Act. A gross adjustment payment is

expected by early February, adding \$35.7 million to the system. Region-specific impacts are unknown, so LRE's financial effect cannot be estimated.

- FY2026 Revenue Projections** – The FY26 December revenue projection is \$398.6 million, a decrease of \$1 million from October. This includes a \$590,543 reduction due to decreased enrollment and an additional \$416,995 reduction to account for the year-to-date difference between FY26 waivers paid at FY25 rates and the estimated revenue at FY26 rates. Most of the overpayment comes from the children's waiver, with rates dropping by more than 40% from FY25 to FY26. MDHHS is working to resolve the waiver payment issue and plans to recoup the waiver revenue and repay it at the correct rates. The projections below reflect estimated waiver revenue at FY26 rates.

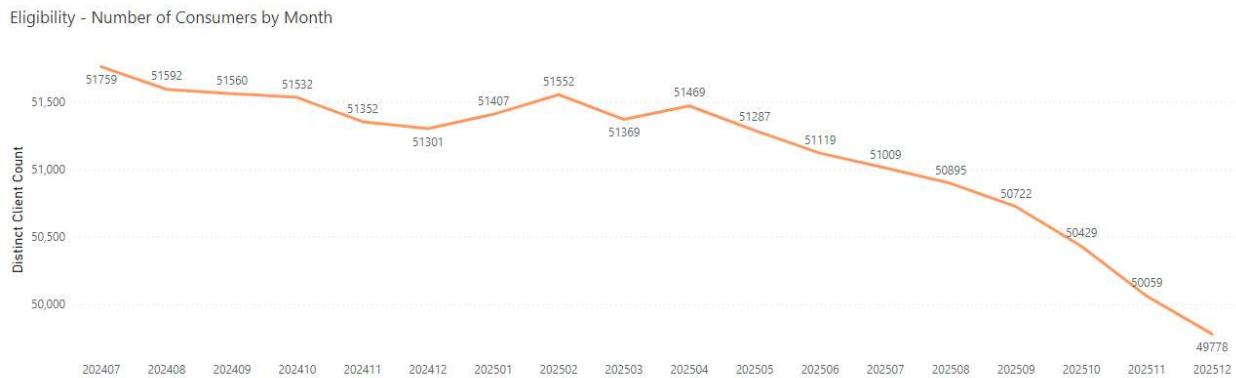
FY 2026 Revenue Projection - Waivers Estimated at FY26 Rates						
Total LRE (Net of CCBHC)				CMHSPs Breakdown (Net of CCBHC)		
	FY26 Initial	FY26 Current		FY26 Initial Budget	FY26 Current Budget	FY26 Initial to Current Change
	Budget	Budget	FY26 Initial to Current Change			
	Projection	Projection		Projection	Budget Projection	Current Change
MCD - MH	\$ 221,863,409	\$ 219,150,080	\$ (2,713,329) -1.22%			
MCD - SUD	\$ 7,740,324	\$ 8,576,123	\$ 835,800 10.80%			
HMP - MH	\$ 19,320,790	\$ 21,542,320	\$ 2,221,530 11.50%			
HMP - SUD	\$ 11,287,878	\$ 13,264,517	\$ 1,976,639 17.51%			
Autism	\$ 62,981,309	\$ 67,554,270	\$ 4,572,961 7.26%			
Waiver	\$ 61,708,840	\$ 54,563,038	\$ (7,145,802) -11.58%			
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	\$ -	\$ (3,776,414) -100.00%			
Total Region	\$ 402,656,192	\$ 398,627,576	\$ (4,028,616) -1.00%			
Waiver Check Totals (over/-under)	\$ -					
Total CMHSPs (Net of CCBHC)						
	FY26 Initial	FY26 Current				
	Budget	Budget	FY26 Initial to Current Change			
	Projection	Projection		Projection	Budget Projection	Current Change
OnPoint	\$ 33,069,401	\$ 32,488,202	\$ (581,199) -1.76%			
Healthwest	\$ 78,479,428	\$ 79,116,525	\$ 637,097 0.81%			
Network180	\$ 193,243,377	\$ 192,305,302	\$ (938,075) -0.49%			
Ottawa	\$ 55,874,506	\$ 53,690,061	\$ (2,184,445) -3.91%			
West Michigan	\$ 24,279,575	\$ 27,093,995	\$ 2,814,420 11.59%			
Total CMHSPs	\$ 384,946,286	\$ 384,694,085	\$ (252,201) -0.07%			
Average PMPM - Net of CCBHC Supplemental & SUDHH Revenue						
	FY26 Initial	FY26 Current				
	Budget	Budget	FY26 Initial to Current Change			
	Projection	Projection		Projection	Budget Projection	Current Change
OnPoint	\$ 138.83	\$ 135.98	\$ (2.85) -2.05%			
Healthwest	\$ 146.57	\$ 145.05	\$ (1.52) -1.03%			
Network180	\$ 128.72	\$ 126.27	\$ (2.45) -1.90%			
Ottawa	\$ 131.01	\$ 127.84	\$ (3.17) -2.42%			
West Michigan	\$ 137.01	\$ 140.07	\$ 3.06 2.24%			
Total CMHSPs	\$ 133.78	\$ 131.71	\$ (2.07) -1.55%			
Member Month Projection						
	FY26 Initial	FY26 Current				
	Budget	Budget	FY26 Initial to Current Change			
	Projection	Projection		Projection	Budget Projection	Current Change
OnPoint	258,564	238,915	(19,649)			
Healthwest	591,432	545,442	(45,990)			
Network180	1,633,680	1,522,922	(110,758)			
Ottawa	461,520	419,622	(41,898)			
West Michigan	211,824	193,426	(18,398)			
Total Member Months	3,157,020	2,920,329	(236,691)			
Waiver						
OnPoint	\$ 6,573,006	\$ 5,767,111	\$ (805,895)			
Healthwest	\$ 14,571,772	\$ 12,789,408	\$ (1,782,364)			
Network180	\$ 26,154,220	\$ 23,222,023	\$ (2,932,197)			
Ottawa	\$ 10,216,633	\$ 9,072,705	\$ (1,143,928)			
West Michigan	\$ 4,193,209	\$ 3,711,792	\$ (481,416)			
Total Waiver	\$ 61,708,840	\$ 54,563,038	\$ (7,145,802)			

