Board of Directors Work Session Agenda
August 26, 2026, 11:00 AM
GVSU Muskegon Innovation Hub
200 Viridian Dr, Muskegon, MI 49440

1. Welcome and Opening Comments – Ms. Gardner
2. Public Comment
3. Corporate Compliance Training *(Attachment 2, 2a*) – Jack Calhoun
4. Strategic Plans
    i. LRE Organizational plan *(Attachment 3, 3a)*
    ii. Substance Use Disorder (SUD) plan *(Attachment 4)*
5. Adjourn

5000 Hakes Drive, Norton Shores MI 49441
Phone: 231-769-2050
Fax: 231-269-2071

Corporate Compliance Training – August 26, 2026

LAKESHORE REGIONAL ENTITY

Agenda

- What is Corporate Compliance?
- Legal Foundations
- Seven Elements of a Corporate Compliance Plan
- How to File a Complaint
- Protections
- Fraud, Waste, and Abuse
- Code of Conduct

What is Corporate Compliance?

Corporate Compliance is a **proactive** and **reactive** system of internal controls, policies, and procedures that focuses on detecting non-compliance.

Legal Foundations

- False Claims Act of 1863 – Ensures false claims cannot be made against the US government.
- Michigan False Claims Act – Specifically addresses false claims to Medicaid.
- Deficit Reduction Act of 2005 – Establishes the basis for compliance programs among organizations that bill Medicaid.
- Affordable Care Act of 2010 – Outlines the required elements of an effective compliance program.

Seven Elements of a Compliance Program

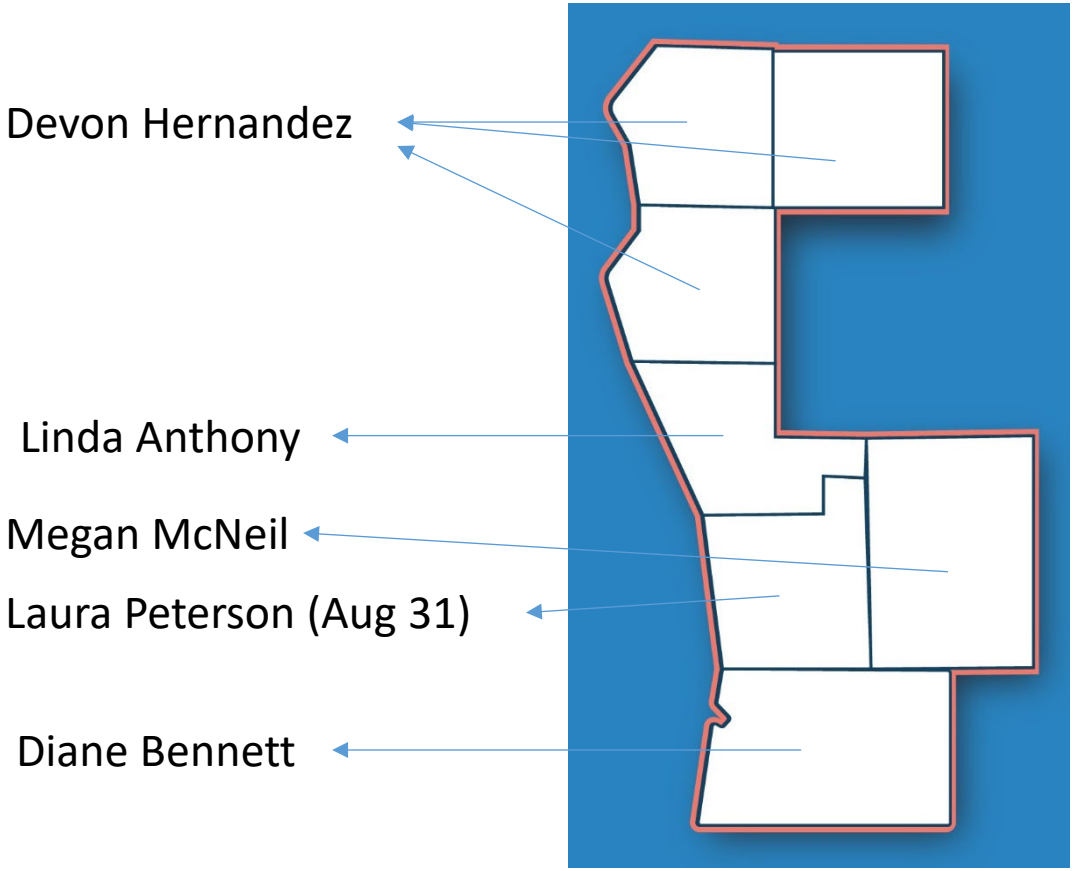
- Written policies, procedures, and code of conduct.
- Compliance leadership and oversight
  - Compliance Officer
  - Compliance Oversight Committee
- Compliance training and education
- Effective lines of communication with Compliance Officer and disclosure programs
- Enforcing standards: consequences and incentives
- Risk assessment, auditing, and monitoring
- Responding to detected offenses and developing corrective action initiatives

How to file a complaint: LRE

- Telephone hotline: (800) 420-3592 (includes confidential voicemail)
- E-mail: compliance@lsre.org
- Mail: 5000 Hakes Drive, Suite 250, Norton Shores, MI 49441
- In person (by appointment)
- Virtual: via ZOOM or Microsoft Teams

Other ways to file a complaint:

To CMHSP Compliance Officers



To MDHHS-OIG

- Telephone: 855-MI-FRAUD
- Mail: Office of Inspector General, P.O. Box 30062, Lansing, MI 48909

To HHS-OIG

- Telephone: (877) 696-6775
- Mail: US Department of Health and Human Services – Office of Civil Rights, 200 Independence Ave, S.W., Washington, D.C., 20201

Protections

- For the person reporting:
  - Suspected wrong-doing may be reported anonymously.
  - Persons reporting suspected wrong-doing or assisting in an investigation are protected from retaliation and harassment.
- For the Compliance team:
  - Prohibition of acting to influence an investigation or its findings.
  - Compliance staff cannot be retaliated against due to investigation findings.
  - Compliance Officer must have direct access to the CEO and to the Board of Directors.

Fraud

- The **intentional** deception or misrepresentation made by a person that could result in a **benefit** to themself or some other person.
- Examples:
  - Billing for services that were not provided
  - Falsifying records
  - Upcoding (using a billing code, other than the intended code, to receive a greater payment)

Waste

- The overutilization of services, or other practices that directly or indirectly result in unnecessary costs.
- Examples:
  - Billing for service time when the provider was not engaged in active treatment.
  - Double-billing for items or services.

Abuse

- Billing for services that are not medically necessary or meet professionally recognized standards.
- Examples:
  - Performing a treatment procedure that is not evidence-based.
  - Billing for services without an active, valid treatment plan.

Code of Conduct

- All activities within LRE shall be provided with commitment to appropriate business, professional and community standards for ethical behavior.
- LRE shall conduct business with integrity and not engage in inappropriate use of public resources.
- LRE shall ensure that services are provided in a manner that maximizes benefit to persons served while avoiding risk of physical, emotional, social, spiritual, psychological or financial harm.
- The interests of the persons served shall be the driving factor. Activities on behalf of persons served, whether primary or secondary, shall always be determined by their best interests and the need to acknowledge health and safety risks.

Code of Conduct (continued)

- All LRE staff and Board Members shall conduct themselves in such a way as to avoid situations where prejudice, bias, or opportunity for personal or familial gain, could influence, or have the appearance of influencing, professional decisions.
- High professional standards shall be maintained and promoted. LRE staff, Board members, and providers are required to conduct business based on acceptable principles and standards of practice.
- The CMHSP Participants and their contracted providers shall have standards of conduct that articulate organization's commitment to comply with all applicable requirements and standards under the contract, and all applicable Federal and State requirements

Code of Conduct (continued)

- LRE shall require employees to report suspected compliance issues to their supervisor or to the Compliance Officer.
- LRE shall require network providers to report suspected compliance issues to their supervisor, local liaison, or regional Compliance Officer.
- Whistleblower Protection shall be adhered to within LRE

Questions

Next Steps:

- Sign training attestation

LAKESHORE
REGIONAL ENTITY

FY26 CORPORATE COMPLIANCE PLAN
October 2025

Prepared by LRE Compliance Officer: September 15, 2025
Reviewed by LRE Compliance Oversight Committee: September 22, 2025
Reviewed by LRE Compliance ROAT
Reviewed by LRE Executive Team:
Reviewed by LRE Operations Council:
Reviewed and Approved by LRE Board of Directors:
Distributed by LRE:

Table of Contents

ORGANIZATIONAL STRUCTURE

Lakeshore Regional Entity (LRE) serves as the Medicaid Prepaid Inpatient Health Plan (PIHP) for a seven-county region in west Michigan, designated by the Michigan Department of Health and Human Services (MDHHS) as Region 3. Region 3 is comprised of the following counties:

Allegan County:	OnPoint (Allegan County Community Mental Health Services)
Kent County:	Network 180 (Kent County CMH Authority)
Lake County:	West Michigan Community Mental Health System
Mason County:	West Michigan Community Mental Health System
Muskegon County:	HealthWest
Oceana County:	West Michigan Community Mental Health System
Ottawa County:	Community Mental Health of Ottawa County

The Member Community Mental Health Service Programs (Member CMHSPs) have elected to configure LRE under the Michigan Mental Health Code Section 3301.1204b.

LRE as the PIHP

LRE serves as the Medicaid PIHP for the region with authority and accountability for operations and fulfillment of applicable federal and state statutory, regulatory, and contractual obligations related to the applicable waiver(s) and MDHHS contract(s). The role of LRE as the PIHP is defined in federal statute, specifically 42 CFR § 438 and the Fiscal Year 2026 (FY26) MDHHS/PIHP Contract.

LRE contracts with MDHHS for the Medicaid Managed Specialty Supports and Services 1115 Demonstration Waiver, 1915 (c)/(i) Waiver Program(s), the Healthy Michigan Program, the Flint 1115 Waiver and Substance Use Disorder Community Grant Programs

LRE: MISSION and VALUES

MISSION:

Through regional support and leadership for collaboration and innovation, LRE works to strengthen the public behavioral health system and ensure excellence in services.

VALUES:

- **Local Solutions – Value Local Differences:** We value locally unique service systems that are responsive to local needs, partnerships, and available resources.

- **Fiscal Responsibility – Accountable and Responsible with funds:** Transparent and accountable use of public funds. Maximize available resources.

- **Collaborative Relationships – Foster Effective Partnerships:** Nurture collaboration based on mutual trust and shared commitment to quality. Approach all interactions with respect, openness, and a commitment to proactively resolve conflict.

