
Meeting Agenda
BOARD OF DIRECTORS
Lakeshore Regional Entity
March 25, 2026 – 1:00 PM
GVSU Muskegon Innovation Hub
200 Viridian Dr, Muskegon, MI 49440

1. Welcome and Introductions – Ms. Gardner
 - i. New Board Member – Michelle Ferris, HealthWest
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.

 - March 25, 2026, Board of Directors meeting agenda (*Attachment 1*)
 - February 25, 2026, Board of Directors meeting minutes (*Attachment 2*)
5. Community Advisory Panel (*Attachment 3*)
6. Reports –
 - a. CEO – Ms. Marlatt-Dumas (*Attachment 4*)
 - b. LRE Leadership (*Attachment 5*)
 - i. CIO Report
7. Chairperson’s Report – Ms. Gardner (*Attachment 6*)
 - a. March 18, 2026, Executive Committee
8. Action Items –
 - a. Board Governance Policies (*Attachments 7, 8, 9*)

Suggested Motion: To approve LRE Board Governance Policies:

 - i. 10.4 Board Governance
 - ii. 10.12 Budget
 - iii. 10.19 Monitoring CEO Performance
9. Financial Report and Funding Distribution – Ms. Chick (*Attachment 10*)
 - a. FY2026, February Funds Distributions (*Attachments 11*)

Suggested Motion: To approve the FY2026, February Funds Distribution as presented.
 - b. Statement of Activities as of 1/31/2026 with Variance Reports (*Attachments 12*)
 - c. Monthly FSR (*Attachments 13*)

10. Board Member Comments

11. Public Comment

12. Upcoming LRE Meetings

- April 15, 2026 – Executive Committee, 1:00 PM
- April 22, 2026 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- April 22, 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
February 25, 2026 – 1:00 PM

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

WELCOME AND INTRODUCTIONS – Ms. Gardner

Ms. Gardner called the February 25, 2026, LRE Board meeting to order at 1:01 PM.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Ms. Thomas

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

Absent: Ron Bacon, Jon Campbell, Richard Kanten, Andrew Sebolt

PUBLIC COMMENT

No public comment.

CONSENT ITEMS:

LRE 26-01 Motion: To approve by consent the following items.

- February 25, 2026, Board of Directors meeting agenda
- December 17, 2025, Board of Directors meeting minutes

Moved: Bob Davis Support: Dave Parnin

MOTION CARRIED

ISF ANALYSIS – Jason Stading/Elliot McLeRoy

The ISF analysis is included in the packet.

Mr. Stading and Mr. McLeRoy reviewed the ISF analysis, noting that it includes three distinct scenarios—baseline, pessimistic, and optimistic—each projected over a three-year time horizon using a bootstrapping model. The analysis provides the LRE with valuable data to support future discussions, particularly if MDHHS becomes open to negotiating ISF amounts. Mr. Stading emphasized that the recommendations are specific to the LRE and reflect the current environment, acknowledging that these figures are subject to change and should be considered moving targets.

LEADERSHIP BOARD REPORTS

a. CEO Report

The CEO report is included in the packet

- Judge Patel has taken over the case, and oral arguments are scheduled to be heard.

- Expecting that the \$13.7 million cost settlement will begin to move forward now that the RFP had been withdrawn.
- CCBHC is creating challenging issues, leading to LRE becoming out of compliance with contract requirements. A significant amount of LRE staff time is being utilized without funding.
- There have been discussions with CMH CEOs regarding funding methodologies, including the possibility of collaborating with Region 10 to complete an analysis. A meeting with the CEOs has taken place, and further work will focus on utilization management in areas such as IP, CLS, and ABA.
 - There is interest in finding out cost of an analysis and the cost benefit.
- PIHPs are planning to engage in a process to demonstrate to MDHHS that the system is underfunded, with a data submission deadline of March 24.
- The PIHP rebid has been withdrawn. MDHHS has asked the PIHP/CMHs to drop their lawsuit, but they have declined to do so.
- The CMH Winter Conference included a segment on AI, during which LRE completed a readiness assessment and performed very well.

b. Residential Assessment

- This presentation will be postponed until the March Board meeting.

c. COO Report

The COO report is included in the packet.

- The QAPIP annual effectiveness review provides updates on LRE’s activities within the QAPIP. The region is performing well, and a link to the full report is included in the presentation.
- Ms. VanDerKooi reviews SUD Treatment and SUD Prevention Reports and the Veteran Navigators report for FY26. There is a link for the full reports within the presentation.
- Wednesday, March 11, 4pm Oversight Policy Board meeting at Ottawa County CMH.

CHAIRPERSON’S REPORT

January 21 and February 18, 2026, Executive Committee meeting minutes are included in the packet for information.

- 2025 CEO Evaluation and 2026 Goals
 - The CEO’s performance is trending positively, and the evaluation will be added to Ms. Marlatt-Dumas’ personnel file. The goals and objectives remain the same as those in 2025.

INVESTIGATE ALTERNATIVE FUNDING METHODOLOGIES – Bob Davis

Mr. Davis commented that he appreciates the initiative taken and that his request is being taken seriously. He noted that a formal motion is not necessary, as the region is already working on an analysis of his request.

ACTION ITEMS

LRE 26-02 Motion: To approve the agreement listed in Attachment 9.

Moved: Bob Davis Support: O’Nealya Gronstal

MOTION CARRIED

FINANCIAL REPORT AND FUNDING DISTRIBUTION

CFO Report is included in the Board packet for information.

FY2026 December and January Funds Distribution

LRE 26-03 Motion: To approve the FY2026, December and January Funds Distribution as presented.

Moved: Janet Thomas Support: Dave Parnin

MOTION CARRIED

Statement of Activities as of 11/30/2025 and 12/31/2025 with Variance Report-

Included in the Board packet for information.

Monthly FSR-

Included in the Board packet for information.

- Ms. Chick noted that there is a statewide decline in enrollment. This information has been sent to MDHHS, which may implement a rate adjustment if justified. MDHHS is currently reviewing the data.

BOARD MEMBER COMMENTS

- Mr. Davis thanked the board for considering his motion and expressed that he believes completing an analysis is worthwhile.
- Mr. Stek requested clarification on the next steps for advancing the RFP process. Although no formal confirmation or additional details are available, it was reported during the Winter Conference that MDHHS may currently be in the process of drafting a new RFP.
- Ms. Gardner recommended that Board members review the CMHA Winter Conference packet distributed by Ms. Marlatt-Dumas. She also reminded members that the Residential Assessment presentation has been rescheduled for the March Board meeting.

- Ms. Kelsey expressed concern regarding the absence of work sessions, noting that they provide valuable opportunities for professional collaboration and social interaction, which help Board members function effectively as a cohesive unit.

PUBLIC COMMENT

- Mr. Kuperus, President, David’s House, expressed appreciation to the region for conducting the residential assessment, noting that he participated as one of the providers. He emphasized the importance of reviewing the assessment, as it helps demonstrate that the system is underfunded. He stated that this is a worthwhile initiative that should be addressed at the regional level. Mr. Kuperus also expressed gratitude for the work completed and looks forward to the presentation in March.
- Ms. Johnson, President, Thresholds expressed gratitude for the region’s interest in residential services, noting that these services represent a significant portion of the budget and are critically important. She emphasized the importance of provider input, acknowledged that the system is underfunded, and affirmed her commitment to supporting efforts to address these challenges.
- Dr. Brashears, Director, Ottawa CMH, noted that tomorrow’s vote will determine whether Ottawa CMH becomes an authority. If approved, implementation is expected to take about a year, with Miller Johnson representing Ottawa. Dr. Brashears will ensure engagement with LRE throughout the process and will update the LRE Board on the outcome.

UPCOMING LRE MEETINGS

- March 12, 2026 – LRE Community Advisory Panel, 1:00 PM
- March 18, 2026 – Executive Committee, 1:00 PM
- March 25, 2026 – LRE Executive Board Work Session, 11:00 AM
[GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440](#)
- March 25, 2026 – LRE Executive Board Meeting, 1:00 PM
[GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440](#)

ADJOURN

Ms. Gardner adjourned the February 25, 2026, LRE Board of Directors meeting at 2:53 PM.

Ron Bacon, Board Secretary

Minutes respectfully submitted by:
Marion Moran, Executive Assistant

COMMUNITY ADVISORY PANEL MEETING NOTES

Thursday, March 12, 2026 – 1:00 PM to 3:00 PM

Virtual Teams Meeting or Call In

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

Absent: Sharon P.

CMH: Cathy Potter (OnPoint), Jodi Garrow (WM CMH), Max Knoth (Ottawa CMH), Chelsea Clark (Ottawa)

LRE: Stephanie VanDerKooi, Michelle Anguiano, Mari Hesselink, Autumn Hartpence

1. Welcome and Introductions.
 - i. Review of March 12, 2026, Agenda (*Attachment 1*)
 - ii. Review of December 11, 2025, Meeting Minutes (*Attachment 2*)

March 12, 2026, meeting agenda and December 11, 2025, meeting minutes are accepted as presented.

2. Member Stories – Limit 5 minutes
 - i. Member Experiences
 - The group was informed that Demario P. intends to run for a City Commissioner seat in Muskegon County.
 - Shawnee has been engaging in online advocacy efforts supporting individuals with mental health and substance use disorder (SUD) challenges.
3. Veteran Navigator – Autumn Hartpence
 - Autumn discussed her role as a veteran navigator, assisting veterans in accessing and navigating community resources. She highlighted the *Walking with Warriors* program, which supports veterans by helping guide them through available services and resources. The program provides resources not only for veterans but also for their family members, including spouses, parents, and children.
 - Autumn noted that each county has a veteran navigator.
 - Autumn Hartpence - contact information is autumnh@lsre.org, 231-260-0721.
4. Community Advisory Panel –
 - i. LRE Newsletters
 - [CAP](#) (*Attachment 3*)
 - The newsletter is posted on the LRE website.

- Members were encouraged to share any information or updates they would like included in upcoming issues. Submit to Mari (marih@lsre.org), Michelle (michellea@lsre.org) or Marion (mariond@lsre.org)

5. PIHP Updates

i. PIHP System Competitive Procurement (Bid-Out) Update

- [Michigan paid consultants \\$2.9M for failed mental health redesign -Bridge Michigan](#)
 - Michigan Department of Health and Human Services (MDHHS) has pulled back the RFP, and stakeholders are still awaiting next steps. MDHHS held meetings with the PIHPs and CMHs, however, very little additional information was provided.

ii. Board Report (*Attachment 4*)

- Quality Assessment Performance Improvement Programs (QAPIP) Annual Effectiveness Review
 - The QAPIP PowerPoint is included in the meeting packet. Overall, the organization has performed well in meeting its goals, with only two measures not being met, both related to follow-up after hospitalization.
- SUD FY25 Prevention/Treatment Reports
 - The Prevention/Treatment Reports PowerPoint is included in the meeting packet. LRE is doing well with meeting or almost meeting metrics.

iii. Customer Satisfaction Report (*Attachment 5*)

- The Customer Satisfaction report is included in the meeting packet. The same survey will be used moving forward to allow for better year-to-year data comparison. Michelle noted that the surveys are administered through multiple methods, including in person, by mail, via QR code, and online.
- Cathy Potter (OnPoint) will inquire whether one of the OnPoint Peer Support Specialists would be willing to attend the next meeting to provide an overview of their role and discuss the services they provide.

iv. PIHP Use of Artificial Intelligence (CoPilot) Update

- LRE allows staff to use CoPilot and has established an internal AI workgroup, along with ongoing educational meetings for staff. Additionally, there is a regional AI workgroup. LRE is currently developing an AI roadmap, as well as associated policies and procedures.
- Stephanie noted that when using AI, no protected health information (PHI) is utilized. Additionally, the version of CoPilot used by LRE is strictly internal and is not accessible via the public internet.

6. State Updates –

i. FY26 Proposed State Budget (*Attachment 6*)

- The Governor has released the FY27 budget, which is included in the packet. The state and legislators are currently reviewing it. Also included is a document highlighting areas related to mental health and substance use disorder (SUD) services.

ii. Legislative Update (*Attachment 7*)

- The legislative update document includes a list of federal and state legislation related to mental health and substance use disorder (SUD). A new section has been added covering legislation related to artificial intelligence (AI).
- Stephanie will search for resources providing information about voting and candidates running for various offices to include in the next packet.

iii. Oversight Policy Board (OPB), March 11, 2026, 4:00pm, CMHOC Board Room, 12265 James Street, Holland, MI 49424

- The OPB approved PA2 funds for Community Mental Health of Ottawa County.
- There are 2 new OPB Members that attended.
- Next meeting is June 10, 2026, 5:00pm, CMHOC Board Room, 12265 James Street, Holland, MI 49424.