CMHSPs Breakdown - SUDHH			
	FY26 Initial Budget Projection	FY26 Current Budget Projection	FY26 Initial to Current Change
OnPoint	\$ -	\$ -	\$ -
Healthwest	\$ -	\$ -	\$ -
Network180	\$ -	\$ -	\$ -
Ottawa	\$ 43,737	\$ 43,737	\$ -
West Michigan	\$ -	\$ -	\$ -
Total Waiver	\$ 43,737	\$ 43,737	\$ -

- **Financial Data/Charts** – The charts below show regional eligibility trends by population. The number of Medicaid eligible individuals in our region determines the amount of revenue the LRE receives each month. Data is shown for July 2024 – December 2025. The LRE also receives payments for other individuals that are eligible for behavioral health services (i.e. individuals enrolled and eligible for the Habilitation Supports Waiver (HSW) program. This chart has been added. Due to the end of the PHE, Medicaid eligibility redeterminations resumed in July 2024.

LRE has seen decreasing enrollments in DAB, TANF, and HMP, similar to trends reported across the state. The PIHPs shared combined enrollment data with MDHHS, which is investigating possible system issues but has found no evidence yet. The MDHHS Actuarial division head will meet with PIHP CFOs on January 27, 2026. Updates will follow as new information becomes available.

DAB



HMP



TANF

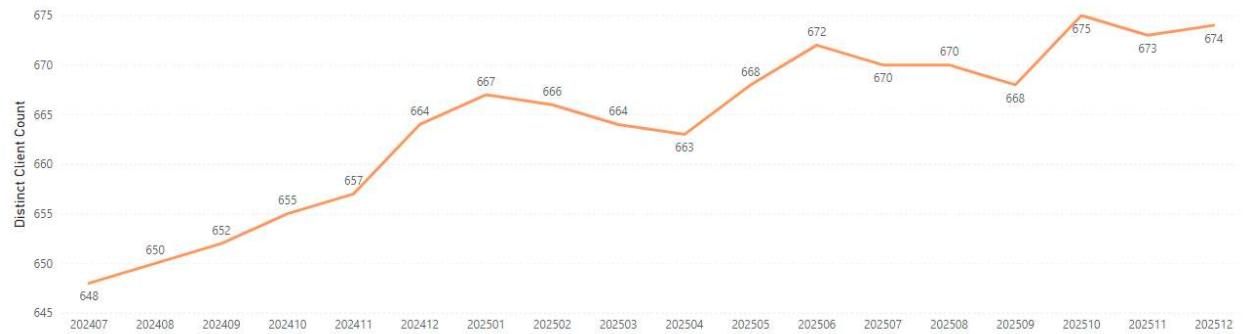
Eligibility - Number of Consumers by Month