- **Innovation – Boldly Pursue Excellence:** Pursue audacious goals by challenging the status quo and trying new things. Actively work to identify and support opportunities for innovation.

OVERVIEW OF LRE's CORPORATE COMPLIANCE PLAN AND PROGRAM

SCOPE OF LRE CORPORATE COMPLIANCE PLAN

The LRE Corporate Compliance Plan is a high-level overview of the LRE Corporate Compliance Program that outlines LRE's commitment to ensuring compliance with the applicable federal and state statutory, regulatory, and contractual requirements.

All LRE staff, Member CMSHPs, and Network Providers are required to comply with all applicable federal and state statutory, regulatory, and contractual requirements, including but not limited to those specifically addressed in the LRE Corporate Compliance Plan.

To the extent that the LRE Corporate Compliance Plan conflicts with, or misstates any applicable regulation, statutes, or contractual requirements, the regulation, statutes, and/or contractual requirements control(s).

PURPOSE OF LRE CORPORATE COMPLIANCE PROGRAM

The purpose of the LRE Corporate Compliance Program is to

1. Encourage the highest level of ethical and legal behavior from all LRE staff and Board of Directors.
2. Educate all LRE staff, LRE Board of Directors, and stakeholders on their responsibilities and obligations to comply with applicable federal, state, and local laws.
3. Communicate to all LRE staff, LRE Board of Directors, Member CMSHPs, Network Providers, and stakeholders LRE's Corporate Compliance Program structure to promote understanding and encourage communication.
4. Minimize organizational risk and improve compliance with applicable federal and state statutory, regulatory, and contractual requirements; service provision; documentation standards; and Medicaid coding and billing requirements.
5. Maintain adequate internal controls throughout Region 3.
6. Provide oversight and monitor functions to reduce the possibility of misconduct, and violations through prevention and early detection and minimize exposure to civil and criminal sanctions as well as non-compliance with applicable federal and state statutory, regulatory, and contractual requirements; service provision; documentation standards; and Medicaid coding and billing requirements.
7. Promote a clear commitment to compliance by taking actions and showing good faith efforts to uphold applicable federal regulations, state statutes, and contractual requirements.

APPLICATION OF LRE CORPORATE COMPLIANCE PLAN

As a regional PIHP, the LRE Corporate Compliance Plan is intended to provide the framework for the LRE to comply with all applicable laws, regulations, contracts, and program requirements. It is LRE's intent that all its compliance policies and procedures should promote integrity, support objectivity, and foster trust throughout the service region. The LRE Corporate Compliance Plan applies to all LRE day-to-day activities, including those activities that come within Federal and State oversight of PIHPs.

LRE staff are subject to the requirements of the LRE Corporate Compliance Plan as a condition of employment. All LRE staff are required to fulfill their duties in accordance with the LRE Corporate Compliance Plan, LRE policies, and LRE procedures to promote and protect the integrity of LRE. Failure to do so will result in disciplinary action, up to and including termination of employment, depending on the egregiousness of the offense. Disciplinary action may also be taken against a supervisory staff member who directs or approves a staff member's improper conduct, is aware of the improper conduct, and does not act appropriately to correct it, or who fails to properly exercise appropriate supervision over a staff member.

LRE, directly and indirectly, through its Member CMSHPs, contracts services for adults and children with mental health conditions, intellectual/developmental disabilities, and co-occurring mental health and substance abuse disorders within its seven counties (Allegan, Kent, Lake, Mason, Muskegon, Oceana, and Ottawa counties).

The LRE Corporate Compliance Plan applies to Member CMHSPs and Network Providers receiving payment through LRE and/or through the PIHP managed care functions. All Member CMSHPs and Network Providers, including their officers, employees, contractors, servants, and agents, are subject to the requirements of LRE Corporate Compliance Plan as applicable to them and as stated within the applicable contracts. Failure to follow the LRE Corporate Compliance Plan and cooperate with the LRE Corporate Compliance Program will result in corrective action plans, remediation, and contract action, if needed.

The LRE Corporate Compliance Plan, standards, policies, and procedures included or referenced herein are not exhaustive or all inclusive. All LRE staff, Member CMSHPs, and Network Providers are required to comply with all applicable laws, rules, and regulations, including those that are not specifically addressed in the LRE Corporate Compliance Plan.

LRE CORPORATE COMPLIANCE PROGRAM ELEMENTS

LRE's Corporate Compliance Program is comprised of the seven elements as provided by the Office of Inspector General.[1]

Element 1 - Written Policies, Procedures, and Codes of Conduct – The development, distribution, and enforcement of written policies, procedures, and codes of conduct that promote the LRE's commitment to full compliance with applicable federal and state statutory, regulatory, and contractual obligations that are accessible and applicable to all LRE Staff. These policies, procedures, and codes of conduct incorporate the culture of compliance into our day-to-day operations and address specific areas of potential fraud, waste, and abuse. LRE also maintains its policies, procedures, and codes of conduct through annual review.

See LRE Policies or Procedures:

Policies and Procedures - Lakeshore Regional Entity (lsre.org)
1.1 – Conflict of Interest
1.1a – Conflict of Interest procedure
1.3 – Policy Promulgation
1.3a – Policy Promulgation procedure
1.3b – Annual Policy Review procedure
8.1 – Code of Ethics
9.1a – Code of Conduct Distribution and Training

[1] U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES OFFICE OF INSPECTOR GENERAL, General Compliance Program Guidance, November 2023, HHS-OIG General Compliance Program Guidance | November 2023 (last visited April 9, 2024).

10.5 – Code of Conduct

Element 2 - Compliance Leadership and Oversight – The designation of a Compliance Officer and a Compliance Oversight Committee that is charged with the responsibility and authority of operating and monitoring the Corporate Compliance Program to make sure that it is implemented, monitored, and revised, as appropriate in an effective manner. (See "STRUCTURE OF LRE CORPORATE COMPLIANCE PROGRAM," Sections LRE Compliance Officer and LRE Compliance Oversight Committee, pp. 9-11.). The role of Compliance Officer is designated by the Chief Executive Officer (CEO). The CEO, Chief Financial Officer, the Chief Operating Officer, or any other individual operating in these roles, may not operate in the capacity of compliance officer.

See LRE Policies or Procedures: 9.1 – Corporate Compliance Plan
9.1b – Compliance Program Auditing and Monitoring
Compliance Oversight Committee procedure

Element 3 - Compliance Training and Education – The development and implementation of appropriately tailored training programs and education for all LRE Staff and LRE Board of Directors. LRE ensures new LRE staff and LRE Board of Directors members receive LRE's Corporate Compliance Program training at orientation or within thirty (30) days of employment or appointment, respectively. LRE ensures all LRE staff and the LRE Board of Directors receive annual compliance training and, as necessary, other periodic training. LRE also ensures LRE staff complete the required annual trainings in a timely manner as prescribed by LRE. Training is a condition of employment and failure to comply will result in appropriate disciplinary action.

LRE requires the following mandatory, minimum trainings for LRE staff, with the corresponding training timelines:

Training Name	Initial Training	Ongoing Training
Corporate Compliance	Within 30 days of Hire	Annually
Cultural Competence	Within 30 days of Hire	Annually
HIPAA	Within 30 days of Hire	Annually
Limited English Proficiency	Within 30 days of Hire	Annually
Recipient Rights	Within 30 days of Hire	Annually
LRE Enhanced Privacy Training	Within 30 days of Hire	Annually

Per contract with LRE, member CMHSPs and their Network Providers are required to comply with all MDHHS training requirements.

LRE's Compliance Officer provides updates on procedural changes, regulatory changes, and contractual changes to the Compliance Oversight Committee, the Regional Operations Team, and LRE employees as they occur.

See LRE Policies or Procedures: 8.8 – Training and Development

Element 4 - Effective Lines of Communication with Compliance Officer and Disclosure Programs – The regular education of all LRE Staff, Member CMHSPs, and Network Providers of how to contact the LRE Compliance Officer. The development of written policies and procedures regarding confidentiality (complainants may be made anonymously) and non-retaliation policies when reporting instances of noncompliance, including but not limited to fraud, waste, and abuse. The use of efficient and trusted mechanisms where all LRE Staff, Member CMHSPs, and Network Providers can contact the Compliance Officer through a hotline to make complaints. LRE utilizes the following mechanism for receiving complaints:

1. LRE Telephone Hot Line – Suspected compliance violations or questions can be made to a toll-free hotline. The number is 1-800-420-3592 and includes confidential voicemail.

2. LRE Electronic Mail (E-Mail) – Suspected compliance violations or questions can be sent electronically via e-mail to the Compliance Officer at compliance@lsre.org.

3. Mail Delivery – Suspected compliance violations or questions can be mailed to:

   LRE Compliance Officer
   Lakeshore Regional Entity
   5000 Hakes Drive
   Suite 250
   Norton Shores, Michigan 49441

4. In-Person - Suspected compliance violations or questions can be made in person to the LRE Compliance Officer at the above address by appointment.

5. Virtual - Suspected compliance violations or questions can be made virtually via ZOOM or Microsoft® Teams upon request. Please contact the LRE Compliance Officer to make a virtual appointment.

6. MDHHS-OIG Telephone Hotline – Suspected compliance violations or questions can also be made to the OIG directly and anonymously at a toll-free hotline. The number is 1-855-MI-FRAUD (1-855-643-7283).

7. Mail Delivery – Suspected compliance violations or questions can also be mailed to:
   Office of Inspector General

PO Box 30062
Lansing, MI 48909

Non-Retaliation and Non-Intimidation of Persons Reporting Non-Compliance[2]

Members of the LRE Board of Directors, LRE staff members, Member CMHSPs and staff, and Network Providers and staff, who make good faith reports of violations of federal or state law, are protected by state and federal whistleblower statutes.

Under the Federal False Claims Act and the Michigan Medicaid False Claims Act, employees who report violations in good faith are entitled to protection from disciplinary actions taken by their employer.

1. The Federal False Claims Act, 31 USC §§3729 through 3731, provides for administrative remedies, encourages enactment of parallel state laws pertaining to civil and criminal penalties for false claims and statements, and provides "whistle-blower" protection for those making good faith reports of statutory violations.
2. Under the Michigan Medicaid False Claims Act, an employer shall not discharge, demote, suspend, threaten, harass, or otherwise discriminate against an employee in the terms and conditions of employment because the employee initiates, assists in, or participates in a proceeding or court action under this act or because the employee cooperates with or assists in an investigation under this act. This prohibition does not apply to an employment action against an employee who the court finds: (i) brought a frivolous claim, as defined in section 2591 of the revised judicature act of 1961, 1961 PA236, MCL §600.2591; or (ii) planned, initiated, or participated in the conduct upon which the action is brought; or (iii) is convicted of criminal conduct arising from a violation of that act.