7. LRE Board Meeting

March 25, 2026 (1:00PM) – LRE Board Meeting

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

Call-in information will be posted on the LRE website

8. Upcoming CAP Meetings (2nd Thursday of every third month [Quarterly] -

1:00 pm to 3:00 pm)

2026 – March 12, June 11, September 10, December 10

FUTURE AGENDA ITEMS

CEO Report
March 25th, 2026

Thank you for the opportunity to provide this month's update for the Lakeshore Regional Entity (LRE).

1. PIHP UPDATE

- Last month's board meeting audio challenges: After investigation and testing of LRE's sound system and equipment, the issue was determined to be intermittent Wi-Fi connectivity at the Innovation Hub. LRE has implemented mitigation strategies to reduce the likelihood of recurrence.

2. REGIONAL UPDATE

- FY22 Cost Settlement

LRE and its legal counsel have not filed a lawsuit currently. Counsel, in coordination with the Attorney General's (AG) office, continues to pursue resolution without litigation. MDHHS has recouped \$4.8 million from the region's HSW payment and has agreed not to recoup additional amounts of the remaining \$13.7 million without providing 21 days' notice. This notice period would allow LRE counsel time to file in the Court of Claims, if necessary. Counsel continues to communicate with the AG to determine whether MDHHS is fully considering the information provided or whether the parties are at an impasse. The AG filed a motion for summary disposition on July 13, and LRE confirmed it will not consent to dismissal. LRE counsel responded by August 13. The motion has been fully briefed, and we are awaiting the court's ruling. LRE continues to await the Court's decision on the motion. No explanation has been provided for the delay, and counsel has limited ability to influence timing. While counsel could request a status conference, the value of doing so is unclear. **Considerations:** potential increased legal costs, the possibility of an unfavorable ruling, and the risk of immediate additional recoupment of funds. **Potential benefit:** obtaining a definitive decision. However, if the RFP proceeds, MDHHS may ultimately recoup the funds regardless. Given these factors, the potential benefits do not appear to outweigh the associated risks at this time.

Update: No additional updates at this time.

- FY25 MDHHS/PIHP Contract Lawsuit
 - Four of the five PIHPs that did not sign the original contract filed a complaint against MDHHS. The motion for summary disposition has been fully briefed, and the PIHPs are awaiting either oral argument or a ruling from the court.
 - LRE redlined and signed the FY25 PIHP/MDHHS contract; however, LRE did not join the lawsuit referenced above.
 - The lawsuit filed by the other four PIHPs has not had material movement in the courts since May 2025.

Update: Oral arguments are scheduled for April 9 in Detroit (time TBD), following a rescheduling from March 26.

- Needs Based Model Analysis
 - **Update:** Work is in progress. We anticipate sharing additional information next month, including a preliminary timeline if available.
- Residential Assessment Presentation
 - This project is temporarily paused while we obtain clarification on several outstanding issues. We anticipate resolution within approximately three weeks. Given the importance of this work, we are proceeding deliberately to ensure it is completed accurately.
- Ottawa County Community Mental Health Authority Status
 - On February 26, 2026, the Ottawa County Board of Commissioners voted to approve Ottawa CMH's transition from a county department to an authority.
 - The county and the CMH are developing a transition plan, including timelines and key activities.
 - LRE will continue to monitor this transition for potential budget and regional impact.
- Oversight Policy Board (OPB)
 - Met March 11, 2026 (draft minutes and annual meeting schedule attached).
 - The OPB approved Ottawa County's Reserve PA2 request. The OPB welcomed 2 new Kent County members and reviewed changes (below) made to the OPB bylaws (attached).

Attendance:

- a. Oversight Policy Board members are expected to attend 100% of regularly scheduled meetings throughout their appointed term. Board members should include regular meeting times in their personal calendars and refrain from scheduling conflicting meetings during that time.
 - b. Board members may occasionally miss meetings due to circumstances beyond their control (e.g., illness, travel schedules, jury duty, or other unforeseen circumstances). These will generally be considered “excused” absences. In such cases, board members must notify the Board Chair in advance of any anticipated absence from a regularly scheduled meeting. Missing a meeting without notification is unacceptable.
 - c. Members who are unable to meet attendance requirements will be asked to resign from their appointment so that the Oversight Policy Board is able to function appropriately. LRE Oversight Policy Board and staff will work cooperatively with county commissions to ensure members are aware of attendance requirements.
- Strategic Plan
 - LRE is entering the final year of a three-year strategic plan, and in the final year of the separate three-year SUD plan. In addition, the current environment (i.e., potential structural change, etc.) and a new PIHP CEO are important considerations. The LRE team has begun considering what changes should be made to the plan and how to initiate planning for the next three years. The team recommends maintaining a three-year planning cycle as suggested by departmental guidance and our current environment. As part of the April Board work session, the Board will be asked to share their perspective about how the environment has changed, and any emerging risks or opportunities that they see. Board input will be incorporated into larger feedback from internal leadership and member CMHSPs. LRE will then develop proposed updates to the current plan and bring these back to the Board for review and consideration.
 - Health Service Advisory Group (HSAG)
 - HSAG Annual Performance Measure Validation (PMV) and Network Adequacy Validation (NAV) reviews are upcoming.
 - LRE staff will participate in a technical guidance webinar to support the process.

- LRE Site Reviews
 - LRE has completed 2 of 5 CMHSP site reviews.
 - Forest View and Pine Rest inpatient units have been evaluated.
 - Since the last Board meeting, 4 SUD providers have been reviewed.

3. STATE OF MICHIGAN/STATEWIDE ACTIVITIES

- System Re-design
 - CMHA convened a system re-design meeting with several CMH directors and a small number of PIHP CEOs. The group is working to address topics including board governance, consistency in the Medicaid service array, provider network management, and financial and operational transparency.

Legislative Update: The legislative report is included in the Board materials.

Other:

- Prescription Summit conference in Nashville, TN (April 5–10)
- May is Mental Health Awareness Month

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



Meeting Minutes (proposed)
SUD OVERSIGHT POLICY BOARD

Wednesday, March 11, 2026 4:00 PM
 Board Room - Community Mental Health of Ottawa County
 12265 James Street, Holland, MI 49424

CALL TO ORDER:

Ms. Patrick Sweeney, LRE OPB Chair, called the March 11, 2026, LRE Oversight Policy Board meeting to order at 4:00 PM.

ROLL CALL/INTRODUCTIONS:

Mr. Sweeney welcomed new members Erin Gillmet and Nancy Morales to the Oversight Policy Board.

MEMBER	P	A	MEMBER	P	A
Zee Bankhead	x		Richard Kanten	x	
Shelly Cole-Mickens		x	Nancy Morales	x	
Jessica Cook	x		David Parnin	x	
Mark DeYoung	x		Sarah Sobel		x
Dawn Fuller		x	James Storey		x
Erin Gillmet	x		Joe Stone	x	
Jordan Jorritsma		x	Patrick Sweeney	x	
Rebecca Lange	x		Robert Walker	x	
Horace Lattimore	x				

PUBLIC COMMENT

No public comment

CONFLICT OF INTEREST

No conflict of interest declared.

REVIEW/APPROVAL OF AGENDA - Chair

LRE OPB 26-01 Motion: To approve the March 11, 2026, LRE Oversight Policy Board meeting agenda as presented.

Moved by: Cook Support: Walker

MOTION CARRIED

REVIEW/APPROVAL OF MINUTES-Chair

LRE OPB 26-02 Motion: To approve the December 10, 2025, LRE Oversight Policy Board meeting minutes as presented.

Moved by: Parnin Support: Cook

MOTION CARRIED

OLD BUSINESS

LRE Bylaws Amendments

LRE OPB 26-03 Motion: To approve amendments to the Lakeshore Regional Entity Oversight Policy Board Bylaws as presented

Moved by: Walker Support: Kante

MOTION CARRIED

Ms. VanDerKooi reviewed the proposed changes. Mr. DeYoung noted that the next meeting conflicts with a Board Association Conference and may need to change the meeting. Mr. Walker suggested that the bylaws be sent to each county administrator noting the changes and attendance requirements.

NEW BUSINESS/ACTION

Nomination and Selection of Officers - – Patrick Sweeney (*Attachment 4*)

LRE OPB 26-04 Motion: To continue with the current slate of officers: Patrick Sweeney, Chair; Rebecca Lange, Vice Chair; and Sarah Soble, Secretary for an additional one-year term.

Moved by: Walker Support: Stone

MOTION CARRIED

Finance Report - Maxine Coleman

i. Statement of Activities

Ms. Coleman reviewed the report of activities through January 31, 2026. Block grant expenditures are currently near budgeted percentage; Block Grant revenue is slightly under projections due to timing of distributions after billing (only one quarter of funding has been received to date). No areas of concern noted.

PA2 Revenue is under expectations as there has not yet been distributed for 1st quarter (funds were allocated elsewhere). Payment for second quarter is expected in May and there are no concerns at this time. PA2 Expenditures are at about 25 percent and are being covered by reserve funding.

Medicaid and Healthy Michigan revenue is within targeted budget.

- ii. PA2 Fund Balance Report – presented for information. Fund balances continue to increase, but the growth rate has slowed as some counties are accessing reserve funds. FY25 is not yet audited.

Community Mental Health of Ottawa County Reserve PA2 Request for Special Projects

LRE OPB 26-05 Motion: To approve the request from Community Mental Health of Ottawa County for Reserve FY26 PA2 funds in the amount of \$172,000 for Community Based Treatment program to provide SUD outpatient services including screening, assessment, treatment, case management, and recovery coaching.

Moved by: Parnin Support: Morales

MOTION CARRIED

Joel Ebbers, CMHOC SUD Director, reviewed the request for additional funding to continue a grant that was recently terminated by MDHHS Diversion Council. The grant ended at the end of February. Funds will be allocated to continue to provide services in the jail. Sustainability will be achieved by moving most services to CCBHC.

PREVENTION/TREATMENT UPDATES

Prevention – Amy Embury

MDHHS has issued a grant opportunity (\$3.7 million) to be funded through the Opiate Settlement funds for prevention services. LRE has decided that they would not apply for these funds given the limitations around geographic areas. Additionally, other service providers within and outside the region will be applying for these funds.

[FY25 Summary of Activities](#) – the annual review of activities in the region. Ms. Embury focused on specific areas of success in prevention activities across the region. A regional awareness campaign focusing on Smoking Cessation has been implemented.

Treatment – Stephanie VanDerKooi

- ASAM IV Implementation – ASAM is used to determine clinical diagnosis and level of care for providers. The state has required that the newest version be implemented, but there are significant issues for providers such as licensing requirements, contracts updating needs, and meeting training requirements.
- [FY25 Treatment Evaluation](#)
Stephanie provided a brief overview of the report.

STATE/REGIONAL UPDATES – Stephanie VanDerKooi

MDHHS PIHP System Rebid - In 2025, MDHHS issued an RFP for PIHP services with the intention to redesign the system. Several regions filed suit against the department, citing legal inconsistencies with the mental health code. The court found that there were issues that were not in keeping with the law, which resulted in MDHHS recalling the RFP. It is not clear what the state's intentions are moving forward. Updates will be provided as they become available.

Legislative Update – presented for information. Stephanie focused on specific legislative activity that might be of interest to the members.

- SB 462 – 465 requiring retailers to obtain a license for tobacco products. No updates since December 16, 2025.
- SB 463 & 466 focusing on penalties for retailers
- Gambling legislation has not moved through the system
- HB 5134 & 5135 focusing on eliminating billboards for marijuana and related products. Bills were introduced in October and there has been no movement.

ROUND TABLE

Opiate Settlement Updates

Rebecca reported that Mason County has held one meeting and will continue to meet monthly.

NEXT MEETING

The CMHA Board Association Summer Conference conflicts with this meeting schedule. Several members may be unavailable to attend. The meeting will be rescheduled to start at 5:00 PM

June 10, 2026 – 5:00 PM - CMHOC Board Room

ADJOURN

LRE OPB 26-06 Motion: To adjourn the March 11, 2026, LRE Oversight Policy Board meeting.

Moved by: Stone

Support: Cook

MOTION CARRIED

Mr. Sweeney adjourned the March 11, 2026, LRE Oversight Policy Board meeting at 5:08 pm.