Remittance Refresh Date: 1/14/2026 Eligibility Refresh Date: 1/17/2026

HSW

Eligibility - Number of Consumers by Month



LRE has been closely tracking missing HSW payments, and per MDHHS requirements, those missing payments are reported to MDHHS four months after the missing payment occurred.

- **Legal Expenses** – Below, this chart contains legal expenses of the LRE that have been billed to the LRE to date for FY2022 through FY2026.

Lakeshore Regional Entity Legal Expenses Report

Fiscal Year	By-Laws		Health West	N180	State Fair			Total
	Managed Care / MDHHS Contract	Operatiing Agreement			Litigation	General	Hearings	
FY22	\$ 187,807.86	\$ 12,200.00	\$ 30,555.94	\$ -	\$ 325.00	\$ -	\$ 812.50	\$ - \$ 231,701.30
FY23	\$ 149,640.86	\$ -	\$ 10,720.00	\$ 52,874.13	\$ 10,250.00	\$ -	\$ -	\$ - \$ 223,484.99
FY24	\$ 9,186.40	\$ -	\$ 387.20	\$ 1,154.40	\$ 50,000.00	\$ -	\$ -	\$ - \$ 60,728.00
FY25	\$ 24,018.83	\$ -	\$ -	\$ -	\$ 178,998.45	\$ 18,802.00	\$ -	\$ 74,954.20 \$ 296,773.48
FY26	\$ -	\$ -	\$ -	\$ -	\$ 25,614.00	\$ -	\$ -	\$ - \$ 25,614.00
Total	\$ 370,653.95	\$ 12,200.00	\$ 41,663.14	\$ 54,028.53	\$ 239,573.45	\$ 18,802.00	\$ 812.50	\$ 74,954.20 \$ 812,687.77

As of December 31, 2025

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

Meeting Date: January 28, 2026

RECOMMENDED MOTION:

To approve the December 2025 disbursements of \$35,764,681.65 as presented.

SUMMARY OF REQUEST/INFORMATION:

<u>Disbursements:</u>	
Allegan County CMH	\$2,848,423.46
Healthwest	\$7,072,650.38
Network 180	\$16,821,016.41
Ottawa County CMH	\$4,749,632.26
West Michigan CMH	\$2,391,420.55
SUD Prevention Expenses	\$317,849.80
Hospital Reimbursement Adjuster (HRA)	\$622,224.00
SUD Public Act 2 (PA2)	\$308,753.52
Administrative Expenses	\$1,254,935.27
Total:	\$35,764,681.65