See LRE Policies or Procedures: 9.1C – Compliance Reporting Responsibilities

Element 5 - Enforcing Standards: Consequences, and Incentives – The development of appropriate consequences for instances of noncompliance, as well as incentives for compliance. The development of policies regarding conflict of interest; disclosure of ownership; sanctioned, excluded, debarred, etc. organizations and individuals; criminal background checks; etc.

Corrective Action Plans

If an internal investigation substantiates a reported violation, corrective action will be initiated including, as appropriate, which will include: 1) LRE issuing a non-compliance letter, 2) LRE requiring a Corrective Action Plan (CAP) from the agency found out of compliance, 3) Out of compliance agency developing a CAP inclusive of monitoring for adequate implementation and

[2] Also referred to as Whistleblower Protections.

risk mitigation, and 4) Out of compliance agency implementing changes to prevent a similar violation from recurring in the future, is possible.

Elements of a Corrective Action Plan: As appropriate, given the nature of the noncompliance, a corrective action plan submitted to LRE for approval shall, at a minimum, include:

1. Describe in sufficient detail the corrective action that will be taken to minimize or eliminate the risk from repeating in the future.
2. Names or Titles of those responsible for implementing the corrective action, and
3. An implementation date.

Depending on the seriousness of the offense, the resulting action for LRE staff could include additional training, written reprimand, suspension, or termination of employment. The resulting action for the Network Provider would also depend on the seriousness of the offense and could include additional training, written reprimand, suspension, letter of contract non-compliance, and termination of contract.

See LRE Policies or Procedures:

1.1 – Staff Conflict of Interest
1.1a – Staff Conflict of Interest procedure
4.4 – Credentialing Recredentialing
4.9 – Corrective Action Plan/Performance Improvement
4.9a – Corrective Action Plan/Performance Improvement procedure
7.1 – Quality Management
7.7 – CMHSP Member Monitoring
7.8 – Medicaid Services Verification
7.8a – Medicaid Services Verification procedure

8.5 – Hiring and Background Checks
9.8 – Compliance Enforcement
9.9 – Exclusion Screening
9.11 – Criminal History Checks
9.12 – Disclosure of Ownership, Control, and Criminal Convictions
9.15B – Medicaid Overpayments and Sanctions procedure
Criminal History Checks procedure
LRE Exclusion Screenings procedure
Disclosure of Ownership, Control, and Criminal Convictions procedure
Sanctions procedure
10.23 – Board Conflict of Interest
10.23a – Board Conflict of Interest procedure

Element 6 – Risk Assessment, Auditing, and Monitoring – The use of audits or other risk evaluation techniques to monitor compliance and assist in the reduction of identified problem areas within delivered services, claims processing, and managed care functions. Procedures LRE will use to monitor its network and identify potential fraud, waste, and abuse will include:

Procedure	Frequency	By:	Finding Provided to:
Medicaid Event Verification (MH & SUD)	Quarterly	LRE Staff	Compliance ROAT; Quality ROAT; Member CMHSPs
Overlapping Services	Quarterly	CMHSPs	LRE Compliance Dept; MDHHS OIG (via 6.2 Report)
ABA Sup/Tech Claims validation	Quarterly	CMHSPs	LRE Compliance Dept; MDHHS OIG (via 6.2 Report)
Quality Audit	Annually (per schedule)	LRE Staff	Member CMHSPs
Health Services Advisory Group Audit • Network Adequacy Validation • Performance Measurement Validation	Annually (per schedule)	External HSAG staff	LRE
MDHHS-OIG 6.9 Review/Report	Annually	LRE Staff OIG	Compliance Oversight Committee; Compliance ROAT
MDHHS SUD Site Review	Annually		
MDHHS Waiver Site Review	Annually		
Electronic Verification Validation	Annually		
Financial Compliance Evaluation	Annually	External Auditing firm	LRE CEO
Managed Care Risk Assessment	Quarterly (per schedule)	QIC	QIC; Managed Care Dept under review
Utilization Management Review	Quarterly	LRE Staff	Member CMHSPs; LRE Compliance Dept (in aggregate) – Under development

The development of a Risk Assessment Work Plan that will be used to identify, analyze, and address the risks the organization faces and how well the current systems in place are able to prevent those risks.

The LRE Compliance Officer is also responsible for ensuring a risk assessment is performed annually with the results integrated into the daily operations of the organization.

See LRE Policies or Procedures:

7.1 – Quality Management
7.7 – CMHSP Member Monitoring
7.8 – Medicaid Verification
7.8a – Medicaid Services Verification procedure
9.1 – Corporate Compliance Plan
9.1b – Compliance Program Auditing and Monitoring
9.15 – Fraud, Waste, and Abuse Investigations
9.15a – Fraud, Waste, and Abuse Investigations procedure
9.15b - Overpayment and Sanctions

Element 7 - Responding to Detected Offenses and Developing Corrective Action Initiatives – The development of policies and procedures to respond to detected offenses, to initiate correction action initiatives to prevent future offenses, and to, when appropriate, report to governmental agencies.

See LRE Policies or Procedures:

9.7 – Compliance Reviews and Investigations
9.8 – Compliance Enforcement and Discipline
9.15 – Fraud, Waste, and Abuse Investigations
9.15A – Fraud, Waste, and Abuse Investigations procedure
9.15B – Medicaid Overpayments and Sanctions procedure

STRUCTURE OF LRE CORPORATE COMPLIANCE PROGRAM

GENERAL STRUCTURE

LRE Board of Directors: LRE Board of Directors is responsible for the review and approval of the LRE Corporate Compliance Plan and review of matters related to the LRE Corporate Compliance Program.

LRE Compliance Officer: LRE designates a Compliance Officer, who

1. Is given sufficient authority and control to oversee and monitor the successful implementation and effectiveness of the LRE Corporate Compliance Plan, including all seven LRE Corporate Compliance Program Elements.
2. Has primary responsibility of advising LRE's Chief Executive Officer (CEO), Board of Directors, and Executive Team of compliance risks related to strategic and operational decisions and operation of the LRE Corporate Compliance Program.
3. Serves as the Chair of the Compliance Regional Operations Advisory Team (ROAT) and the LRE Compliance Oversight Committee (COC).
4. Reports status of implementation of the LRE Corporate Compliance Plan and its related compliance activities, as well as any needs of the LRE Corporate Compliance Program to the LRE CEO and/or Board of Directors.
5. Recommends revisions to the LRE Corporate Compliance Program and Plan, inclusive of all seven Corporate Compliance Program Elements, as well as the Compliance Policies and Procedures.
6. Provides consultative support to Member CMHSPs and Network Providers, as requested.
7. Is responsible for the day-to-day operations of the LRE Corporate Compliance Program.
8. Assures compliance training and education efforts for LRE staff and the Board of Directors are completed annually.
9. Assures LRE is aware of evolving federal requirements and MDHHS contractual obligations and standards and ensuring compliance.
10. Coordinates and oversees investigations, audits, and monitoring activities.
11. Coordinates with LRE Operations, Human Resources, and other relevant departments regarding LRE Staff, Member CMHSPs, and Network Providers credentialing and recredentialing including but not limited to certifications, licensures, criminal background checks, sanctions checks, etc.
12. Independently investigates and acts on matters related to compliance.
13. Drafts and maintains reports including but not limited to annual Corporate Compliance Program Evaluation.

LRE Compliance Oversight Committee: LRE Compliance Oversight Committee (COC):

1. Provides guidance, supervision, and coordination for the successful implementation and effectiveness of the LRE Corporate Compliance Program.
2. Reviews the effectiveness of the LRE Corporate Compliance Program and LRE Corporate Compliance Work Plan.
3. Reviews the Annual Corporate Compliance Risk Assessment.
4. Reviews recommendations from the Compliance Officer and Compliance ROAT that are related to the LRE Corporate Compliance Program, including all seven Corporate Compliance Program Elements.
5. Is comprised of the LRE Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Compliance Officer (chair), Chief Information Officer and at least one representative from the Board of Directors. Legal Counsel is an ad-hoc member of the COC. In addition, other members of LRE not mentioned above may be asked to participate in the COC on a case-by-case basis to provide consultation on specific areas of expertise.
6. Meets quarterly and when otherwise needed to address specific impromptu matters.

7. Reviews all direct-to-consumer marketing activities in advance of launch if the activity involves giving anything of value directly to a consumer.

LRE Compliance Regional Operations Advisory Team: LRE Compliance ROAT advises on matters involving compliance and:

1. Is comprised of LRE Compliance Officer and the compliance officer from each Member CMHSP in Region 3, which is appointed by the respective Member CMHSP.
2. Reviews the LRE Corporate Compliance Plan and related policies to ensure they adequately address legal requirements and identified risk areas.
3. Analyzes the regulatory environment and the legal requirements with which it must comply and specific risk areas.
4. Analyzes the effectiveness of the LRE Corporate Compliance Program and makes recommendations for improvements, where appropriate.
5. Assists the LRE Compliance Officer with developing policies and procedures to promote compliance with the LRE Corporate Compliance Program and the applicable federal and state statutory, regulatory, and contractual obligations, inclusive of the Office of Inspector General guidelines and the 42 CFR 438.608.
6. Assists the LRE Compliance Officer with identifying potential risk areas and violations.
7. Advises and assists the LRE Compliance Officer with compliance initiatives.
8. Works with appropriate departments, as well as Network Providers, to develop standards of conduct and policies and procedures that promote compliance to legal and ethical standards.
9. Recommends and monitors, in conjunction with the relevant functional area leaders, the development of internal and external systems and controls to carry out LRE's standards, policies and procedures as part of its daily operations.
10. Determines the appropriate strategy and approach to promote compliance with the LRE Corporate Compliance Program and detection of any potential violations, such as through hotlines and other fraud reporting mechanisms.
11. Develops a system to solicit, evaluate and respond to complaints and compliance issues.
12. Monitor internal and external audits and investigations for the purpose of identifying risk areas and implement corrective and preventative actions.
13. Assist in the development of program measurements to evaluate the corporate compliance program effectiveness.
14. Ensure compliance issues are appropriately communicated to the LRE CEO, Board of Directors, Executive Team, and Operations Council, and Network Providers, as appropriate.
15. Addresses other functions as requested by the LRE CEO, Board of Directors, Executive Team, and Operations Council.