Lakeshore Regional Entity’s Legislative Update – 3/18/2025



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

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH

Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
				first time, referred to Committee on Government Operations
	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)

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH

Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
				3/12/25: Introduced, Referred to the Committee on 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 10/28/2025: <i>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 10/28/2025: <i>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 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 MENTAL HEALTH

Priority	BILL #	SUMMARY	SPONSOR	ACTION DATE
	HB 4412- 4414	House Bill 4412 would amend the Mental Health Code to revise procedures related to assisted outpatient treatment and involuntary mental health treatment. House Bill 4413 would amend the Mental Health Code to revise procedures related to mediation for disputes involving community mental health services and to update requirements for hospital examinations when an individual is presented for evaluation. House Bill 4414 would amend the Mental Health Code by adding a new Chapter 10A to establish procedures for diverting certain misdemeanor defendants to assisted outpatient treatment.	Donni Steele Mark A Tisdell Tom Kuhn	5/1/25 – Introduced, Read a first time, referred to Committee on Health Policy 1/21/26 – Read a second time 3/10/26 – Placed on a third reading

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

BILLS & REGULATIONS PERTAINING TO SUD

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


BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	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 12/18/25 – Amendments adopted, Passed Roll Call in Senate, Received in House, Read a first time, Referred to Committee on Regulatory Reform <i>HB 5368-5370 12/16/25 - Introduced and Referred to Committee on Regulatory Reform. No hearings set at this time.</i> Sign the Petition – Tobacco Free
#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	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 Sign the Petition – Tobacco Free

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	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
	SB 592	A bill to require reentry services and support for certain individuals after resentencing.	Sylvia Santana	9/25/25 – Introduced, Referred to Committee on Civil Rights, Judiciary, and Public Safety 12/4/25 – Referred to the Committee of the Whole
	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	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. <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. 	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

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
		<ul style="list-style-type: none"> 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. 		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
	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	<i>The bill would enact the "Comprehensive Road Funding Tax Act" to do the following:</i> -- 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	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

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
		-- 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.		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
	SB 786-788	Bills to prohibit the sale or transfer of certain vapor products; and to prescribe penalties. A person shall not sell or otherwise transfer a vapor product that has a heating element unless the heating element is made of or encased in 1 or both of the following materials: (a) Glass. (b) Ceramic.	Jeff Irwin	2/18/2026 – Introduced, Referred to the committee on Regulatory Affairs
	SB 433	A bill requiring that by not later than July 1, 2026, the department of health and human services shall develop, and provide to the department, an informational notice in English, Spanish, and Arabic, containing information on the dangers of high-potency THC cannabis products and vaping and resources to support and treatment. The department shall provide the notice developed under this subsection to public schools and nonpublic schools and post the notice on the department's website.	Dayna Polehanki	6/24/25 – Introduced, referred to the Committee on Education 12/11/25 – Referred to Committee of the Whole 1/27/25 – Referred to Committee of the Whole favorably with substitute, Placed on order of third reading
Supported by SUD Oversight Policy Board	HB 5371 - 5372	A bill to repeal penalties that punish kids for possession of tobacco products and, instead, hold companies accountable that profit from tobacco sales.	Helena Scott Stephanie Young	12/16/25 - Introduced, Read a first time, Referred to the Committee on Regulatory Reform We NEED your support to show House members how important these bills are. Here's how you can help: 1) Contact your legislator and ask them to support the legislation. 2) Attend the House hearing on Thursday March 19. 3) Submit a card of support for Thursday's House

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
				hearing. If you cannot attend, we can submit a card on your behalf. Please email Dylan at dsnyder@kelley-cawthorne.com by 5 p.m. on Wednesday 3/18 to submit your card.

BILLS & REGULATIONS PERTAINING TO ARTIFICIAL 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	Curtis VanderWall	6/17/25: Introduced, read a first time, referred to the Committee on Appropriations

BILLS & REGULATIONS PERTAINING TO ARTIFICIAL INTELLIGENCE

Priority	BILL #	SUMMARY	SPONSOR(S)	STATUS/ACTION DATE
		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.		
	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 Agreed to without objection. 1/26/26: Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship
	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	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 , 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 Agreed to by the Yeas and Nays, Motion to reconsider laid on the table Agreed to without objection. 1/26/26: Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship

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

BILLS & REGULATIONS PERTAINING TO SUD				
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

BILLS & REGULATIONS PERTAINING TO SUD

Priority	BILL #	SUMMARY	SPONSOR(s)	STATUS/ACTION DATE
	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 9/18/2025 – Passed Senate with unanimous consent 9/19/2025 – Message sent to House 11/25/2025 – Presented to the President 12/1/2025 – Signed by the President, Became Public Law No: 119-44.
	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	09/16/2025 – (House) Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary 10/30/2025 – (Senate) Read twice and referred to the Committee on the Judiciary;
	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 Espailat	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.		 2025-5-2-HB4255-42 56 Opposition Letter.1
	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
	Gov. Whitmer’s FY 27 Budget	Michigan Executive Office of the Governor announced Governor Whitmer’s FY27 executive budget recommendation, presented on February 11, 2026, totaling \$88.1 billion, with a focus on improving literacy, saving Michiganders money, protecting Medicaid, and fixing roads. The budget protects Medicaid access with \$780.4 million in stabilization funding and proposes new revenue sources to offset federal cuts, while also funding programs to comply with new federal requirements (H.R. 1).		State Budget Office

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/)



Information Officer Report – March 2026

FY26 Data flows – CCBHC Transition

BHTEDS: Many FY26 data flows, including BHTEDS, were stopped for several months as we navigated the CCBHC Transition (which went into effective 10/1/2026). Per MDHHS, FY26 BHTEDS submissions to MDHHS were shut down from 10/1/2026 through 1/1/2026.

- **BHTEDS and CCBHC Transition:** After many state-wide meetings to determine how to separate the BHTEDS data stream into “CCBHC Only” vs “PIHP Involved” pipelines, the complexity of that task forced MDHHS fall back onto the original submission method *(with all FY26 BHTEDS flowing through the PIHP system to MDHHS)*.
- **CCBHC Confidentiality Agreements:** Prior to the submission of FY26 data into the LRE PIP system for “CCBHC only” clients, CMHSPs/CCBHCs in our region needed to sign separate legal agreements with LRE to fully protect data security and client confidentiality in alignment with HIPAA, HITECH and 42CFRP2. All 5 CMHSP/CCBHC agreements were fully signed as of 02/24/2026.
- **Divided Data Pipelines:** Other data types were also required to be split into divided submission pipelines for individuals receiving “CCBHC Only services” vs those with “PIHP specialty services”.

Impacted FY26 data flows include (but are not limited to):

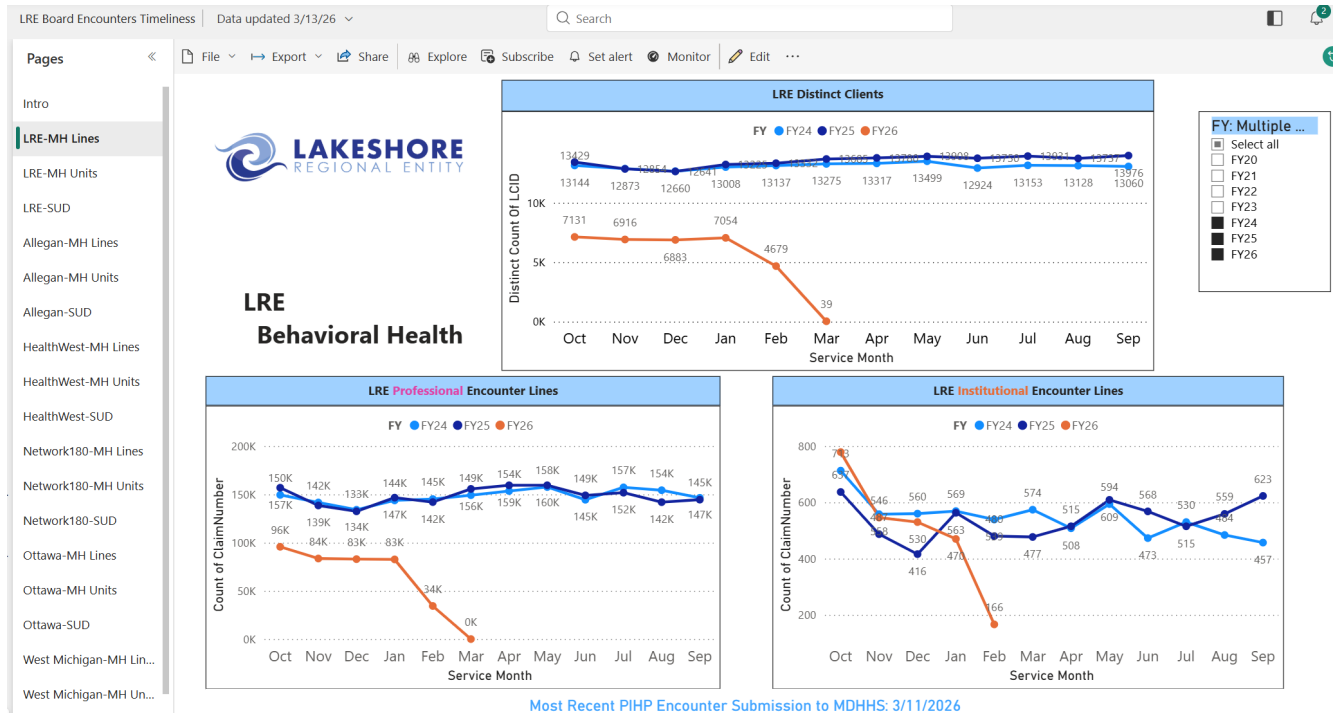
- **Service encounters** for CCBHC are billed (FFS) directly to the MDHHS CHAMPS system now, instead of flowing through the PIHP system as Encounter data.
- **MMBPIS Quality Indicator Reporting – Indicator 2 (Access to Care).** For FY26, MDHHS removal of “CCBHC Only” from PIHP reporting.
- **Critical Incident Reporting.** For FY26, MDHHS required removal of “CCBHC Only” from PIHP reporting.
- **Sentinel Events/Unexpected Deaths Reporting.** For FY26, MDHHS required removal of “CCBHC Only” from PIHP reporting.
- **MDHHS Quarterly Reporting** (Grievance/Appeals/SFH, Customer Service –NABD, Service Auth Denials). For FY26, MDHHS reporting instructions require removal of “CCBHC Only” from PIHP reporting, and instead the CCBHCs must reported these separately/directly to MDHHS.

- **ConsumerList** – This vital client demographic feed is used for reporting and for timely submission of patient registry to the Michigan Health Information Network (MiHIN) for triggering of hospital Admission/Discharge/Transfer (ADT) messages back to LRE.
- **Authorizations detail file** – Detailed authorization data is reported to LRE but not submitted to MDHHS. CMHSP/CCBHCs are working to limit the data in the authorization file to only those for Autism services or high level of care services (as those types of services are “PIHP specialty services”, and that data is needed for PIHP PowerBI Dashboards which monitor those programs).
- **LOCUS detail file** – Detailed LOCUS data is reported to LRE but not submitted to MDHHS. CMHSP/CCBHCs are working to withhold CCBHC only data from the LOCUS detail file submitted to LRE.
- **COFR detail file** – Client COFR data is reported to LRE but not submitted to MDHHS. CCBHCs are working to withhold CCBHC only data from the COFR detail file submitted to LRE.