95.63% 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:** 1/21/2026



Statement of Activities - Actual vs. Budget
Fiscal Year 2025/2026

As of Date: 11/30/25

	Year Ending 9/30/2026	11/30/2025		
	FY26 Budget <u>Amendment 1</u>	Budget to Date	Actual	Actual to Budget Variance
Operating Revenues				
Medicaid, HSW, SED, & Children's Waiver	301,240,389	50,206,732	50,574,303	367,571
DHS Incentive	471,247	78,541	-	(78,541)
Autism Revenue	67,936,338	11,322,723	11,902,177	579,454
Healthy Michigan	35,315,883	5,885,981	6,368,572	482,591
Performance Bonus Incentive	2,648,663	441,444	-	(441,444)
Hospital Rate Adjuster (HRA)	23,383,692	3,897,282	-	(3,897,282)
Member Local Contribution to State Medicaid	1,007,548	167,925	167,925	(0)
Health Homes (BHH/SUDHH)	54,672	9,112	1,458	(7,654)
MDHHS Grants	10,798,608	1,799,768	69,249	(1,730,519)
PA 2 Liquor Tax	5,166,548	861,091	-	(861,091)
Interest Earnings	1,365,174	227,529	103,993	(123,536)
Use of ISF/Savings	1,746,450	291,075	-	(291,075)
Miscellaneous Revenue	5,500	917	-	(917)
Total Operating Revenues	451,140,713	75,190,119	69,187,677	(6,002,442)
Expenditures				
Salaries and Fringes	8,006,979	1,334,497	794,458	(540,039)
Office and Supplies Expense	316,958	52,826	29,781	(23,045)
Contractual and Consulting Expenses	1,025,954	170,992	118,617	(52,375)
Managed Care Information System (PCE) *	345,200	57,533	49,200	(8,333)
Legal Expense *	229,000	38,167	17,314	(20,853)
Utilities/Conferences/Mileage/Misc Exps	3,998,465	666,411	47,705	(618,706)
Grants - MDHHS & Non-MDHHS	637,422	106,237	85,032	(21,205)
Hospital Rate Adjuster / Taxes	28,295,860	4,715,977	-	(4,715,977)
Prevention Expenses - Grant & PA2	3,214,006	535,668	447,666	(88,001)
SUD Treatment Expenses - Grants	693,492	115,582	17,803	(97,779)
Member Payments - Medicaid/HMP	392,126,153	65,354,359	66,465,827	1,111,468
Member Payments - PA2 Treatment	3,838,837	639,806	151,956	(487,850)
Member Payments - Grants	7,404,838	1,234,140	618,130	(616,009)
Local Contribution to State Medicaid	1,007,548	167,925	167,925	(0)
Total Expenditures	451,140,712	75,190,119	69,011,414	(6,178,705)
Total Change in Net Assets	0	0	176,263	176,263

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



Statement of Activities

Budget to Actual Variance Report

For the Period ending November 30, 2025

As of Date: 11/30/25

Operating Revenues

Medicaid/HSW/SED/CWP	N/A - Closely aligned with the current budget projections.
DHS Incentive	This revenue is received quarterly beginning in April.
Autism Revenue	Enrollment figures are declining and we expect subsequent revenues to decrease.
Healthy Michigan	Enrollment figures are declining and we expect subsequent revenues to decrease.
Performance Bonus Incentive	FY26 Revenue will be received after the end of the fiscal year if health plan performance metrics are met.
Hospital Rate Adjuster	HRA is typically paid quarterly. First quarter HRA payment will likely be received in quarter two.
Member Local Match Revenue	N/A - Closely aligned with the current budget projections.
MDHHS Grants	SUD grant payments are received quarterly. First payment expected in quarter two.
PA 2 Liquor Tax	PA2 revenues are received quarterly, after the Department of Treasury issues payments to the counties.
Interest Revenue	Interest is down with 2 CDs maturing. Reinvestment is pending.
Use of ISF/Savings	Revenue will likely be applied to CMHSP Member deficits at year end, as needed, per the Board approved FY26 Risk Management Strategy Plan.
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. Will be monitored for adjustments during the next amendment.
Office and Supplies	Some expenses in this category will occur later in the fiscal year. Will be monitored for adjustments during the next amendment.
Contractual/Consulting	Some expenses in this category will occur later in the fiscal year. Will be monitored for adjustments during the next amendment.
Managed Care Info Sys	Some expenses in this category will occur later in the fiscal year.
Legal Expense	Some expenses in this category will occur later in the fiscal year.
Utilities/Conf/Mileage/Misc	This line item includes LRE's contingency fund and will be monitored for adjustments during the next amendment.
Grants - MDHHS & Non-MDHHS	Lower grant activity billed for October.
HRA/Taxes	HRA is typically paid quarterly. First quarter HRA payment will likely be paid in quarter two.
Prevention Exps - Grant/PA2	MDHHS SUD grant payments are made quarterly.
Member Med/HMP Payments	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.
Member Grant Payments	Most of these payments are billed to 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.