LRE Operations Advisory Council: LRE Operations Advisory Council, with respect to the LRE Corporate Compliance Program,

1. As determined by the LRE CEO, LRE Operations Advisory Council reviews Compliance ROAT recommendations concerning compliance matters as identified by the Compliance ROAT and reported by the LRE CEO and chooses to support or not support the Compliance ROAT's recommendations.
2. Is comprised of the LRE CEO and the CEOs, or Executive Directors, of each Member CMHSP in Region 3.

CONFIDENTIALITY AND PRIVACY

All LRE staff, Board of Directors, Member CMSHPs, and Network Providers must conduct themselves in accord with the principle of maintaining the confidentiality of consumers' information in accordance with all applicable laws and regulations, including but not limited to the Michigan Mental Health Code and the Privacy and Security Regulations issued pursuant to HIPAA and HITECH regulations, and 42 CFR Part 2 as it relates to substance abuse records.

All LRE staff, Board of Directors, Member CMSHPs, and Network Providers will refrain from disclosing any personal or confidential information concerning members unless authorized by laws relating to confidentiality of records and protected health information.

If specific questions arise regarding the obligation to maintain the confidentiality of information or the appropriateness of releasing information, any LRE staff, Board of Directors, Member CMSHPs, and Network Providers should seek guidance from the LRE Compliance/Privacy Officer or anonymously seek guidance through the LRE Corporate Compliance and Privacy hotline at 1-800-420-3592.

The relevant LRE policies regarding HIPAA security and privacy and breach notification policy and procedure can be found here:

See LRE Policies or Procedures: 3.2-HIPAA-Security-and-Privacy.pdf (lsre.org)
3.5-Breach-Notification.pdf (lsre.org)
3.5A-Breach-Notification.pdf (lsre.org)

LEGAL AND REGULATORY STANDARDS

PRIMARY REGULATORY AND LEGAL STANDARDS

Numerous laws establish compliance requirements for the LRE, Member CMHSPs, and Network Providers. However, in formalizing LRE's Corporate Compliance Program, the legal basis of LRE'S Corporate Compliance Program centers around four primary legal and regulatory standards:

The Affordable Care Act (2010) – This Act requires the PIHP to have a written and operable compliance program capable of preventing, identifying, reporting, and ameliorating fraud, waste,

and abuse across the PIHP's provider network. All programs funded by the PIHP, including CMHSPs, sub-contract provider organizations and practitioners, board members and others involved in rendering PIHP-covered services fall under the purview and scope of LRE's Corporate Compliance Program.

The Anti-Kickback Statute – This Act prohibits the offer, solicitation, payment, or receipt of remuneration, in cash or in kind, in return for or to induce a referral for any service paid for or supported by the Federal government or for any good or service paid for in connection with consumer service delivery.

The Federal False Claims Act – This Act applies when a company or person knowingly presents (or causes to be presented) to the Federal government (or any entity on its behalf) a false or fraudulent claim for payment; knowingly uses (or causes to be used) a false record or statement to get a claim paid; conspires with others to get a false or fraudulent claim paid; or knowingly uses (or causes to be used) a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Federal government (or its designated entity).

The Michigan False Claims Act – This Act prohibits fraud in the obtaining of benefits or payments in conjunction with the MI Medical assistance program; to prohibit kickbacks or bribes in connection with the program to prohibit conspiracies in obtaining benefits or payments; and to authorize the MI Attorney General to investigate alleged violations of this Act.

ADDITIONAL LEGAL AND REGULATORY STANDARDS

There are numerous other applicable federal and state statutory, regulatory, and contractual obligations that establish requirements for LRE's Corporate Compliance Program, include but are not limited to:

1. 42 CFR Part 2 Confidentiality of Alcohol and Drug Use Patient Records
2. American with Disabilities Act of 1990
3. Civil Monetary Penalty Law of 1981
4. Code of Federal Regulations
5. Deficit Reduction Act/Medicaid Integrity Program of 2005
6. Government Accounting Standards Board (GASB)Guide to Encounter Data Systems
7. Health Information Technology for Economic and Clinical Health Act (HITECH) Act
8. Home and Community Based Services Final Rule
9. Letters to State Medicaid Directors
10. Medical Services Administration (MSA) Policy Bulletins
11. Medicaid State Plan
12. Michigan Medicaid Provider Manual
13. Michigan Medical Records Act
14. Michigan Mental Health Code, Public Health Code and Administrative Rules

15. Michigan State Licensing requirements
16. Michigan Whistleblowers Act, Act 469 of 1980
17. Office of Inspector General Annual Work Plan
18. Office of Management and Budget (OMB) Circulars
19. Privacy and Security requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA)
20. Provisions from Public Act 368 of 1978 – revised – Article 6 Substance Abuse
21. Quality Improvement Systems for Managed Care (QISMC)
22. Requirements as identified by the Office of Inspector General
23. Social Security Act of 1964 (Medicare and Medicaid)
24. Stark Law
25. State of Michigan MDHHS/PIHP contract provisions
26. State Operations Manual
27. Technical Assistance Advisories, as required
28. Technical Assistance Tools
29. The Balanced Budget Act of 1997
30. Waiver Applications

The LRE Corporate Compliance Plan is subject to the following conditions:

A. The LRE Compliance Officer may recommend modifications, amendments, or alterations to the written LRE Corporate Compliance Plan as necessary and will communicate any changes promptly to all personnel and to the Board of Directors.

B. This document is not intended to, nor should it be construed as, a contract or agreement, and does not grant any individual or entity employment or contract rights.

DEFINITIONS AND TERMS

These terms have the following meaning throughout the LRE Corporate Compliance Plan.

1. **Abuse** means practices that are inconsistent with sound fiscal, business, or clinical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards of care. It also includes beneficiary practices that result in unnecessary costs to the Medicaid program. (42 CFR § 455.2)
2. **Compliance Inquiry** mean the initial step in the fraud, waste, and abuse (FWA) investigation process. A compliance inquiry begins when a Community Mental Health Service Provider (CMHSP) or other provider receives a complaint alleging FWA from any source exists, or the CMHSP or other providers identify questionable practices or irregularities that may indicate a potential credible allegation of fraud, or waste, or abuse, exists. The CMHSP or provider will conduct a basic fact gathering to see if there is

sufficient evidence to refer the complaint to the Prepaid Inpatient Health Plan (PIHP) for a preliminary investigation.

3. **Corrective Action Plan** means a formal plan that identifies specific, actionable steps to improve an organization's processes or address deficiencies in performance when measured against established standards and contractual requirements.
4. **Credible Allegation of Fraud (CAF)** means an allegation, which has been verified by an agency or the State, from any source, including but not limited to the following:

   (1) Fraud hotline tips verified by further evidence.

   (2) Claims data mining.

   (3) Patterns identified through provider audits, civil false claims cases, and law enforcement investigations. Allegations are considered to be credible when they have indicia of reliability and the State Medicaid agency has reviewed all allegations, facts, and evidence carefully and acts judiciously on a case-by-case basis. (42 CFR 455).
5. **Fraud (Federal False Claims Act)** is an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable Federal or State law including but not limited to the Federal False Claims Act and the Michigan False Claims Act. (42 CFR §455.2).
6. **Full Investigation** means when the findings of a preliminary investigation give a PIHP reason to believe that PCAF has occurred, and the amount is $5,000 or greater, the PIHP must refer the case to the Office of Inspector General (OIG) and Medicaid Fraud Control Unit, which will conduct an extensive and thorough investigation to determine if a credible allegation of fraud (CAF) exists. Also, if PCAF has occurred and the amount is less than $5,000, the PIHP will conduct the full investigation to completion.
7. **Member CMSHPs** means the Member CMSHPs that hold a contract with LRE to provide supports and services to adults and children with mental illness, developmental disabilities, and co-occurring mental health and substance abuse disorders to Medicaid enrollees and to perform various delegated managed care functions consistent with LRE policy. "Member CMSHPs" includes the agency itself as well as those acting on its behalf, regardless of employment or contractual relationship.
8. **Network Provider** means, according to the FY24 MDHHS-PIHP Contract, any provider, group of providers, or entity that has a provider agreement with PIPH or Member CMHSP, including a CMHSP, and receives Medicaid funding directly or indirectly to order, refer or render covered services as a result. A network provider is not a subcontractor by virtue of the network provider agreement, unless the network provider is responsible for services other than those that could be covered in a network provider agreement related to the delivery, ordering, or referring of covered services to a beneficiary.
9. **Preliminary Investigation** is the second step in the FWA investigation process. The PIHP analyzes the information contained within the CMHSP's FWA referral to the PIHP and determines whether more information is required to reach a particular conclusion. After determining whether the evidence is sufficient, the PIHP will analyze all of the information in its entirety, conduct interviews if required, and make a recommendation to the OIG and Attorney General (AG) that there is sufficient evidence to prove that a PCAF exists

that is $5,000 or more, and requires a full investigation. If a PCAF exists but the amount is less than $5,000, a full investigation will still be required, but it will be the responsibility of the PIHP to conduct.

10. **Potential Credible Allegation of Fraud (PCAF)** is the belief that fraud has occurred, and the evidence is leading the examiner to this conclusion. The PIHP will determine if a PCAF exists.
11. **Resolution of Full Investigation** means when the full investigation is completed and legal action is initiated, or the case is dismissed due to insufficient evidence to support the allegations, or the matter is resolved between the PIHP, CMHSP, and the provider beneficiary.
12. **Waste** means overutilization of services, or other practices that result in unnecessary costs. Generally, not considered caused by criminally negligent actions but rather the misuse of resources.