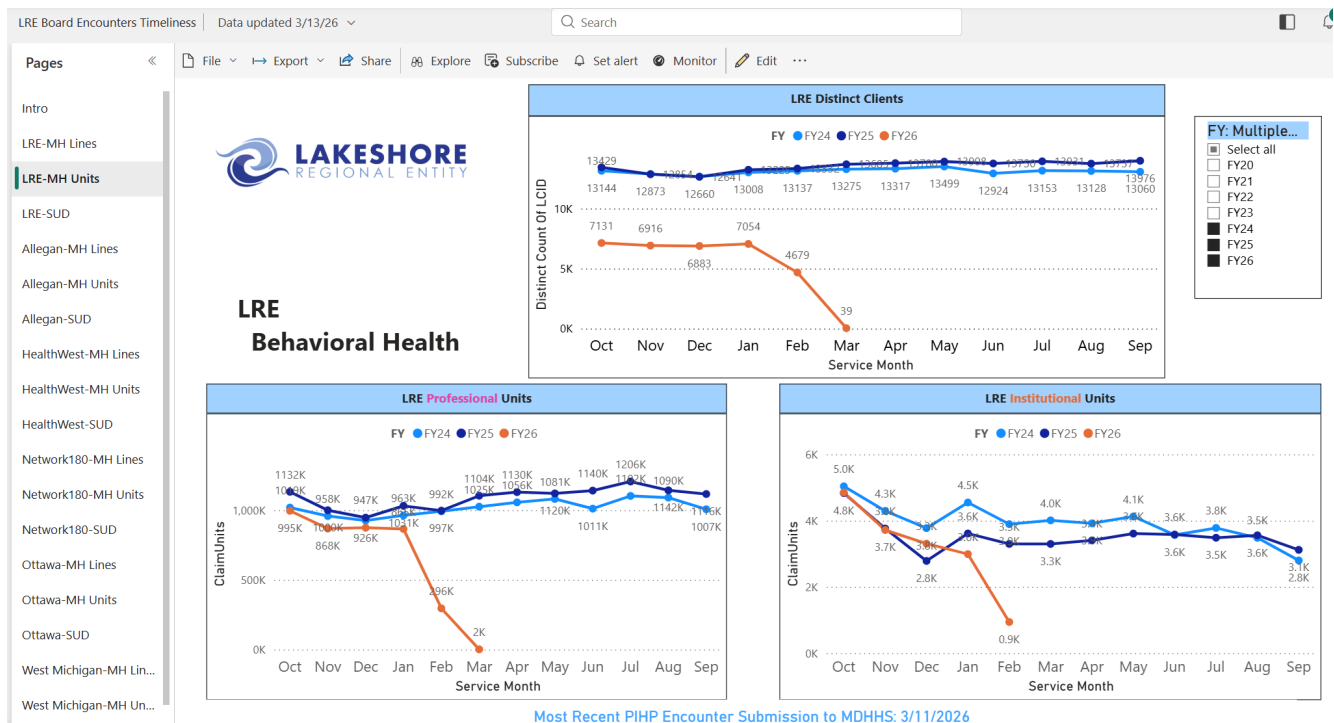
Encounters: FY26 encounters were also stopped from 10/1/2025 through late January 2026 (CMHSPs were unable to submit encounters to the LRE system until after their new CCBHC confidentiality agreements were fully signed with LRE).

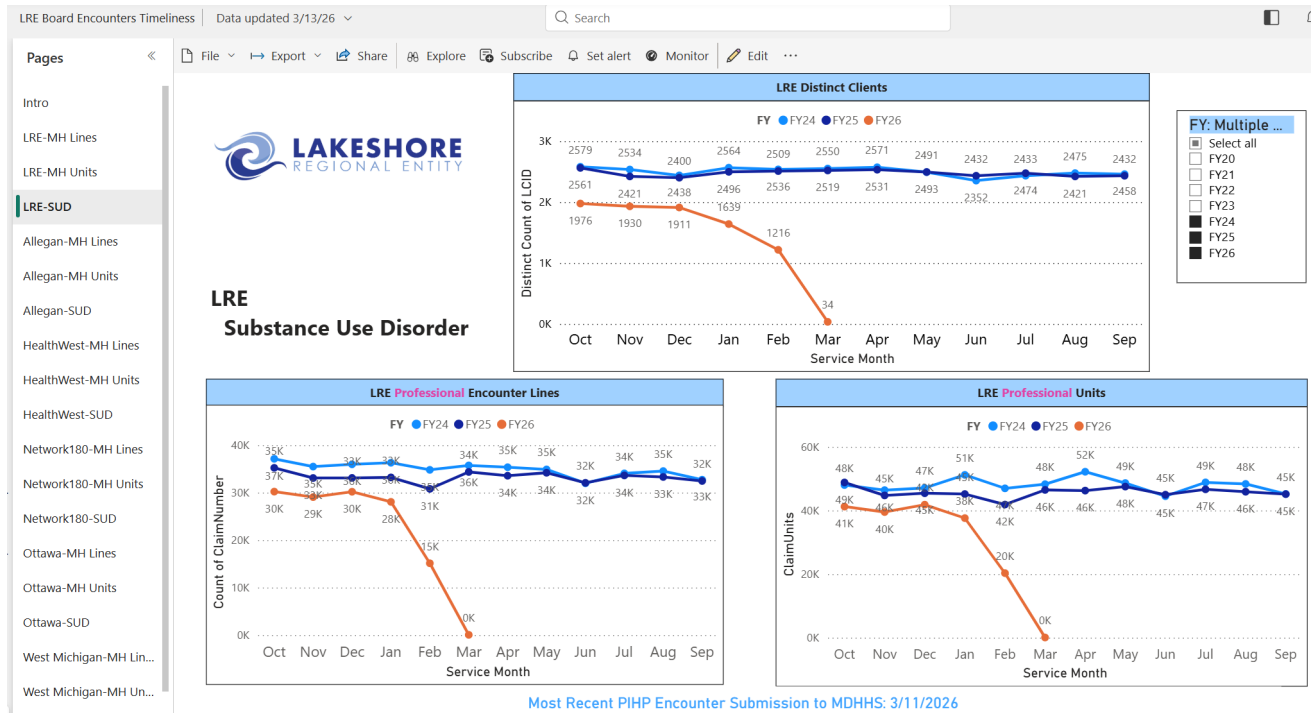
- Most CMHSPs were able to start FY26 encounter submissions in late January 2026.
- Encounter submissions are coming through from all CMHSPs now, albeit with lower than anticipated volumes overall from some as they work to get through this “catch up period”.
- Total FY26 Encounter lines are significantly suppressed vs prior years, as was anticipated due to CCBHC lines of service being billed directly to the MDHHS CHAMPS system instead of being sent to the PIHP as encounters. See also the regional year-over-year encounter comparisons (as of 3/11/2026) shown in the images below:

MH Clients served, Professional Lines, and Institutional Lines of Service: *Data as of 3/11/2026*



MH clients served, Professional UNITS and Institutional UNITS of Service: *Data as of 3/11/2026*





BHTEDS Completeness for FY26:

Results are preliminary but appear good so far. Per MDHHS FY26 Missing BHTEDS report (*services through December 2025, as of 03/03/2026*), our measures are all in compliance. Our ranking among PIHPs is also shown here:

- Mental Health: **98.71 %** Ranking among PIHP's: 5th out of 10.
- Crisis Only: **97.44 %** Ranking among PIHP's: 5th out of 10.
- SUD: **99.32 %** Ranking among PIHP's: 8th out of 10.

BHTEDS Dangling Admissions – brief update:

MDHHS asked for these to be fully resolved by 02/28/2026. We know progress has been made, however we have not received a re-assessment of the status from MDHHS since the end of February.

FY27 BHTEDS (SUD TEDS will continue, MH will change to CLD format):

In FY27, MDHHS will replace the Mental Health BHTEDS with the Mental Health Client Level Data (CLD) format. A state-wide workgroup is designing the new CLD format to meet the needs of MDHHS reporting to CMS and to reduce administrative burden where-ever feasible. Target for implementation is 10/01/2026. It is anticipated that any Mental Health BHTEDS episodes of care that remain open at the end of FY26 will likely be administratively discharged as of 9/30/2026.

EXECUTIVE COMMITTEE SUMMARY

Wednesday, March 18, 2026, 1:00 PM

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

WELCOME and INTRODUCTIONS

- i. Review of March 18, 2026, Meeting Agenda
- ii. Review of February 18, 2026, Meeting Minutes

March 18, 2026, agenda and February 18, 2026, meeting minutes are accepted as presented.

MDHHS UPDATES

- i. FY22 Cost Settlement Update
 - Currently no update.
- ii. Treasury Department Update
 - LRE continues to receive payments. Once the final payment is received, LRE will withdraw the complaint.
- iii. 4 PIHPs Lawsuit
 - Judge Patel has resumed consideration of the PIHP lawsuit. Oral arguments are scheduled for March 26 in Detroit.
- iv. PIHP Rebid Update
 - At this time, there is no confirmed information regarding a new RFP, discussions circulating are largely speculative. While there is a general sense that something may be forthcoming, nothing definitive has been communicated.
 - MDHHS recently conducted separate listening sessions with advocacy groups, CMHs, and PIHPs. These sessions were not open-ended discussions; due to ongoing litigation, MDHHS did not provide information or engage in dialogue, but instead requested feedback on specific, predefined topics that included:
 - Conflict of interest
 - Access to services
 - Roles and responsibilities (PIHP vs. CMH)
 - Provider network and contracting
 - SUD (Substance Use Disorder)
 - The structure of the sessions was controlled, with limited opportunity for questions or interactive discussion. It was noted the conversations felt one-sided and did not reflect a collaborative or solution-oriented approach. Feedback across groups emphasized the importance of maintaining a public system, preserving capitation and the need for ongoing, collaborative dialogue with the state.
 - CMH participants reported that discussions during the CMH/MDHHS session primarily focused on recipient rights and SUD, with limited time to address all

agenda topics. There was also strong feedback supporting CMH management of SUD services.

- Overall, the purpose and direction of the feedback process remain unclear. Further updates will be provided as more information becomes available.

BOARD MEETING AGENDA ITEMS

i. Presentations

a. Residential Assessment

- Residential Assessment presentation, originally delayed from last month, will be presented at the upcoming board meeting. This is a key topic for board understanding and will continue to be discussed moving forward.

The initiative is a multi-step process:

Step 1: Confirm agreement across CMHs to use state-identified, nationally normed assessment tools to determine level of care. Initial feedback indicates alignment, with formal confirmation to occur prior to the board meeting.

- The goal is to ensure a standardized approach across the region using existing tools rather than creating new ones.

Step 2: Introduce a developed calculator designed to outline the components used to determine rates:

- The calculator will first be shared with the state without values to validate the methodology and components used.
- Feedback from the state will guide refinement of the model.
- If agreement is reached on the framework, discussions will then focus on aligning current rates with the validated methodology.
- The broader goal is to align PIHP, CMHs, and providers to support unified advocacy, rather than fragmented or conflicting approaches.

ii. Action Items

a. Board Governance Policies

BOARD WORK SESSION AGENDA

i. Work Session

- The March Work Session will be canceled.

Board Governance Policy Review

The Executive Committee reviewed the updated Board Governance Policies:

- i. 10.4 Board Governance
- ii. 10.12 Budget
- iii. 10.19 Monitoring CEO Performance

The Executive Committee recommends bringing these policies to the full Board for approval.

OTHER

NA

Executive Committee/CEO SESSION (STANDING ITEM)

LRE CEO has requested that time be set aside during every Executive Committee (EC) meeting (or as needed) for discussion between only the CEO and EC.

UPCOMING MEETINGS

- March 25, 2026 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- April 15, 2026, – Executive Committee, 1:00PM
- April 22, 2026 – LRE Executive Board Work Session, 11:00 AM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- April 22, 2026 – LRE Executive Board Meeting, 1:00 PM
GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

POLICY TITLE	BOARD GOVERNANCE	POLICY # 10.4		
Topic Area:	Board of Directors	Issued By and Approved By: Board of Directors	REVIEW DATES	
Applies to:	Board of Directors		1/22/25	
Review Cycle:	Annually			
Developed and Maintained by:	CEO and Designees			
Supersedes:	N/A			
		Effective Date: 9/17/16	Revised Date: 11/18/21	

I. PURPOSE

The Board of Directors will continually refine its values and vision and hold itself accountable by monitoring its performance.

II. POLICY

The Lakeshore Regional Entity (LRE) Board of Directors will govern lawfully using the Policy Governance model, emphasizing:

1. fiscal responsibility and financial soundness;
2. an outward, community-focused view rather than day-to-day operations;
3. diverse viewpoints;
4. strategic leadership over administrative detail;
5. clear separation of Board and CEO roles;
6. collective decisions rather than individual actions;
7. future planning over past or present events; and
8. proactive decision-making.

LRE Board of Directors Commitment

1. Act as a governing body with shared responsibility. The Board, not staff, is accountable for governance excellence. Individual expertise may inform deliberations, but decisions rest with the full Board.
2. Lead the organization through broad, written policies that reflect Board values and focus on long-term results, not operational details.
3. Hold itself to the discipline needed for excellent governance (e.g., attendance, preparation, role clarity, and compliance with Board governance policies). The Board will follow its adopted governance policies until amendments are approved.
4. Strengthen governance capacity through new-member orientation and an annual Board self-assessment to drive improvement.
5. Ensure no officer, individual, or committee prevents the Board from meeting its collective responsibilities.

6. The Board will periodically review its governance process and performance, comparing its practices to the policies in the Governance Process and Board–CEO Delegation categories.

To carry out its responsibilities, the Board will adopt an annual calendar that:

1. reviews accomplishments and goals;
2. improves Board performance through education and deliberation;
3. formally reviews all Board Governance Policies; and
4. monitors Strategic Plan progress toward goals and identifies areas requiring action.