Lakeshore Regional Entity Combined Monthly FSR Summary

FY 2025

November 2025 Reporting Month

Reporting Date: 1/20/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Total Distributed Medicaid/HMP Revenue	13,556,717	33,457,492	5,604,545	9,289,868	4,557,204	1,057,074	67,522,901
Total Capitated Expense	10,389,659	35,639,715	5,179,363	7,563,385	3,305,751	1,057,074	63,134,947
Actual Surplus (Deficit)	3,167,058	(2,182,222)	425,182	1,726,483	1,251,454	-	4,387,954
% Variance	23.36%	-6.52%	7.59%	18.58%	27.46%	0.00%	
Information regarding Actual (Threshold: Surplus of 5% and deficit of 1%)	Expenses have been delayed in payment due to the year rollover. We expect this gap to close significantly.	Provider network service costs are consistent with the experience during the latter half of FY25.	OnPoint held on provider rate increase until January 1, 2026 to confirm revenue was coming in as expected. This surplus is expected to be utilized in future months.	Expenses have yet to catch up with actual services provided for the two months this report covers	There has been a delay with some provider contracts which caused a delay in claims submission. WM expects the excess will be minimal once claims are up to date.	Less than threshold for explanation.	
<i>LRE Note: Actual revenue is understated/(overstated) by the amount listed due to MDHHS paying FY25 rates for waivers instead of FY26 rates. MDHHS intends to recoup and repay at the correct rates at a later date.</i>							
Actual Surplus (Deficit)	43,463	(317,692)	(55,294)	(917)	55,639		(274,801)
	3,210,521	(2,499,914)	369,888	1,725,566	1,307,093		4,113,153
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
LRE Revenue Projections as of: October							
Total Projected Medicaid/HMP Revenue	79,430,870	192,985,427	32,595,721	53,601,952	27,043,915	13,922,556	399,580,442
Total Capitated Expense Projections	-	0	-	-	-	-	
Projected Surplus (Deficit)	75,561,156	195,064,397	32,595,721	57,070,990	27,043,915	13,922,556	401,258,736
% Variance	3,869,714	1,566,724	(0)	(3,469,038)	0		(1,678,294)
Information regarding Projections (Threshold: Surplus of 5% and deficit of 1%)	Less than threshold for explanation.	Projections are consistent with the FY26 spending plan submitted. N180 is seeking additional funding to support programs due to LRE revenue revision.	Less than threshold for explanation.	Projecting similar expenses as last year and the FY25 deficit currently reporting, of which increase is due to rate increase & utilization, however, Medicaid revenue allocation has decreased for FY26 & is not keeping up with cost of providing services	Less than threshold for explanation.	Less than threshold for explanation.	
PROPOSED SPENDING PLAN:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Submitted to the LRE as of: Medicaid/HMP Revenue	11/12/2025	11/19/2025	11/10/2025	11/14/2025	11/12/2025		652,973
DRAFT ONLY - NOT ACCEPTED AS FINAL							
Total Budgeted Medicaid/HMP Revenue	79,430,870	192,985,427	32,595,722	53,601,952	27,043,915	13,922,556	399,580,442
Total Budgeted Capitated Expense	79,162,747	195,064,397	32,595,722	53,601,952	27,043,915	13,922,556	401,391,289
Budgeted Surplus (Deficit)	268,123	(2,078,970)	-	-	-	-	(1,810,847)
% Variance	0.34%	-1.08%	0.00%	0.00%	0.00%	0.00%	
Information regarding Spending Plans (Threshold: Surplus of 5% and deficit of 1%)	Less than threshold for explanation.	Projections are consistent with the FY26 spending plan submitted. N180 is seeking additional funding to support programs due to LRE revenue revision.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	
Variance between Projected and Proposed Spending Plan							
% Variance	3,601,591	0	(0)	(3,469,038)	0	-	132,553
	4.53%	0.00%	0.00%	-6.47%	0.00%	0.00%	
Explanation of variances between Projected and Proposed Spending Plan (Threshold: Surplus of 5% and deficit of 1%)	Less than threshold for explanation.	Less than threshold for explanation.	Less than threshold for explanation.	Spending plan did not take into consideration the FY25 deficit. Current exps projected higher than plan; however, budget reduction and utilization management strategies are currently being discussed in an attempt to address the projected variance	Less than threshold for explanation.	Less than threshold for explanation.	

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

November 2025 Reporting Month

Reporting Date: 1/20/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	4,348,852	(1,421,175)	(372,851)	1,008,030	906,990	4,469,847
Autism	(1,138,331)	(1,078,739)	742,739	717,536	400,102	(356,693)
Total Distributed Medicaid/HMP Revenue	3,210,521	(2,499,914)	369,888	1,725,566	1,307,093	4,113,153
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	15,761,601	1,566,724	(3,584,400)	(3,140,516)	(2,132,156)	8,471,253
Autism	(11,891,887)	(3,645,694)	3,584,400	(328,522)	2,132,156	(10,149,546)
Total Distributed Medicaid/HMP Revenue	3,869,714	(2,078,970)	(0)	(3,469,038)	0	(1,678,294)