REFERENCES, HYPERLINKS, AND SUPPORTING DOCUMENTS

1. 42 USC 139a(a); Section 1902(a) of the Social Security Act (AKA the Deficit Reduction Act of 2005)
   http://www.cms.hhs.gov/deficitreductionact

2. Anti-kickback Statute (section 1128B[b] of the Social Security Act)
   http://www.ssa.gov/OP_Home/ssact/title11/1128B.htm
   https://oig.hhs.gov/compliance/safe-harbor-regulations

3. Code of Federal Regulations (Title 42, Part 2 and Title 45, Part 160 & 164)
   http://www.ecfr.gov/cgi-bin/ECFR?page=browse

4. Department of Health and Human Services, Office of Inspector General
   https://oig.hhs.gov

5. DOJ Compliance Guidance
   https://www.justice.gov/criminal-fraud/page/file/937501/download

6. False Claims Act
   https://oig.hhs.gov/fraud
   http://www.legislature.mi.gov

7. Federal Sentencing Guidelines Section 8
   https://www.ussc.gov/guidelines/2021-guidelines-manual-annotated

8. Guidelines for Constructing a Compliance Program for Medicaid Managed Care Organizations and Prepaid Health Plans, Medicaid Alliance for Program Safeguards, May 2002
   https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforProfs/Downloads/mccomplan.pdf

9. Managing Compliance Program Effectiveness: A Resource Guide
   https://oig.hhs.gov/documents/toolkits/928/HCCA-OIG-Resource-Guide.pdf

10. Michigan Mental Health Code
    http://www.legislature.mi.gov/(S(ea1olrem4pvgdzylgs0hay4e))/mileg.aspx?page=GetObject&objectname=mcl-Act-258-of-1974

11. Michigan Public Health Code
    http://www.legislature.mi.gov/documents/mcl/pdf/mcl-act-368-of-1978.pdf

12. United States Attorney Manual (USAM)
    https://www.justice.gov/jm/jm-9-28000-principles-federal-prosecution-business-organizations#9-28.800

13. United States Department of Justice, Criminal Division, Evaluation of Corporate Compliance Program
    https://www.justice.gov/criminal-fraud/page/file/937501/download

COMPLIANCE OFFICER CONTACT INFORMATION

LAKESHORE REGIONAL ENTITY

LRE Compliance Officer
Lakeshore Regional Entity
5000 Hakes Drive Suite 250
Norton Shores, Michigan 49441

Compliance Hotline: 1-800-420-3592
Compliance Fax: 231-769-2075
Compliance Officer: 231-769-2079
E-mail: Compliance@lsre.org

MEMBER CMHSPs

COUNTY(IES)	MEMBER CMHSP	COMPLIANCE OFFICER CONTACT INFORMATION
Allegan County	OnPoint (Allegan County Community Mental Health Services)	Diane Bennett - Compliance Officer Tel: 269-512-4737 Fax: 269-686-5201 E-mail: cofficer@onpointallegan.org
Kent County	Network 180 (Kent County CMH Authority)	Mehgan McNeil - Director of Quality, Compliance, and Risk Management Tel: 616-825-5122 E-mail: mehgan.mcneil@network180.org
Lake County Mason County Oceana County	West Michigan Community Mental Health System	Devon Hernandez - Director of Corporate Compliance and Risk Management Tel: 231-845-6294 Fax: 231-845-7095 E-mail: devonh@WMCMHS.org
Muskegon County	HealthWest	Linda Anthony - Director of Health Information Services Tel: 231-724-3631 Fax: 231-724-3659 E-mail: linda.anthony@healthwest.net
Ottawa County	Community Mental Health of Ottawa County	Kristen Henninges - Compliance Program Coordinator Tel: 616-393-5685 Fax: 616-393-5687 E-mail: khenninges@miottawa.org

GOVERNMENTAL AGENCIES

To report suspected Fraud, Waste, or Abuse to the Office of Inspector General: MDHHS Medicaid Fraud Hotline: 1-855-MI-FRAUD (1-855-643-7283) voicemail available after hours or send a letter to:

Michigan Office of Inspector General
PO Box 30062
Lansing, MI 48909

Health and Human Services (HHS)/OIG Hotline: 1-800-HHS-TIPS (1-800-447-8477) or make an online report: File Online Compliant

ATTESTATIONS

ATTESTATION FOR LRE STAFF

LRE STAFF ANNUAL CORPORATE COMPLIANCE TRAINING CERTIFICATION FORM

1. I attended and completed the required annual corporate compliance training for LRE staff on _____.
   (Month, Date, Year)
2. I have received, read, and understand the LRE Corporate Compliance Plan and all related policies and procedures.

3. I agree to act in compliance with and abide by the LRE Corporate Compliance Plan during the entire term of my employment or contract.

4. I acknowledge that I have a duty to report to the LRE Compliance Officer any suspected or actual violation of the LRE Corporate Compliance Plan, related laws, regulations, policies, and procedures by myself, another LRE staff, or any other person.

5. I will seek advice from the LRE Compliance Officer concerning appropriate actions that I may need to take to comply with the LRE Corporate Compliance Plan, related laws, regulations, policies, and procedures.

6. I agree to participate in any future compliance trainings as required and acknowledge my attendance at such trainings as a condition of my continued employment or contract.

7. I agree to disclose the existence and nature of any potential or actual conflict of interest to the LRE Compliance Officer. Further, I certify that I am not aware of any current conflicts of interest.

8. I understand that failure to comply with the LRE Corporate Compliance Plan or failure to report any potential or actual violation of the LRE Corporate Compliance Plan may result in disciplinary action up to and including termination of employment or contract.

_____
LRE Staff Name (PRINT)

_____ _____
LRE Staff Signature Date

ATTESTATION FOR BOARD OF DIRECTORS

LRE BOARD OF DIRECTORS ANNUAL CORPORATE COMPLIANCE TRAINING CERTIFICATION FORM

1. I attended and completed the "Annual Corporate Compliance Training" for the newly appointed LRE Board of Directors on _____.
   (Month, Date, Year)
1. I have received, read, and understand the LRE Corporate Compliance Plan.

2. I agree to act in compliance with and abide by the LRE Corporate Compliance Plan during the entire term of my Board service.

3. I acknowledge that I have a duty to report to the LRE Compliance Officer any suspected or actual violation of the LRE Corporate Compliance Plan, related laws, regulations, policies, and procedures by myself, another Board Member, or any other person.

4. I will seek advice from the LRE Compliance Officer concerning appropriate actions that I may need to take to comply with the LRE Corporate Compliance Plan, related laws, regulations, policies, and procedures.

5. I agree to participate in future LRE Board of Directors compliance trainings, as required.

6. I agree to disclose the existence and nature of any potential or actual conflict of interest annually as required by the financial disclosure form and at any time when it arises thereafter to the LRE Board Chairperson and LRE Compliance Officer.

7. I understand that failure to comply with any part of the LRE Corporate Compliance Plan may result in my removal from the Board of Directors.

_____
Board of Director Name (PRINT)

_____ _____
Board of Director Signature Date

LAKESHORE REGIONAL ENTITY

STRATEGIC PLAN REVIEW

Process, Product & Next Steps

Board Work Session

Stephanie VanDerKooi
Chief Operating Officer

August 26, 2026

Regional Leadership. Local Excellence.

LAKESHORE REGIONAL ENTITY

Our Mission: Through regional support and leadership for collaboration and innovation, we work to strengthen the public behavioral health system and ensure excellence in services.

Our Values:

LOCAL SOLUTIONS

VALUE LOCAL DIFFERENCES

We value locally unique service systems that are responsive to local needs, partnerships, & available resources.

FISCAL RESPONSIBILITY

ACCOUNTABLE & RESPONSIBLE WITH FUNDS

Transparent & accountable use of public funds.

Maximize available resources.

COLLABORATIVE RELATIONSHIPS

FOSTER EFFECTIVE PARTNERSHIPS

Nurture collaboration based on mutual trust & shared commitment to quality.

Approach all interactions with respect, openness, & a commitment to proactively resolve conflict.

INNOVATION

BOLDLY PURSUE EXCELLENCE

Pursue audacious goals by challenging the status quo & trying new things.

Actively work to identify & support opportunities for innovation.

The LRE serves as one of ten Prepaid Inpatient Health Plans (PIHP) in Michigan, as the public behavioral health plan for people with mental illness, developmental disability, and substance use disorders in Allegan, Kent, Lake, Mason, Muskegon, Oceana, and Ottawa counties .

BOARD INPUT

- Discuss changes in environment
- Identify key risks and emerging opportunities
- Capture board perspectives to inform updates

April 2026

GATHER INPUT & UPDATE TACTICS

- Gather input from LRE staff & CMHSPs
- Determine what to sustain, refine or retire
- Develop strategies for new priorities

May 2026

STRATEGIC PLAN

- Compile proposed strategic plan updates
- Present to BOD for review/revisions/ approval

TODAY

Summer 2026

FINALIZE & IMPLEMENT

Monitor progress and adjust as needed

Ongoing

LOCAL SOLUTIONS

FISCAL RESPONSIBILITY

COLLABORATIVE RELATIONSHIPS

INNOVATION

- Fulfill MCO responsibilities w/ excellence.
- Enhance coordinated regional efforts to support and partner with Member CMHSPs.

Relationships:

Aims:

- Support and coordinate efforts with local Member Community Mental Health Service Programs
- ROAT Groups support local efforts and foster regional coordination
- Effective engagement of the Board of Directors

Innovative Service Development:

Aim:

- Elevate and support opportunities for local solutions
- Use technoglogy to streamline administrative functions

Fiscal Responsibility:

Aims:

- Improve ability to develop accurate expense projections
- Improve ability to manage within projected revenue

Support Local Service Quality:

Aim:

- Proactively identify and address constituent concerns
- Data and Performance trends drive development & improvement
- Access for all eligible individuals

KEY ADDITIONS

- Monitor and respond to:
  - **HR1**
  - **PIHP RFP**
- Respond to **changes in CCBHC funding and structure** .
- Use **technology to streamline administrative functions**
  - Strengthen ability of staff, Board members, and regional partners to effectively and responsibly use technology, including AI, in their work.
  - Establish a structured approach to assess, pilot, and implement technology solutions to improve administrative efficiency and organizational effectiveness.

Let's Review

Copies of the draft plan are on the table. Take a few minutes to review and then we'll discuss.

Questions? Concerns?

Is there anything that would prevent you from voting to approve this plan?

BOARD INPUT

- Discuss changes in environment
- Identify key risks and emerging opportunities
- Capture board perspectives to inform updates

April 2026

GATHER INPUT & UPDATE TACTICS

- Gather input from LRE staff & CMHSPs
- Determine what to sustain, refine or retire
- Develop strategies for new priorities

May 2026

STRATEGIC PLAN

- Compile proposed strategic plan updates
- Present to BOD for review/revisions/ approval

TODAY

Summer 2026

FINALIZE & IMPLEMENT

Monitor progress and adjust as needed

NEXT STEPS

Ongoing

FINALIZE & IMPLEMENT

Monitor progress and adjust as needed

Sample..

Strategic Priority: Service Quality

Metrics:

- By the end of FY24, and annually thereafter, a majority of OAC members will report agreement that the ROAT effectively uses data to inform service improvement efforts.
- The Provider Network Adequacy report for FY2026 will identify no substantial gaps in service availability.