Board Outcomes and Accomplishments

The Board will provide clear direction to the LRE CEO by identifying Outcomes to monitor and adopting related Interpretations and Outcome Metrics by:

1. Identifying areas of focus (Outcomes) for strategic monitoring.
2. Adopting Outcome Metrics that are clear, results-oriented, achievable, realistic, and objective. (The CEO will propose specific measures.)
3. Review data on approved Outcome Metrics on the Board-approved schedule, as requested by the Board or initiated by the CEO.
4. Revisit Outcomes, Interpretations, and Metrics as needed. The CEO may propose changes; no changes take effect without Board approval.

III. APPLICABILITY AND RESPONSIBILITY

This policy applies to the LRE Board of Directors.

IV. MONITORING AND REVIEW

The LRE Board of Directors and CEO will review this policy annually.

V. DEFINITIONS

N/A

VI. RELATED POLICIES AND PROCEDURES

- A. Board Policies and Procedures
- B. Board of Directors By-Laws
- C. Operating Agreement

VII. REFERENCES/LEGAL AUTHORITY

N/A

VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
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11/18/21	Language from 10.1 Annual Planning Cycle, Updated title, added language from policy 10.9	CEO and Designees
1/22/2025	Update to Language	LRE Board and CEO

Executive Summary of Changes

- Simplified **Purpose** to a single, plain-language sentence focused on values, vision, accountability, and performance monitoring.
- Clarified the **Policy** statement and standardized terminology to **Lakeshore Regional Entity (LRE)**.
- Rewrote the governance **emphasis list** into clearer, parallel points (e.g., fiscal responsibility, community focus, strategic leadership, role clarity, future focus, proactive decisions).
- Condensed the **Board Commitment** section to reduce repetition while preserving expectations (collective responsibility, policy-level leadership, Board discipline, orientation and self-assessment, and protecting the Board’s ability to meet its duties).
- Streamlined the **annual calendar** description to clearly state what the calendar must cover (review goals/accomplishments, Board development, policy review, and Strategic Plan monitoring).
- Clarified **Outcomes and Accomplishments** responsibilities: identifying Outcomes, adopting Outcome Metrics, approving Interpretations, reviewing metric data on schedule, and revisiting items only with Board approval.
- Removed **duplicative/struck text** where a requirement was repeated and tightened wording for readability across revised sections.
- Simplified **Monitoring and Review** to a single clear sentence confirming annual review by the Board and CEO.

Policy 10.4

POLICY TITLE	BOARD GOVERNANCE	POLICY # 10.4		
Topic Area:	Board of Directors	Issued By and Approved By: Board of Directors	REVIEW DATES	
Applies to:	Board of Directors		1/22/25	
Review Cycle:	Annually			
Developed and Maintained by:	CEO and Designees			
Supersedes:	N/A			
		Effective Date:	Revised Date:	
		9/17/16	11/18/21	

I. PURPOSE

~~The Board of Directors will continually refine its values and vision and hold itself accountable by monitoring its performance.~~
~~The Entity Board of Directors will engage in continual refinement of its values and vision, guaranteeing the accountability of the Entity Board of Directors through monitoring of performance.~~

II. POLICY

~~The Lakeshore Regional Entity (LRE) Board of Directors will govern lawfully using the Policy Governance model, emphasizing:~~

~~The Lakeshore Regional Entity (the "Entity") (LRE) Board of Directors will govern lawfully, observing the principles of the Policy Governance model, with an emphasis on~~

- ~~1. fiscal responsibility and financial soundness;~~
- ~~2. an outward, community-focused view rather than day-to-day operations;~~
- ~~3. diverse viewpoints;~~
- ~~4. strategic leadership over administrative detail;~~
- ~~5. clear separation of Board and CEO roles;~~
- ~~6. collective decisions rather than individual actions;~~
- ~~7. future planning over past or present events; and~~
- ~~8. proactive decision-making.~~
 - ~~(a) outward vision rather than an internal preoccupation operations,~~
 - ~~(b) encouragement of diversity in viewpoints,~~
 - ~~(c) strategic leadership more over than administrative detail,~~
 - ~~(d) clear distinction of between the Entity Board of Directors and Chief Executive Officer roles,~~
 - ~~(e) collective rather than individual decisions,~~
 - ~~(f) future planning, rather than past or present events, and~~
 - ~~(g) proactive rather than reactive decisions.~~

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Entity LRE Board of Directors Commitment

1. Act as a governing body with shared responsibility. The Board—not staff— is accountable for governance excellence. Individual expertise may inform deliberations, but decisions rest with the full Board.
1. ~~Cultivate a sense of group responsibility. The Entity LRE Board of Directors, not the Entity LRE staff, will be responsible for excellence in governing. The Entity Board of Directors can be the initiator of policy, not merely a reactor to the Entity staff initiatives. The Entity LRE Board of Directors will not use the expertise of individual members to substitute for the judgment of the Entity whole Board of Directors, although the expertise of individual members may be used to enhance the understanding of the Entity LRE Board of Directors as a body.~~
2. Lead the organization through broad, written policies that reflect Board values and focus on long-term results—not operational details.
2. ~~Direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Entity Board of Directors values and perspectives. The Entity Board of Director’s major policy focus will be on the intended long-term impacts, not on administrative or programmatic means of attaining those efforts.~~
3. Hold itself to the discipline needed for excellent governance (e.g., attendance, preparation, role clarity, and compliance with Board governance policies). The Board will follow its adopted governance policies until amendments are approved.
3. ~~Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, compliance with Board governance polices policy-making principles, respect of roles, and ensuring the continuance of governance capability. Although the Entity LRE Board of Directors can change its governance process policies at any time, it will observe adhere to those currently established policies until such time as amendments are approved.~~
4. Strengthen governance capacity through new-member orientation and an annual Board self-assessment to drive improvement.
4. ~~Continuing development of the Entity LRE Board of Directors development will include orientation of new Board of Director members in the Entity LRE Board of Directors governance process and an annual self-assessment of the Entity LRE Board of Directors functioning for process improvement.~~
5. Ensure no officer, individual, or committee prevents the Board from meeting its collective responsibilities.
5. ~~Allow no officer, individual, or committee of the Entity LRE Board of Directors to hinder or be an excuse for not fulfilling group obligations.~~
6. The Board will periodically review its governance process and performance, comparing its practices to the policies in the Governance Process and Board–CEO Delegation categories.
6. ~~The Entity LRE Board of Directors will monitor and discuss its process and performance periodically. Self-monitoring will include comparison of the Entity LRE Board of Directors activity and discipline to policies in the Governance Process and Board of Directors-Management Delegation categories.~~

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To carry out its responsibilities, the Board will adopt an annual calendar that:
To accomplish its job, the EntityLRE Board of Directors will adopt an annual calendar which

- a) reviews accomplishments and goals;
- 1. improves Board performance through education and deliberation;
- 2. formally reviews all Board Governance Policies; and
- 3. monitors Strategic Plan progress toward goals and identifies areas requiring action.
- a) completes a re-exploration of Accomplishments/Goals annually;
- b) continually improves its performance through attention to Board education, and deliberation.
- c) formally reviews all the EntityLRE Board of DirectorGovernance Policies; and
- d) sets monitorsprimarythe Strategic Plan to understsndunderstand progress toward strategic goals and areas requiring actionstrategic imperatives for a following 12-18-month period.

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Board Outcomes and Accomplishments

The Board will provide clear direction to the LRE CEO by identifying Outcomes to monitor and adopting related Interpretations and Outcome Metrics by:

The EntityLRE Board of Directors will provide clear direction to the LRE CEO by determining specific outcomes, approving interpretations, identifying and adopting sSpecific Outcome Metrics.

The EntityLRE Board of Directors shall:

- 1. Identifying areas of focus (Outcomes) for strategic monitoring.
- 2. Adopt Outcome Metrics that are clear, results-oriented, achievable, realistic, and objective. (The CEO will propose specific measures.)
- Adopt Outcome Metrics which are clear, succinct, results-oriented, achievable, realistic, and objective. (The LRE CEO shall propose specific outcome measurements).
- 2. Approve Interpretations of Outcome. (The EntityLRE CEO shall propose Interpretations).
- 3. Adopt Outcome Metrics which are clear, succinct, results-oriented, achievable, realistic, and objective. The Entity CEO shall propose specific outcome measurements.
- 3. Review data on approved Outcome Metrics on the Board-approved schedule, as requested by the Board or initiated by the CEO.
- 4. Regularly review data related to focus (Outcomes) Metridentified Metrics as planned in the EntityLRE Board of Directors approved calendar, upon request of the EntityLRE Board of Directors, or at the initiation of the EntityLRE CEO.
- 5. Revisit Outcomes, Interpretations, and Metrics as needed. The CEO may propose changes; no changes take effect without Board approval.
- 5. Revisit Outcomes, Interpretations and Metrics as it sees fit. The EntityLRE CEO may propose to the EntityLRE Board of Directors additions or revisions to Outcomes, Interpretations and Metrics as the EntityLRE CEO sees fit. No changes to these are permitted absent the EntityLRE Board of Directors approval.

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III. APPLICABILITY AND RESPONSIBILITY

This policy applies to the [Entity LRE](#) Board of Directors.

IV. MONITORING AND REVIEW

~~The LRE Board of Directors and CEO will review this policy annually.~~

~~The [LRE Board of Directors and CEO](#) and designees will review this policy on an annual basis.~~

V. DEFINITIONS

N/A

VI. RELATED POLICIES AND PROCEDURES

- A. Board Policies and Procedures
- B. Board of Directors By-Laws
- C. Operating Agreement

VII. REFERENCES/LEGAL AUTHORITY

N/A

VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
11/18/21	Language from 10.1 Annual Planning Cycle, Updated title, added language from policy 10.9	CEO and Designees
1/22/2025	Update to Language	LRE Board and CEO

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Executive Summary of Changes

- Simplified **Purpose** to a single, plain-language sentence focused on values, vision, accountability, and performance monitoring.
- Clarified the **Policy** statement and standardized terminology to **Lakeshore Regional Entity (LRE)**.
- Rewrote the governance **emphasis list** into clearer, parallel points (e.g., fiscal responsibility, community focus, strategic leadership, role clarity, future focus, proactive decisions).
- Condensed the **Board Commitment** section to reduce repetition while preserving expectations (collective responsibility, policy-level leadership, Board discipline, orientation and self-assessment, and protecting the Board’s ability to meet its duties).
- Streamlined the **annual calendar** description to clearly state what the calendar must cover (review goals/accomplishments, Board development, policy review, and Strategic Plan monitoring).
- Clarified **Outcomes and Accomplishments** responsibilities: identifying Outcomes, adopting Outcome Metrics, approving Interpretations, reviewing metric data on schedule, and revisiting items only with Board approval.
- Removed **duplicative/struck text** where a requirement was repeated and tightened wording for readability across revised sections.
- Simplified **Monitoring and Review** to a single clear sentence confirming annual review by the Board and CEO.

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POLICY TITLE: BUDGET	POLICY #: 10.12	
Topic Area: Board of Directors	Issued By and Approved By: Board of Directors	REVIEW DATES
Applies to: Chief Executive Officer, Board of Directors		11/18/21
Review Cycle: Annually		
Developed and Maintained by: CEO and Designees		
Supersedes: N/A		
	Effective Date: 9/16/17	Revised Date:

I. PURPOSE

To make sure the Board of Directors receives clear and accurate budget information so it can carry out its oversight responsibilities and ensure fiscal accountability.

II. POLICY

The Entity will develop and manage the budget so that it supports the Board of Directors' priorities and expected results, does not put the Entity at risk of financial harm, and is based on a multi-year plan.

Budget development and reporting will comply with applicable federal and state requirements, including confidentiality and record-handling requirements when they apply.

To meet this expectation, the Entity CEO will prepare and share a budget that:

1. Includes enough detail to reasonably project revenues and expenses, separates capital and operating items, identifies cash flow, and states key assumptions.
2. Plans spending based on funds that are conservatively projected to be available in that fiscal year.
3. Provides enough detail for Board decision-making, including expected costs for the annual audit, Board development, Board and committee meetings, and legal services.
4. Supports long-term financial stability and builds organizational capacity to achieve future goals.
5. Can be reported to the Board of Directors monthly (as requested).
6. Follows generally accepted accounting principles (GAAP) and other applicable accounting standards.

III. APPLICABILITY AND RESPONSIBILITY

This policy applies to the Entity Chief Executive Officer (CEO).

IV. MONITORING AND REVIEW

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

V. DEFINITIONS

N/A

VI. RELATED POLICIES AND PROCEDURES

- A. Financial Policies and Procedures
- B. Board Policies and Procedures

VII. REFERENCES/LEGAL AUTHORITY

Michigan Mental Health Code (MCL 330.1001 et seq.), as applicable; 42 CFR Part 2 (Confidentiality of Substance Use Disorder Patient Records), as applicable.

VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
11/18/21	Added Purpose	CEO and Designees
3/12/26	Updated PURPOSE and POLICY for plain-language clarity; added compliance statement; updated References/Legal Authority to include Michigan Mental Health Code and 42 CFR Part 2 (as applicable).	CEO and Board of Directors

Executive Summary of Changes

- Rewrote the PURPOSE statement in plain language to improve readability while keeping the original intent.
- Clarified the POLICY statement and CEO budgeting expectations for consistency and easier interpretation.
- Added a statement that budget development and reporting will comply with applicable federal and state requirements, including confidentiality and record-handling requirements when applicable.
- Updated References/Legal Authority to include the Michigan Mental Health Code (MCL 330.1001 et seq.) and 42 CFR Part 2, as applicable.

Policy 10.12

POLICY TITLE: BUDGET	POLICY #: 10.12		
Topic Area: Board of Directors	Issued By and Approved By: Board of Directors	REVIEW DATES	
Applies to: Chief Executive Officer, Board of Directors		11/18/21	
Review Cycle: Annually			
Developed and Maintained by: CEO and Designees			
Supersedes: N/A	Effective Date: 9/16/17	Revised Date: 11/18/21	

I. PURPOSE

To make sure the Board of Directors receives clear and accurate budget information so it can carry out its oversight responsibilities and ensure fiscal accountability.
~~To ensure the Board of Directors, in its governance role, is provided accurate information to ensure fiscal accountability and oversight.~~

II. POLICY

The Entity will develop and manage the budget so that it supports the Board of Directors' priorities and expected results, does not put the Entity at risk of financial harm, and is based on a multi-year plan.

~~Budgeting any fiscal year or the remaining part of any fiscal year shall not deviate from Lakeshore Regional Entity (the "Entity") Board of Directors accomplishments/results/outcomes priorities, risk fiscal jeopardy, or fail to be derived from multi-year plan.~~

Budget development and reporting will comply with applicable federal and state requirements, including confidentiality and record-handling requirements when they apply.

To meet this expectation, the Entity CEO will prepare and share a budget that: Accordingly, the Entity CEO will provide appropriate budgeting which:

1. Includes enough detail to reasonably project revenues and expenses, separates capital and operating items, identifies cash flow, and states key assumptions.
- ~~1. Contains adequate information and includes information which enables credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.~~
2. Plans spending based on funds that are conservatively projected to be available in that fiscal year.
- ~~2. Plans for the expenditures in any fiscal year of funds that are conservatively projected to be available for that period.~~
3. Provides enough detail for Board decision-making, including expected costs for the annual audit, Board development, Board and committee meetings, and legal services.

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- ~~3. Provides detail that is sufficient for the Entity Board of Directors prerogatives, such as costs of fiscal audit, the Entity Board of Directors development, the Entity Board of Directors and committee meetings, and the Entity Board of Directors legal fees.~~
- ~~4. Supports long-term financial stability and builds organizational capacity to achieve future goals.~~
- ~~4. Ensures the fiscal soundness of future years and builds organizational capability sufficient to achieve future ends.~~
- ~~5. Can be reported to the Board of Directors monthly (as requested).~~
- ~~5. Can be shared with the Entity Board of Directors on a monthly basis.~~
- ~~6. Follows generally accepted accounting principles (GAAP) and other applicable accounting standards.~~
- ~~6. Adheres to generally accepted accounting practices and standards.~~

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III. APPLICABILITY AND RESPONSIBILITY

This policy applies to the Entity Chief Executive Officer (CEO).

IV. MONITORING AND REVIEW

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

V. DEFINITIONS

N/A

VI. RELATED POLICIES AND PROCEDURES

- A. Financial Policies and Procedures
- B. Board Policies and Procedures

VII. REFERENCES/LEGAL AUTHORITY

Michigan Mental Health Code (MCL 330.1001 et seq.), as applicable; 42 CFR Part 2 (Confidentiality of Substance Use Disorder Patient Records), as applicable.
N/A

VIII. CHANGE LOG

Date of Change		Description of Change	Responsible Party
11/18/21		Added Purpose	CEO and Designees
<u>03/12/26</u>	<u>Updated PURPOSE and POLICY for plain-language clarity; added compliance statement;</u>	<u>CEO and Designees</u>	

	<u>updated References/Legal Authority to include Michigan Mental Health Code and 42 CFR Part 2 (as applicable).</u>			

Executive Summary of Changes

- Rewrote the PURPOSE statement in plain language to improve readability while keeping the original intent.
- Clarified the POLICY statement and CEO budgeting expectations for consistency and easier interpretation.
- Added a statement that budget development and reporting will comply with applicable federal and state requirements, including confidentiality and record-handling requirements when applicable.
- Updated References/Legal Authority to include the Michigan Mental Health Code (MCL 330.1001 et seq.) and 42 CFR Part 2, as applicable.

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POLICY TITLE: MONITORING CHIEF EXECUTIVE OFFICER PERFORMANCE	POLICY #: 10.19												
Topic Area: Board of Directors Applies to: Board of Directors, Chief Executive Officer Review Cycle: Annually Developed and Maintained by: CEO and Designees Supersedes: N/A	Issued By and Approved By: Board of Directors	REVIEW DATES <table border="1"> <tr> <td data-bbox="1169 346 1315 388">11/18/21</td> <td data-bbox="1315 346 1445 388"></td> </tr> <tr> <td data-bbox="1169 388 1315 430"></td> <td data-bbox="1315 388 1445 430"></td> </tr> <tr> <td data-bbox="1169 430 1315 472"></td> <td data-bbox="1315 430 1445 472"></td> </tr> <tr> <td data-bbox="1169 472 1315 514"></td> <td data-bbox="1315 472 1445 514"></td> </tr> <tr> <td data-bbox="1169 514 1315 556"></td> <td data-bbox="1315 514 1445 556"></td> </tr> </table>		11/18/21									
11/18/21													
	Effective Date: 9/17/16	Revised Date:											

I. PURPOSE

To ensure executive performance is synonymous with monitoring organizational performance against Lakeshore Regional Entity (the "Entity") Board of Directors policies and approved outcomes.

II. POLICY

Monitoring executive performance shall be conducted annually and throughout the year may include review and consideration of but not limited to:

- A. INTERNAL REPORTS: Disclosure of compliance and performance information to the Board of Directors from the CEO:
 - Financial reports,
 - Strategic planning reports,
 - Compliance reports,
 - Annual review of the Quality Assurance and Performance Improvement Program,
 - LRE CEO routine updates and communications,
 - Other organizational performance metrics and reports as required by the LRE Board of Directors.

- B. EXTERNAL REPORTS: Disclosure of compliance and performance information be external auditors, reviewers or other persons or entities external to the institution including:
 - Fiscal audit reports,
 - Results of Michigan Department of Health and Human Services site reviews,
 - Results of third-party external quality review,
 - Reports from independent legal counsel as required by the Board of Directors.

A formal annual evaluation of the Entity CEO performance may include review and consideration of but not limited to:

- A. ANNUAL CEO PERFORMANCE REVIEW

- The Entity Board of Directors will review the prescribed executive responsibility areas, that may change from time to time depending on CEO annual goals set by the Entity Board of Directors under:
 - Key LRE Performance Indicators
 - Job Specific Duties and Responsibilities
 - Overall Performance

The results of the annual evaluation of the CEO performance will be shared with the Entity Board of Directors during the Board meeting following conclusion and aggregation of the survey.

III. APPLICABILITY AND RESPONSIBILITY

This policy applies to the Entity Board of Directors and the Entity CEO.

IV. MONITORING AND REVIEW

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

V. DEFINITIONS

Entity – Also referred to as Lakeshore Regional Entity or LRE, is the Prepaid Inpatient Health Plan (PIHP) for Region 3 as defined in 42 CFR Part 438 and meets the requirements of MCL 330.1204b of the Michigan Mental Health Code.

VI. RELATED POLICIES AND PROCEDURES

N/A

VII. REFERENCES/LEGAL AUTHORITY

N/A

VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
11/18/2021		CEO and Designees
1/8/2025	New	CEO

Executive Summary of Redline Changes

This redline update clarifies how the Board monitors Chief Executive Officer (CEO) performance by aligning monitoring activities to organizational performance against Board policies and approved outcomes. The revisions also expand the types of information that may be used for monitoring and formal evaluation, and clarify roles, frequency, and reporting expectations.

- **Purpose updated:** Reframed executive performance monitoring as synonymous with monitoring organizational performance against Lakeshore Regional Entity (LRE) Board policies and approved outcomes (replacing the prior “monitored and evaluated” phrasing).
- **Monitoring cadence clarified:** Specifies monitoring shall be conducted annually and throughout the year, and clarifies that monitoring may include review/consideration of multiple information sources.
- **Internal reports expanded:** Adds an itemized list of CEO-provided reports/communications that may inform monitoring (e.g., financial, strategic planning, compliance, QAPI annual review, routine updates, and other performance metrics required by the Board).
- **External reports expanded:** Adds an itemized list of external sources that may inform monitoring (e.g., fiscal audits, MDHHS site reviews, third-party external quality review results, and reports from independent legal counsel as required by the Board).
- **Formal annual CEO evaluation described:** Adds language describing a formal annual evaluation that may consider key performance indicators, job-specific duties/responsibilities, and overall performance, and states results will be shared with the Board after survey aggregation.
- **Outdated monitoring methodology removed:** Deletes the prior detailed section describing monitoring methods (internal/external/direct inspection) and related documentation lists and calendars.
- **Review responsibility revised:** Updates the annual policy review statement from “CEO and designees” to the “LRE Board of Directors.”
- **Definitions strengthened:** Replaces “N/A” with a definition of “Entity,” including reference to LRE/PIHP status and relevant regulatory citations.

Policy 10.19

POLICY TITLE: MONITORING CHIEF EXECUTIVE OFFICER PERFORMANCE	POLICY #: 10.19		
Topic Area: Board of Directors	Issued By and Approved By: Board of Directors	REVIEW DATES	
Applies to: Board of Directors, Chief Executive Officer		11/18/21	
Review Cycle: Annually			
Developed and Maintained by: CEO and Designees			
Supersedes: N/A			
	Effective Date: 9/17/16	Revised Date: 11/18/21	

I. PURPOSE

To ensure executive performance is synonymous with monitoring organizational performance against Lakeshore Regional Entity (the "Entity") Board of Directors policies and approved outcomes, is monitored and evaluated.

II. POLICY

Monitoring executive performance shall be conducted annually and throughout the year may include review and consideration of but not limited to:

A. INTERNAL REPORTS: Disclosure of compliance and performance information to the Board of Directors from the CEO:

- Financial reports,
- Strategic planning reports,
- Compliance reports,
- Annual review of the Quality Assurance and Performance Improvement Program,
- LRE CEO routine updates and communications,
- Other organizational performance metrics and reports as required by the LRE Board of Directors.

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B. EXTERNAL REPORTS: Disclosure of compliance and performance information be external auditors, reviewers or other persons or entities external to the institution including:

- Fiscal audit reports,
- Results of Michigan Department of Health and Human Services site reviews,
- Results of third-party external quality review,
- Reports from independent legal counsel as required by the Board of Directors.

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A formal annual evaluation of the Entity CEO performance may include review and consideration of but not limited to:

A. ANNUAL CEO PERFORMANCE REVIEW

- The Entity Board of Directors will review the prescribed executive responsibility areas, that may change from time to time depending on CEO annual goals set by the Entity Board of Directors under:
 - Key LRE Performance Indicators
 - Job Specific Duties and Responsibilities
 - Overall Performance

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The results of the annual evaluation of the CEO performance will be shared with the Entity Board of Directors during the Board meeting following conclusion and aggregation of the survey.

~~is synonymous with monitoring organizational performance against Lakeshore Regional Entity (the "Entity") Board of Directors policies and approved outcomes. Any evaluation of the Entity Chief Executive Officer (CEO) performance, formal or informal, may be derived from these monitoring data.~~

- ~~1. The purpose of monitoring is to determine the degree to which the Entity Board of Directors policies are being fulfilled. Information that does not do this will not be considered to be monitoring~~
- ~~2. A given policy may be monitored in one or more of three ways; with a balance of using all the three types of monitoring:
 - ~~a. Internal report: Disclosure of compliance information to the Entity Board of Directors from the Entity CEO.~~
 - ~~b. External report: Discovery of compliance information by a disinterested, external auditor, inspector or judge who is selected by and reports directly to the Entity Board of Directors. Such reports must assess executive performance only against policies of the Entity Board of Directors, not those of the external party unless the Entity Board of Directors has previously indicated that party's opinion to be the standard.~~
 - ~~c. Direct Entity Board of Directors inspection: Discovery of compliance information by an Entity Board Director, a committee, or the Entity Board of Directors as a whole. This is an Entity Board of Directors inspection of documents, activities or circumstances directed by the Entity Board of Directors which allows a "prudent person" test of policy compliance.~~~~
- ~~3. Upon the choice of the Entity Board of Directors, any policy can be monitored by any method at any time. For regular monitoring, however, each Outcome and Executive Limitations policy will be classified by the Entity Board of Directors according to frequency and method.
 - ~~a. Internal~~
 - ~~b. External~~
 - ~~c. Direct Inspection~~~~

4. ~~Annually the Entity Board of Directors will have a formal evaluation of the Entity CEO. This evaluation will consider monitoring data as defined here, and as it has appeared over the calendar year.~~
5. ~~The Executive Committee of the Entity Board of Directors (Chairperson, Vice Chairperson, and Secretary) will take data and information from the bulleted documents below upon which the annual performance of the Entity CEO will be evaluated. The overall evaluation consists of compliance with Executive Limitations Policies; Outcomes interpretation and Outcomes monitoring reports and supporting documentation (as per the Entity Board of Directors developed schedule) and follow through on the Entity Board of Directors requests (what we ask for in subsequent meetings; what we want to see on the agendas). For the performance review the following should be documents given to the Executive Committee of the Entity Board of Directors at least one month prior to the Entity Board of Directors Entity CEO evaluation.~~
 - ~~• Minutes of all meetings~~
 - ~~• Outcomes monitoring reports for the past year along with the Outcomes Interpretation for each Outcomes monitoring report~~
 - ~~• Any supporting Outcomes documentation~~
 - ~~• Outcomes Monitoring Calendar~~
 - ~~• Other policies monitoring calendar~~

III. APPLICABILITY AND RESPONSIBILITY

This policy applies to the Entity Board of Directors and the Entity CEO.

IV. MONITORING AND REVIEW

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

V. DEFINITIONS

Entity – Also referred to as Lakeshore Regional Entity or LRE, is the Prepaid Inpatient Health Plan (PIHP) for Region 3 as defined in 42 CFR Part 438 and meets the requirements of MCL 330.1204b of the Michigan Mental Health Code.
N/A

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VI. RELATED POLICIES AND PROCEDURES

N/A

VII. REFERENCES/LEGAL AUTHORITY

N/A

VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
11/18/2021		CEO and Designees
<u>1/8/2025</u>	<u>New</u>	<u>CEO</u>

A. Executive Summary of Redline Changes

This redline update clarifies how the Board monitors Chief Executive Officer (CEO) performance by aligning monitoring activities to organizational performance against Board policies and approved outcomes. The revisions also expand the types of information that may be used for monitoring and formal evaluation, and clarify roles, frequency, and reporting expectations.

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- **Purpose updated:** Reframed executive performance monitoring as synonymous with monitoring organizational performance against Lakeshore Regional Entity (LRE) Board policies and approved outcomes (replacing the prior “monitored and evaluated” phrasing).
- **Monitoring cadence clarified:** Specifies monitoring shall be conducted annually and throughout the year, and clarifies that monitoring may include review/consideration of multiple information sources.
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- **Outdated monitoring methodology removed:** Deletes the prior detailed section describing monitoring methods (internal/external/direct inspection) and related documentation lists and calendars.
- **Review responsibility revised:** Updates the annual policy review statement from “CEO and designees” to the “LRE Board of Directors.”
- **Definitions strengthened:** Replaces “N/A” with a definition of “Entity,” including reference to LRE/PIHP status and relevant regulatory citations.

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Lakeshore Regional Entity Board Financial Officer Report for March 2026 3/25/2026

- **Disbursements Report** – A motion is requested to approve the February 2026 disbursements. A summary of those disbursements is included as an attachment.
- **Statement of Activities** – Report through January 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 January 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 January of **\$12.8 million**, a projected annual **deficit** of **\$19.4 million**, and a budgeted **deficit** of **\$14.7 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 **\$3.8 million**. West Michigan CMH has a projected **surplus**. HealthWest, Network180, OnPoint and CMH of Ottawa have projected **deficits**. All CMHSPs have a budgeted **surplus or breakeven**, except Network180 with a budgeted **deficit** of **\$15 million**.

Network180 submitted a revised spending plan/budget with a **\$15 million deficit**, an increase in their **deficit of \$12.9 million** from the previously submitted spending plan/budget.

- **FY26 Risk Management Strategy Plan (RMS)** – The FY26 RMS approved by the LRE Board in November, and subsequently approved by MDHHS, projected a **\$1.8 million deficit**. However, the January Monthly FSR reported a **\$19.4 million regional deficit**, requiring a revised RMS for submission to MDHHS. Finance ROAT and Operations Advisory Council will review the plan before it is presented to the LRE Board for approval in April.
- **Cash Flow Issues** – No new concerns reported to LRE. N180 has an outstanding **\$6 million** cash advance due May 1, 2026.
- **Treasury/IPA Update** – No new update this month.

- **FY25 Draft Medicaid/Healthy Michigan Plan (HMP) Cost Settlements with CMHSPs** – Below are the draft figures for FY25 and are subject to Compliance Examinations:

**Medicaid_HMP Cost Settlement Summary
FY25**

CMHSP	Medicaid (Due To) / Due From CMHSP	HMP (Due To) / Due From CMHSP	Total (Due To) / Due From CMHSP
Allegan	1,661,018.99	(695,616.10)	965,402.89
Healthwest	8,783,159.81	(4,086,419.20)	4,696,740.61
N180	(11,973,810.33)	(6,928,915.73)	(18,902,726.06)
Ottawa	(4,316,820.81)	(413,457.68)	(4,730,278.49)
West MI CMH	1,529,053.19	(42,007.83)	1,487,045.36
Total (Due To)/Due From CMHSP	(4,317,399.15)	(12,166,416.54)	(16,483,815.69)

- **Internal Service Fund (ISF) Balance** – Fiscal Year 2026 – Status as of March 9, 2026:
The ISF balance for FY26 begins with a reference balance of **\$30.3 million**, based on the FY25 Final Financial Status Report (FSR) ending ISF balance.

Based on current projections, the FY26 January FSR reflects an estimated **deficit of \$19.4 million**. After accounting for this projected deficit, the **estimated FY26 ending balance** for the ISF is **\$10.9 million**.

Overall, while the fund remains positive at FY26 year-end, the projected FY26 deficit represents a significant reduction from the prior year balance and will require continued monitoring and potential corrective actions as the fiscal year progresses.

FY25 Final FSR ISF balance is subject to Compliance Examinations. There is also an outstanding issue with Ottawa CMH and MDHHS regarding Ottawa's use of GF (\$204,079) toward their Medicaid deficit.

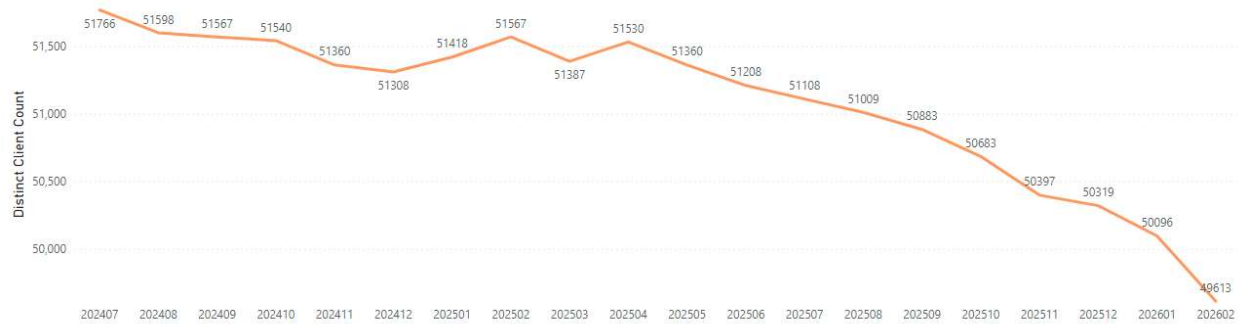
This projection also does not reflect the disputed **\$13.7 million** ISF reduction related to the FY22 MDHHS cost settlement.

- **FY2026 Revenue Projections** – FY26 February revenue is within 0.3% of expected total year-to-date revenue based on the December quarterly projections. The number of Medicaid payments that we received for eligible individuals increased slightly from January. We received \$186,433 in HSW retro revenue as a result of the LRE's ongoing efforts to resolve waiver payment issues with MDHHS. FY26 waivers continued to be paid out at FY25 rates. MDHHS expects to recoup and repay waiver revenue at the correct rates in March.

- 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 – February 2026. The LRE has experienced a decline in enrollments for DAB, TANF, and HMP, mirroring patterns observed throughout the state. The PIHPs shared combined enrollment data with MDHHS, which is investigating possible system issues but has found no evidence yet. Regionally, year-to-date eligibility is below MDHHS’s actuarial projections (DAB - 0.61%, TANF -4.9%, HMP -4.2%).

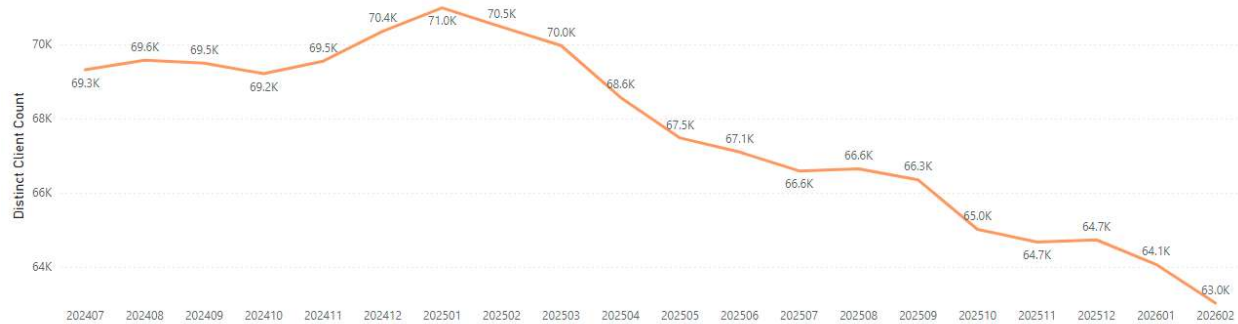
DAB

Eligibility - Number of Consumers by Month



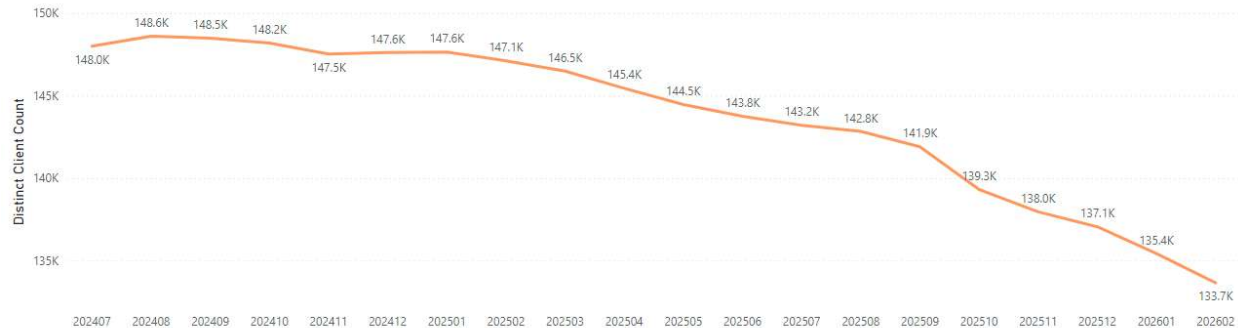
HMP

Eligibility - Number of Consumers by Month



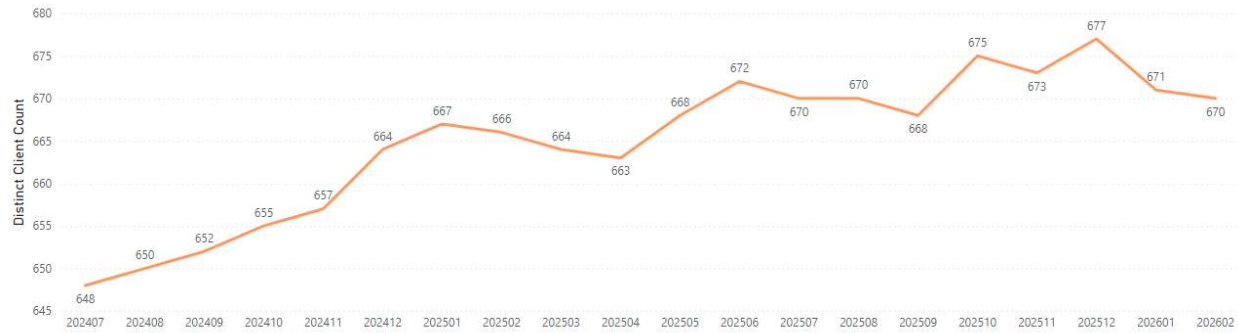
TANF

Eligibility - Number of Consumers by Month



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	Managed Care / MDHHS Contract	By-Laws				General	State Fair Hearings	CCBHC	ISF Litigation	Total
		Operating Agreement	Health West Litigation	N180 Litigation						
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	\$ -	\$ -	\$ -	\$ -	\$ 42,214.00	\$ -	\$ -	\$ -	\$ 42,214.00	
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 February 28, 2026



BOARD ACTION REQUEST

Subject: February 2026 Disbursements

Meeting Date: March 25, 2026

RECOMMENDED MOTION:

To approve the February 2026 disbursements of \$34,521,297.92 as presented.