Aim: Proactively identify and address constituent concerns.	
Strategy	**Process/Tactics:**
Continue to work with CMHSP Members to identify areas of concern and develop plans of action. Lead: Stephanie VanDerKooi, COO	Include a standing agenda item at OAC, Provider Network ROAT, and Clinical ROAT meetings for CMHSP representatives to note locally identified areas of concern or emerging challenges.
	For areas of concern shared by a majority of Members, OAC discuss and determine whether to address issue regionally; assign to a ROAT for further action where appropriate.
	COO or Member CEO ROAT representative provide plan of action and status update to OAC.
Aim: Data and Performance Trends Drive Development and Improvement.	
Strategy	**Process/Tactics:**
Maintain meaningful data reviews for each service area. Lead: Stephanie VanDerKooi, COO & Ione Myers, CIO	Quarterly review of data reports/dashboards for regional and Member-level data to inform discussion.
	DASC review data for all ROAT groups to identify successes, challenges, and areas that need attention; provide guidance to ROAT staff leads on data issues to discuss with the ROAT group to determine any action required.
	ROAT staff report back to DASC on discussion and plans of action.
	Annually review data dashboards and discontinue reporting on data elements identified as unnecessary: – Data Analytics Steering Committee develop list of data elements to consider eliminating. – List reviewed by LRE Exec Team to identify any that must be kept. – Each ROAT review list and identify any elements that must be kept.
Improve data accuracy by encouraging timely reporting by Members and providers. Lead: Stephanie VanDerKooi, COO	Annually review and update standardize contract language and non-compliance processes and procedures regarding reporting requirements.
	Implement corrective action plan Policy for non-compliance for timely reporting and monitor to ensure satisfactory remediation.

NEXT STEPS

Finish implementation of current plan

1. Continue work through 9/30/26
2. Monitor metrics - review results in October

Begin new strategic plan

- Board of Directors Approve
- Board specific initiatives kick-off in October
- Quarterly internal progress reviews
- Annual updates


ANY QUESTIONS?

August 2026

LAKESHORE REGIONAL ENTITY

REGIONAL LEADERSHIP. LOCAL EXCELLENCE.

STRATEGIC PLAN

FY27 – FY29

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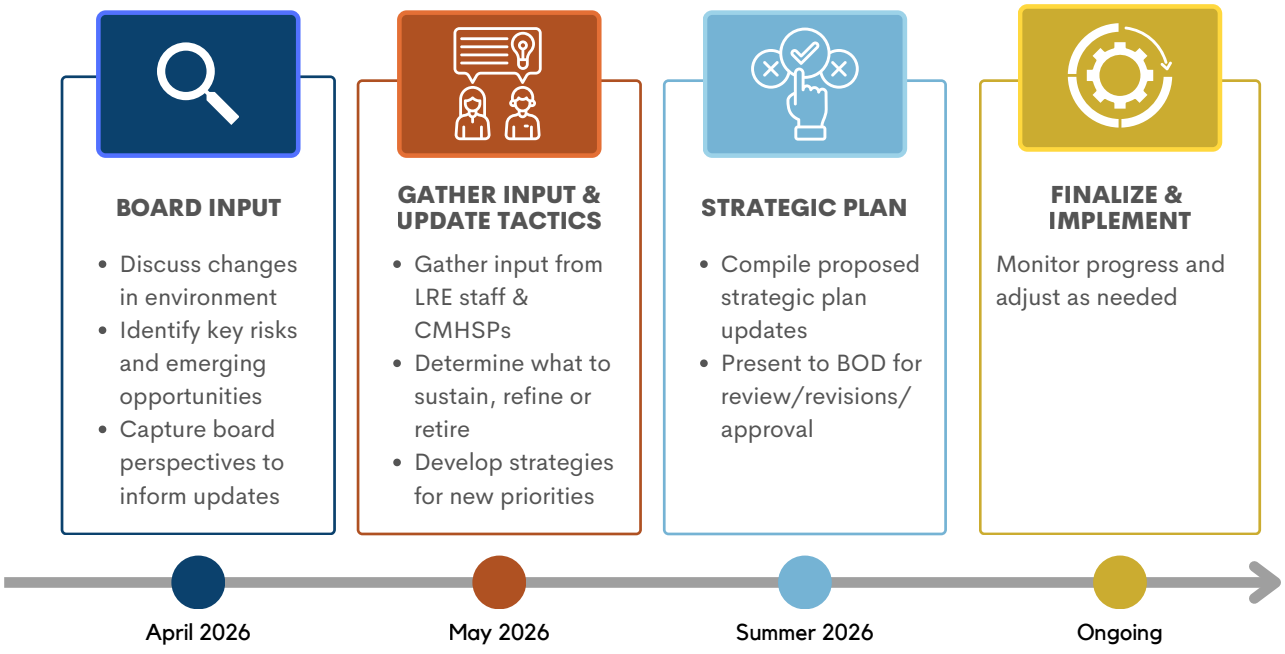
As a Prepaid Inpatient Health Plan (PIHP), the Lakeshore Regional Entity (LRE) manages specialty Medicaid services under contract with the Michigan Department of Health and Human Services (MDHHS) for residents in the region who have Medicaid and who are eligible for services as defined in the Michigan Mental Health Code and MDHHS standards for access to care. LRE is responsible, under 42 CFR §438.68, for assuring the adequacy of its provider network to meet the behavioral health needs for people with mental illness, developmental disability, and/or substance use disorders over its targeted area. LRE is a member-sponsored health plan comprised of the following Community Mental Health Services Programs (CMHSP):

- Community Mental Health of Ottawa County
- HealthWest – serving Muskegon County
- Network180 – serving Kent County
- OnPoint – serving Allegan County
- West Michigan Community Mental Health – serving Lake, Mason, and Oceana counties

For the provision of Medicaid funded specialty supports and services the LRE subcontracts with each CMHSP, who in turn directly operates or subcontracts for their defined geographic area. In addition to the management of Medicaid specialty supports and services, LRE is responsible for substance use disorder treatment and prevention services across the seven county area, including Medicaid, PA2, MI Child, and related Block Grant. The LRE is responsible for the management and oversight of delivery of required services.

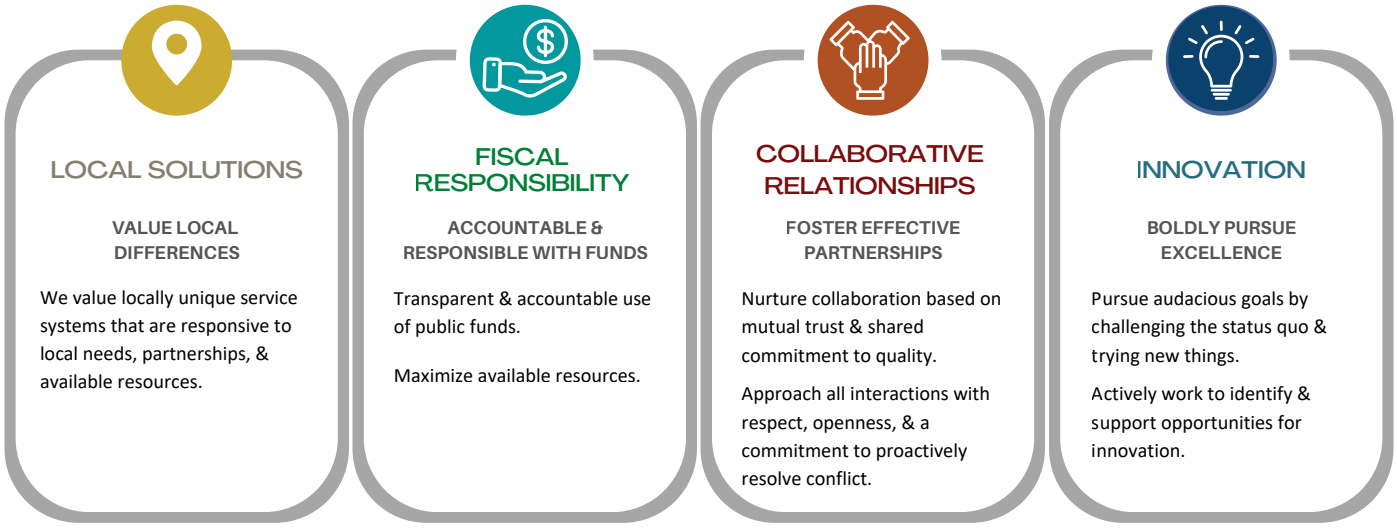


Development of this strategic plan built upon the prior plan while incorporating emerging priorities and changes in the behavioral health landscape across the region. The update process was informed through multiple levels of stakeholder engagement, including a Board of Directors work session focused on identifying new and evolving priorities, input from LRE leadership and staff, and feedback from Community Mental Health Services Programs (CMHSPs) through the Regional Operations Advisory Teams (ROATs). Together, these efforts helped identify areas where strategic focus, coordination, and regional alignment may need to evolve over the next planning period.

Throughout the duration of the plan, progress will be reviewed quarterly by LRE staff to ensure implementation and identify course corrections, as necessary. As necessary adjustments may be identified to achieve the intended aims.

The following were developed by the LRE Board of Directors as a framework to guide planning.

Mission: Through regional support and leadership for collaboration and innovation, we work to strengthen the public behavioral health system and ensure excellence in services.



The strategic plan is designed to guide the organization in putting these values into action in the coming years. Within each value, the plan seeks to enhance the following foundational priorities:

- Fulfill the responsibilities essential to a managed care organization with excellence.
- Ongoing enhancement of coordinated regional efforts to support and partner with Member Community Mental Health Service Providers (CMHSPs).

The following page provides an overview of LRE strategic priorities. A corresponding action plan has been developed to guide implementation and detail how these strategies will be completed. For more information regarding implementation contact Stephanie VanDerKooi at svanderkooi@lsre.org.

Relationships

METRICS:

- Annually, a majority of Operations Advisory Council (OAC) members will report agreement that the LRE effectively coordinates advocacy for the region.
- Annually, a majority of Regional Operation Advisory Team (ROAT) members report agreement that the ROAT is an effective tool to support local efforts and foster regional coordination.
- Annually, a majority of BOD members will report agreement that the board functions effectively.

Support and coordinate efforts with local Member Community Mental Health Service Programs.

Strategies:

- Identify advocacy opportunities, confirm regional consensus, and, where aligned, define a shared approach before taking action.
- Assess and respond to the regional impacts of HR1.
- Monitor and respond to potential PIHP RFP opportunities.
- Adapt LRE operations to respond to changes in CCBHC funding and structure.

ROAT Groups serve as an effective tool to support local efforts and foster regional coordination.

Strategies:

- Strengthen the effectiveness and responsiveness of ROAT groups by regularly assessing performance, incorporating member input, and aligning priorities with regional needs.
- Support lead staff for each ROAT in planning and facilitating effective team meetings.
- Staff attending state workgroups provide updates to relevant ROAT workgroups.

Effective engagement of the Board of Directors.

Strategies:

- Ensure new members receive information necessary to fulfill the role effectively.
- Foster positive working relationships amongst Directors.
- Identify opportunities to improve effectiveness of board operations and provide support as indicated.
- Facilitate meaningful discussion and exploration of key issues.

Service Quality

METRICS:

- Annually, a majority of OAC members will report agreement that Regional Operations Advisory Teams effectively use data to inform service improvement efforts.

Proactively identify and address constituent concerns.

Strategy:

- Continue to work with CMHSP Members to identify areas of concern and develop plans of action.

Data and performance trends drive development and improvement.

Strategies:

- Maintain meaningful data reviews for each service area.
- Improve data accuracy by encouraging timely reporting by Members and providers.
- Improve reconciliation process for Members to review submitted encounter data and make corrections.

Access for all eligible individuals.

Strategies:

- Ensure service Provider Network adequacy by monitoring critical providers to ID those that lack financial stability; establish special arrangements as necessary to support continuation of services.
- Establish clear regional service coverage and utilization standards to create consistent funding boundaries, reduce variation across counties, and support cost-effective use of resources throughout the region.

Innovative Service Development

METRICS:

- Annually, a majority of OAC members report agreement that:
  - The LRE fosters regional discussion to explore potential innovation.
  - The LRE supports regional coordination in response to emerging threats.
- Annually, a majority of ROAT members report agreement that the ROAT provides opportunities to explore innovations.

Elevate and support opportunities for local solutions.

Strategies:

- Provide ongoing opportunities for identifying and exploring innovations throughout the region.
- Identify potential system threats and develop a regional response.

Utilize technology, where appropriate, to streamline administrative functions.

Strategies:

- Strengthen the ability of staff, Board members, and regional partners to effectively and responsibly use technology, including aftificial intelligence, in their work.
- Establish a structured approach to assess, pilot, and implement technology solutions to improve administrative efficiency and organizational effectiveness.

Fiscal Responsibility

METRICS:

Reduce the percentage of regional spending in excess of revenue annually.

Improve the region's ability to develop accurate expense projections.

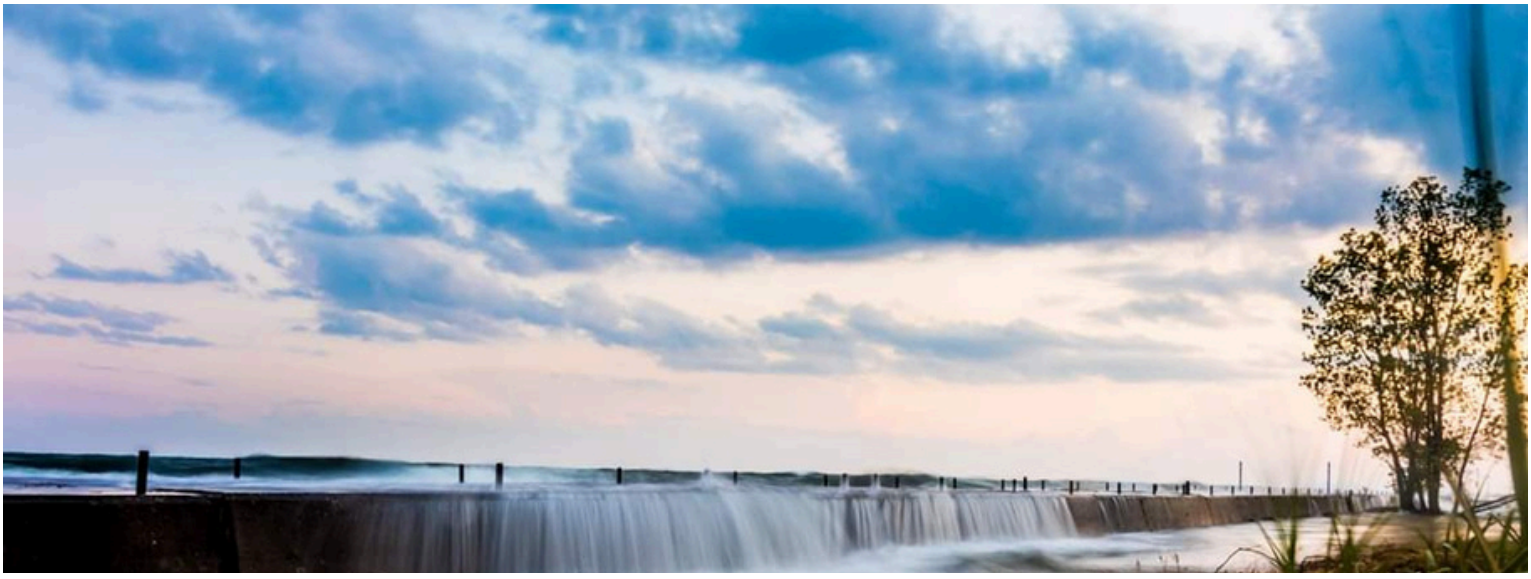
Strategies:

- Maintain financial forecasting at the regional and Member level with estimated revenue and funding needs.
- Ongoing financial monitoring that provides clear, easily understandable reporting that accurately reflects the financial status and reserves.

Improve the region's ability to manage within projected revenue levels.

Strategies:

- Annually review state actuarial rate certification letter and work with an actuarial firm to conduct local review if rates seem inaccurate. Advocate as appropriate for reconsideration.
- Work with Finance ROAT to increase predictability of service expenditures.



LAKESHORE
REGIONAL ENTITY

August 26, 2026 Work Session
Presentation-SUD Strategic Plan

Stephanie VanDerKooi
Chief Operating Officer

Goal of Today

- **Background of the 3-Year Substance Use Disorder (SUD) Strategic plan**
  - Current plan
    - Now in the third and final year of the cycle
  - Quarterly and Annual measurement reports for SUD Treatment SUD Prevention
- **Timeline for the next cycle**
- **Review requirements from MDHHS**
  - Review draft 3-year plan
  - SUD philosophy

LAKESHORE REGIONAL ENTITY

Substance Use Disorder (SUD) - Strategic Planning

Section 274 of P.A. 500 (Mental Health Code, P.A. 258, as amended) requires designated community mental health entities Prepaid Inpatient Health Plans (PIHPs) to develop three-year strategic plans for **substance use disorder (SUD)** services that must be consistent with the guidelines established by the Michigan Department of Health and Human Services (MDHHS).

LAKESHORE REGIONAL ENTITY

SUD Strategic Plan - Timeline

- **May:**
  - Strategic Plan work begins with LRE staff
  - SUD ROAT and Prevention Workgroup review Logic Model and data for 3-year plan alignment
- **June:**
  - MDHHS sends LRE the 3-year plan guidelines
- **July:**
  - Reviewed the draft plan with the Prevention and Treatment Workgroups/ROATs
- **August 31:**
  - 3-year SUD Strategic plan due to MDHHS
- **September 16:**
  - Present to LRE Oversight Policy Board for approval

LAKESHORE REGIONAL ENTITY

Tasks:

Board of Directors:

Approve the 3-Year SUD Strategic Plan at the August 26, 2026, BOD meeting.

- *Plan will be presented for approval to the LRE Oversight Policy Board on September 14, 2026*

Lakeshore Regional Entity Staff:

- Present quarterly treatment updates from KWB Strategies
- Provide annual review of highlights and progress toward goals for Prevention

Community Needs
Identify the biggest substance use concerns and why they matter.

Data-Driven Goals
Use local data to set clear, measurable goals.

Coordinated Services
Show how prevention, treatment, recovery, and partners will work together.

Board Input
Summarize key recommendations from the SUD Policy Oversight Board or advisory group.

Evidence-Based Approach
Explain how proven programs and practices will be selected and used.

Funding Plan
Describe how funding will be distributed based on board or advisory input.

Three-Year Timeline
Outline key steps, responsible parties, and target dates.

Measuring Success
Track starting data and outcomes to show progress.

Cultural Respect
Ensure services are respectful, inclusive, and culturally appropriate.

Overall Goal
Create a clear, practical plan for prevention, treatment, recovery, and support services.

MDHHS Strategic Focus Areas

1. Prevention	2. Treatment/Harm Reduction	3. Recovery
Strategic Directions		
Expansion and enhancement of an array of services within the recovery-oriented system of care. Increase in access to services among populations with higher rates of health, SUD and MH concerns eligible for prevention, treatment and recovery services.		
Reduce underage drinking.	Expand behavioral health and primary care services for people at-risk for and with mental health and substance use disorder.	Enhance coordination of prevention, follow-up, and continuing care in the recovery process.
Reduce prescription drug misuse, including a reduction in the misuse of opioids for non-medical purposes.	Increase in access to treatment and harm reduction for people living with Opioid Use Disorder.	Expand services across the continuum of care to include ongoing support and multiple coordinated strategies to support recovery.
Reduce marijuana use among youth and young adults.	Increase in access to treatment for criminal justice involved population returning to communities.	Increase in access to recovery services promotes life enhancing recovery and wellness for individuals and families.
Reduce underage youth tobacco access and tobacco use including electronic nicotine devises and vape products.	Increase in access to trauma responsive services.	
Increase in access to prevention services for older adults 55 and older.	Reduce in the percentage of substance exposed birth/infants.	
	Increase in access to treatment services for older adults 55 and older.	

Current SUD Strategic Plan '23-'26 Impact

- **Increase** in the % of new treatment episodes who initiate treatment within 14 calendar days of diagnosis
- **Increase** in the % of discharges admitted to the next treatment episode within 7 days (from 27%-50%!)
- **Decreases** in the last reported 30-day use for high school students for alcohol, electronic vapor products, and marijuana (consistently trending decreases since 2020) FY25 LRE Prevention Summary Of Activities pg 6

LAKESHORE REGIONAL ENTITY

SUD Prevention:

Major goals of prevention are to **prevent or delay the onset of substance use** and to delay the progression of use from experimental to regular use and dependence. This is done through:

- **Universal** prevention focuses on the general population or population subgroups that are not currently at high risk for SUDs.
- **Selective** prevention targets individuals and groups at greater risk of developing SUD-related problems.
- **Indicated** prevention focuses on those who are already in the early stages of problematic substance use.

Each type of prevention is integral to a robust and comprehensive prevention strategy.