SUMMARY OF REQUEST/INFORMATION:

<u>Disbursements:</u>	
Allegan County CMH	\$2,762,452.07
Healthwest	\$6,856,658.77
Network 180	\$17,081,199.14
Ottawa County CMH	\$4,711,022.81
West Michigan CMH	\$2,450,227.21
SUD Prevention Expenses	\$124,798.41
SUD Public Act 2 (PA2)	\$32,808.75
Administrative Expenses	\$502,130.76
Total:	\$34,521,297.92

98.45% 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: *3/17/2026*



Statement of Activities - Actual vs. Budget
Fiscal Year 2025/2026
 As of Date: 1/31/26

	Year Ending 9/30/2026	1/31/2026		
	FY26 Budget <i>Amendment 1</i>	Budget to Date	Actual	Actual to Budget Variance
Operating Revenues				
Medicaid, HSW, SED, & Children's Waiver	301,240,389	100,413,463	101,409,660	996,197
DHS Incentive	471,247	157,082	-	(157,082)
Autism Revenue	67,936,338	22,645,446	23,734,027	1,088,581
Healthy Michigan	35,315,883	11,771,961	13,030,996	1,259,035
Performance Bonus Incentive	2,648,663	882,888	-	(882,888)
Hospital Rate Adjuster (HRA)	23,383,692	7,794,564	-	(7,794,564)
Member Local Contribution to State Medicaid	1,007,548	335,849	335,849	(0)
Health Homes (BHH/SUDHH)	54,672	18,224	8,748	(9,476)
MDHHS Grants	10,798,608	3,599,536	1,623,589	(1,975,947)
PA 2 Liquor Tax	5,166,548	1,722,183	-	(1,722,183)
Interest Earnings	1,365,174	455,058	159,788	(295,270)
Use of ISF/Savings	1,746,450	582,150	-	(582,150)
Miscellaneous Revenue	5,500	1,833	-	(1,833)
Total Operating Revenues	451,140,713	150,380,238	140,302,658	(10,077,580)
Expenditures				
Salaries and Fringes	8,006,979	2,668,993	1,801,314	(867,679)
Office and Supplies Expense	316,958	105,653	62,087	(43,566)
Contractual and Consulting Expenses	1,025,954	341,985	239,635	(102,349)
Managed Care Information System (PCE) *	345,200	115,067	92,507	(22,559)
Legal Expense *	229,000	76,333	40,169	(36,164)
Utilities/Conferences/Mileage/Misc Exps	3,998,465	1,332,822	(17,461)	(1,350,282)
Grants - MDHHS & Non-MDHHS	637,422	212,474	187,219	(25,255)
Hospital Rate Adjuster / Taxes	28,295,860	9,431,953	1,228,042	(8,203,911)
Prevention Expenses - Grant & PA2	3,214,006	1,071,335	931,520	(139,815)
SUD Treatment Expenses - Grants	693,492	231,164	247,194	16,030
Member Payments - Medicaid/HMP	392,126,153	130,708,718	132,246,991	1,538,273
Member Payments - PA2 Treatment	3,838,837	1,279,612	944,139	(335,473)
Member Payments - Grants	7,404,838	2,468,279	1,896,726	(571,553)
Local Contribution to State Medicaid	1,007,548	335,849	335,849	(0)
Total Expenditures	451,140,712	150,380,237	140,235,932	(10,144,305)
Total Change in Net Assets	0	0	66,725	66,725

* 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 January 31, 2026

As of Date: 1/31/26

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	N/A - Closely aligned with the current budget projections.
Healthy Michigan	Enrollment figures are declining and subsequent revenues are projected 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 was delayed, pending CMS rate approval. First payment is expected in quarter three.
Member Local Match Revenue	N/A - Closely aligned with the current budget projections.
MDHHS Grants	SUD grant payments are received quarterly. First payment received in February.
PA 2 Liquor Tax	PA2 revenues are received quarterly, after the Department of Treasury issues payments to the counties. Quarter 1 was withheld for the state's debt service requirements.
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. Will be monitored for adjustments during the next amendment.
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	Expenditures under due to some MDHHS grant amendment and payment delays.
HRA/Taxes	HRA is typically paid quarterly. First quarter HRA payment was delayed, pending CMS rate approval. First payment is expected in quarter three.
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 2026
 January 2026 Reporting Month
 Reporting Date: 3/17/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Total Distributed Medicaid/HMP Revenue	26,935,077	66,562,024	11,176,270	18,475,486	9,098,136	2,218,251	134,465,244
Total Capitated Expense	22,898,250	69,716,770	10,492,291	17,976,335	7,761,210	2,218,251	131,063,107
Actual Surplus (Deficit)	4,036,827	(3,154,747)	683,979	499,151	1,336,926	-	3,402,137
% Variance	14.99%	-4.74%	6.12%	2.70%	14.69%	0.00%	
Information regarding Actual (Threshold: Surplus of 5% and deficit of 1%) (Variance Explanation provided by CMHSP)	Expenses were down the month of January, however, the retro contracted provider increases have not been paid out. This will close this gap slightly.	Utilization remains high and consistent with FY25, driven by inpatient, autism, and specialized residential services.	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.	Less than threshold for explanation.	WM is in the process of rolling out provider increases which are retroactive back to 1/1/26 and will reduce the overage.	Less than threshold for explanation.	
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.							
	98,270	(641,461)	(122,825)	(21,656)	116,071		(571,601)
Actual Surplus (Deficit)	4,135,097	(3,796,208)	561,154	477,495	1,452,997		2,830,536
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
LRE Revenue Projections as of: December							
Total Projected Medicaid/HMP Revenue	79,116,525	192,305,302	32,488,202	53,646,324	27,093,995	13,922,556	398,572,904
Total Capitated Expense Projections	79,222,293	207,292,460	32,595,722	57,923,059	27,043,915	13,922,556	418,000,006
Projected Surplus (Deficit)	(105,768)	(14,987,158)	(107,520)	(4,276,735)	50,080	-	(19,427,101)
% Variance	-0.13%	-7.79%	-0.33%	-7.97%	0.18%	0.00%	
Information regarding Projections (Threshold: Surplus of 5% and deficit of 1%) (Variance Explanation provided by CMHSP)	Less than threshold for explanation.	Utilization remains high and consistent with FY25, driven by inpatient, autism, and specialized residential services. Additionally, autism service demand exceeds funding, as regional rate allocations do not reflect county-level needs. Finally, while CSU rates are included in PMPM funding, current regional allocations do not adequately cover N180 operating costs as the only CSU in the region.	Less than threshold for explanation.	Projecting similar expenses as last year incl 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:	11/12/2025	3/11/2026	11/10/2025	11/14/2025	11/12/2025		
Medicaid/HMP Revenue	DRAFT ONLY - NOT ACCEPTED AS FINAL						
Total Budgeted Medicaid/HMP Revenue	79,430,870	192,305,302	32,595,722	53,601,952	27,043,915	13,922,556	398,900,317
Total Budgeted Capitated Expense	79,162,747	207,292,460	32,595,722	53,601,952	27,043,915	13,922,556	413,619,353
Budgeted Surplus (Deficit)	268,123	(14,987,158)	-	-	-	-	(14,719,036)
% Variance	0.34%	-7.79%	0.00%	0.00%	0.00%	0.00%	
Information regarding Spending Plans (Threshold: Surplus of 5% and deficit of 1%) (Variance Explanation provided by CMHSP)	Less than threshold for explanation.	Utilization remains high and consistent with FY25, driven by inpatient, autism, and specialized residential services. Additionally, autism service demand exceeds funding, as regional rate allocations do not reflect county-level needs. Finally, while CSU rates are included in PMPM funding, current regional allocations do not adequately cover N180 operating costs as the only CSU in the region.	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	(373,891)	0	(107,520)	(4,276,735)	50,080	-	(4,708,066)
% Variance	-0.47%	0.00%	-0.33%	-7.98%	0.19%	0.00%	
Explanation of variances between Projected and Proposed Spending Plan (Threshold: Surplus of 5% and deficit of 1%) (Variance Explanation provided by CMHSP)	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
FY2026 FSR Monthly Comparison of Surplus/(Deficit) Detail
(Excluding CCBHC)

January 2026 Reporting Month
Reporting Date: 3/17/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	1,969,993	(2,742,698)	(905,136)	(624,391)	755,589	(1,546,642)
Autism	2,165,104	(1,053,510)	1,466,290	1,101,886	697,408	4,377,178
Total Distributed Medicaid/HMP Revenue	4,135,097	(3,796,208)	561,154	477,495	1,452,997	2,830,536
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	(5,973,647)	(9,891,222)	(3,668,003)	(3,646,682)	(2,056,360)	(25,235,915)
Autism	5,867,879	(5,095,936)	3,560,484	(630,053)	2,106,439	5,808,813
Total Distributed Medicaid/HMP Revenue	(105,768)	(14,987,158)	(107,520)	(4,276,735)	50,080	(19,427,101)

Lakeshore Regional Entity
FY2026 FSR Monthly Comparison of Surplus/(Deficit)

Actual	Nov	Dec	Change	Jan	Change	Significant Change Explanations
						Expenses were down the month of January, however, the retro contracted provider increases have not been paid out. This will close this gap slightly.
HW	3,210,521	1,880,517	(1,330,003)	4,135,097	2,254,579	
N180	(2,499,914)	(3,522,325)	(1,022,411)	(3,796,208)	(273,882)	
OnPoint	369,888	400,276	30,387	561,154	160,878	
Ottawa	1,725,566	1,650,528	(75,038)	477,495	(1,173,033)	
WM	1,307,093	1,276,611	(30,481)	1,452,997	176,386	
Total	4,113,153	1,685,607	(2,427,546)	2,830,536	1,144,929	

Projection	Nov	Dec	Change	Jan	Change	Significant Change Explanations
HW	3,869,714	(4,266,494)	(8,136,208)	(105,768)	4,160,726	Explanation not provided by HW yet.
						Utilization remains high and consistent with FY25, driven by inpatient, autism, and specialized residential services. Additionally, autism service demand exceeds funding, as regional rate allocations do not reflect county-level needs. Finally, while CSU rates are included in PMPM funding, current regional allocations do not adequately cover N180 operating costs as the only CSU in the region.
N180	(2,078,970)	(2,759,095)	(680,125)	(14,987,158)	(12,228,064)	
OnPoint	-	(107,520)	(107,520)	(107,520)	0	
						One-time expenditure in staff HSA payouts; One-time payout in PTO balances; COLA increases effective 1/1/26; Unanticipated increases in CLS, Autism, Respite, and Inpatient expenditures; Increase in select specialized residential rates up to 10% to assist with Specialized Residential Rate shortfall and address direct care worker minimum wage and pass through.
Ottawa	(3,469,038)	(3,580,703)	(111,665)	(4,276,735)	(696,032)	
WM	-	50,080	50,080	50,080	0	
Total	(1,678,294)	(10,663,732)	(8,985,438)	(19,427,101)	(8,763,370)	

Proposed Spending Plan/Budget	Nov	Dec	Change	Jan	Change	Significant Change Explanations
HW	268,123	268,123	-	268,123	(0)	
						Crisis Stabilization Unit (CSU) costs and Autism service demand exceeds funding; high utilization of inpatient, autism, and specialized residential services.
N180	(2,078,970)	(2,078,970)	-	(14,987,158)	(12,908,189)	
OnPoint	-	-	-	-	-	
Ottawa	-	-	-	-	-	
WM	-	-	-	-	-	
Total	(1,810,847)	(1,810,847)	-	(14,719,036)	(12,908,189)	