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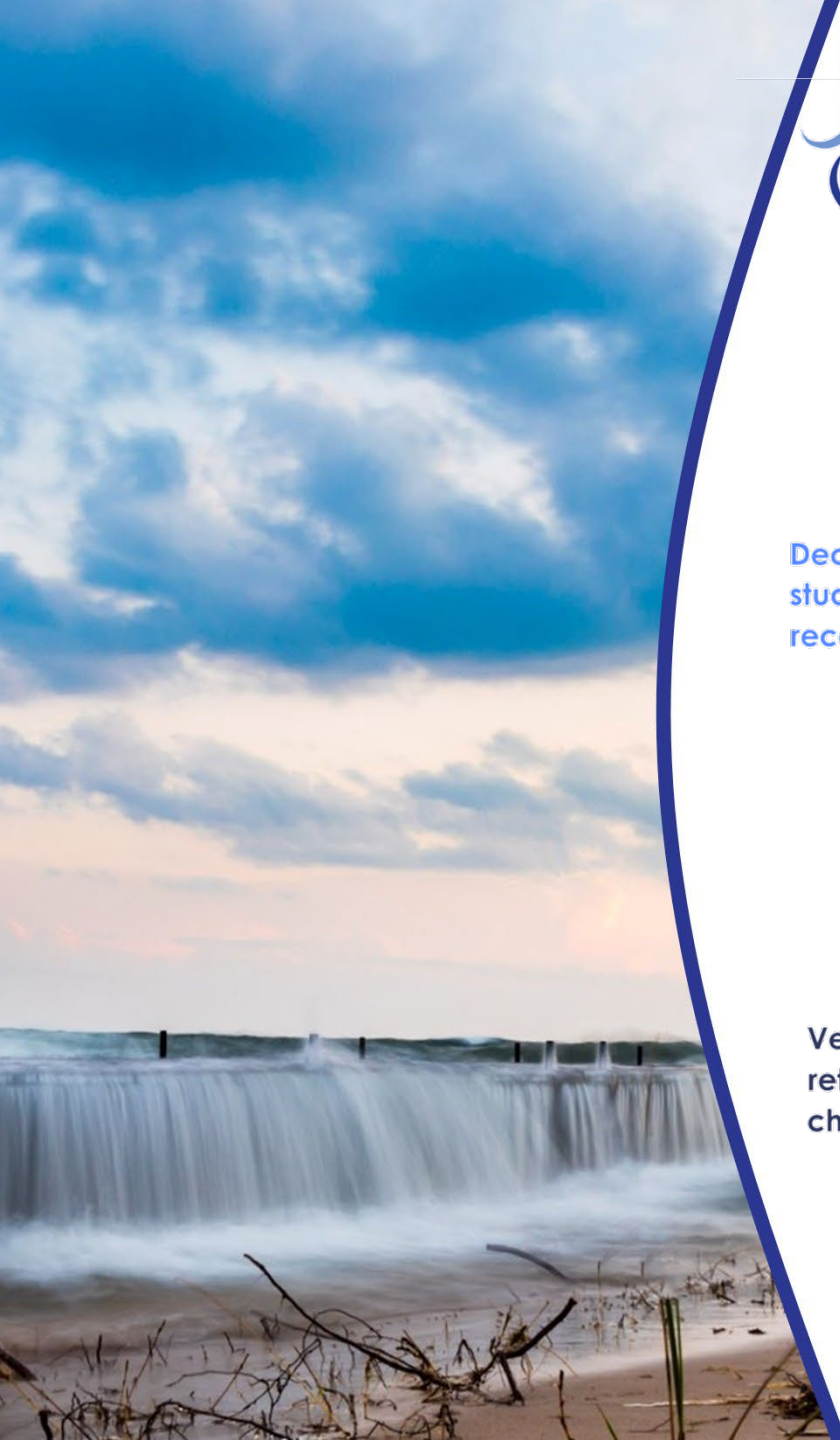

LAKESHORE REGIONAL ENTITY

SUD PREVENTION GOAL

01 Problem

Youth use of Alcohol, Marijuana, E-cigarettes and other substances

02 Intervening Variable

Easy access to substances: Among HS students in the region too many report easy access to alcohol (45.2%), marijuana (27.8%), cigarettes (23.8), e-cigs, and Rx medications not prescribed for them.

03 Strategy/ Activity

Encourage responsible retailing of legal substances.

- Retailer (tobacco, alcohol, and cannabis) compliance checks.
- Retailer education (tobacco, alcohol, and cannabis)
- Advocate for improved regulations and oversight of retailers.

04 Outputs

Vendor educations for retailers and compliance checks throughout the year

05 Long Term Outcome

Decrease in HS students reporting recent use

Harm Reduction

Harm Reduction is a **public health strategy** that aims to minimize the negative health, social, and legal impacts of risky behaviors—most notably substance use—without requiring immediate abstinence. It focuses on keeping individuals safe, healthy, and treated with dignity until they are ready for formal treatment.

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HARM REDUCTION GOAL

01 Problem

Individuals who misuse substances have an increased likelihood of high-risk behaviors that put themselves at risk of personal or community-level harm.

02 Intervening Variable

Persons with untreated opioid addiction are at high risk of overdoses. In 2024 there were 171overdose deaths in the region.

03 Activity

Promote use of Narcan to reverse overdoses. Promote awareness & availability of Naloxone to prevent opioid overdose deaths. Dispense in vending machines at no cost. Promote use of Naloxone by first responders.

04 Outputs

# of Narcan kits distributed
# of Narcan administrations by a first responder.

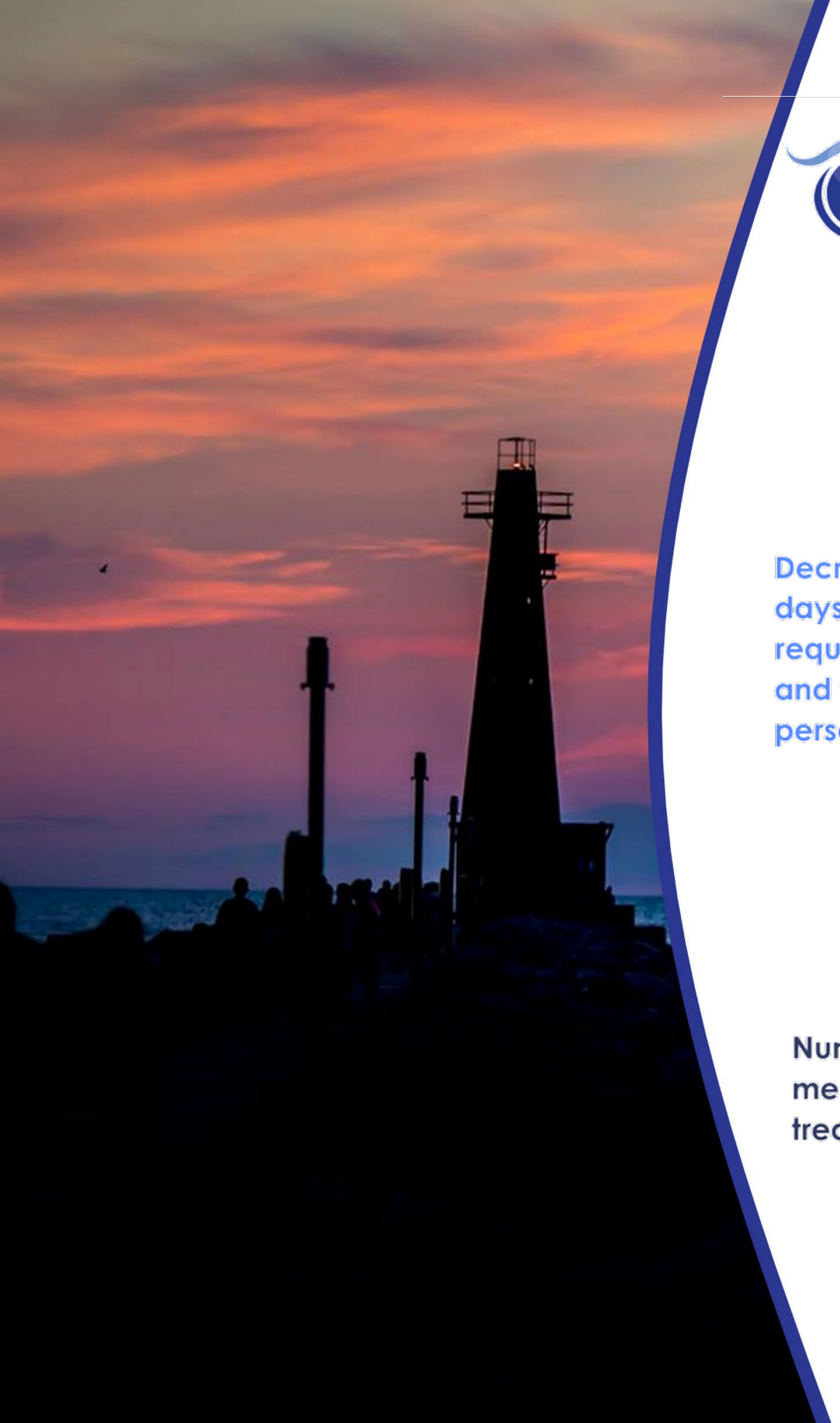
05 Long Term Outcome

Decrease accidental overdose poisonings by 2029.

Treatment

Addiction treatment is a coordinated medical and psychological process designed to help individuals:

- stop compulsive substance use
- manage withdrawal
- address the underlying biological, psychological, and social factors of substance use disorders to maintain long-term recovery.



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TREATMENT GOAL

01 Problem

Increase access to MAT services for persons living with opiate use disorder, time to service is currently 8.1 days

02 Strategy

Expand availability of Medication Assisted Treatment (MAT) services.

03 Activity

Expand MAT providers to areas without current coverage.
Provide transportation to MAT services through bussing services, gas cards, etc.*
Continue providing MAT in jails with specialty grants as available*.
Launch mobile MAT for difficult to engage populations.

04 Outputs

Number of clients accessing medication assisted treatment.

05 Long Term Outcome

Decrease average days between request for service and first service for persons w/ OUD

Recovery

Addiction recovery is a voluntary, ongoing process of change through which a person improves their health and wellness, manages or stops substance use, builds a self-directed life, and works to reach their full potential.

LAKESHORE REGIONAL ENTITY

RECOVERY GOAL

01 Problem

Increase clients that maintain recovery

02 Strategy

Expand Recovery Housing, create opportunities for persons in recovery to develop community connections

03 Activity

Continue current partnerships with recovery houses (all 7 counties).
Develop plan to continue support of Recovery Housing after SOR Funding.
Begin tracking SoBar's data in terms of persons served and services offered.

04 Outputs

Number of Recovery Home stays, Number of clients engaged in prosocial/substance free activities

05 Long Term Outcome

Increase in individuals sustaining recovery

To view the full 3 Year SUD Strategic Plan click here **(HERE)**

LAKESHORE REGIONAL ENTITY

Any **questions** or comments