

NOTICE OF PUBLIC HEARING 2026-2027
OPERATING BUDGET

August 27, 2025, 11:00 AM
The Delta Hotel Convention Center, Mona Lake Room
939 3rd St., Muskegon, MI 49440

1. Welcome and Opening Comments – Ms. Gardner
2. Public Comment (Agenda Items)
3. FY2027 Annual Budget Hearing – Stacia Chick
4. Public Comment

NOTICE OF PUBLIC HEARING 2026-2027
OPERATING BUDGET
Lakeshore Regional Entity

The Lakeshore Regional Entity Board of Directors will hold a public hearing on the proposed 2026-2027 operating budget for the Region 3 Prepaid Inpatient Health Plan (PIHP) Agency. The Hearing will be held on September 23, 2026, at 11:00 A.M. at the Delta Hotel and Convention Center, Mona Lake Room (939 3rd St., Muskegon, MI 49440) and also virtually via video/audioconference:

Teleconference number: 646-558-8656
Meeting ID: 859 9823 2406
Passcode: 665221

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

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



Budget Proposal Summary
Fiscal Year Ending 9/30/2027

	FY 2025/2026 Initial Budget	FY 2026/2027 Initial Budget	Increase / (Decrease)	Change %
Revenue				
Regional Operating Revenue				
Mental Health State Plan & 1915(i)	\$ 271,908,028	\$ 240,381,084	\$ (31,526,944)	-11.6%
Habilitation Supports Waiver (HSW)	52,777,990	51,376,896	(1,401,094)	-2.7%
Children's Waiver	1,997,736	3,771,553	1,773,817	88.8%
SED Waiver	651,737	651,819	82	0.0%
DHS Incentive Payment	471,247	667,955	196,708	41.7%
Autism Revenue	62,742,617	67,580,121	4,837,503	7.7%
Mental Health Healthy Michigan	28,140,917	24,551,177	(3,589,740)	-12.8%
Mental Health Block Grant - Veteran Navigator	139,241	139,241	-	0.0%
Block Grants - Hisp BH, Native Am, Tob, Clubhse	445,800	445,800	-	0.0%
Substance Use Gambling	250,000	250,000	-	0.0%
Substance Use State Plan	5,407,019	8,598,834	3,191,815	59.0%
Substance Use Healthy Michigan	10,546,519	13,559,467	3,012,948	28.6%
Substance Use Block, State Opioid Response	9,655,479	9,505,479	(150,000)	-1.6%
Performance Bonus Incentive Pool	2,648,663	2,648,663	-	0.0%
Substance Use PA2 Liquor Tax	4,490,548	4,577,484	86,936	1.9%
Health Homes (BHH, SUDHH)	54,672	27,700	(26,972)	-49.3%
Hospital Rate Adjuster (HRA)	23,383,692	23,383,692	-	0.0%
Interest Earnings	1,365,174	1,365,174	-	0.0%
Use of ISF/Savings	-	-	-	0.0%
Member Local Contribution to State Medicaid	1,007,548	1,007,548	-	0.0%
Miscellaneous Revenue	5,500	5,500	-	0.0%
Total Revenue	<u>\$ 478,090,127</u>	<u>\$ 454,495,187</u>	<u>\$ (23,594,940)</u>	
Expense				
Regional Operating Expenses				
Administration expense	\$ 13,922,556	\$ 13,922,556	\$ 0	0.0%
Block Grants - Clubhse/Veterans/Hisp/Tob Cess/ NatAm/BHH Expansion	585,041	585,041	-	0.0%
SUD Treatment Expenses - Grants	998,463	888,413	(110,050)	-11.0%
SUD Prevention Expenses - Grants & PA2	3,231,058	3,293,309	62,251	1.9%
Hospital Rate Adjustment / Taxes	27,160,236	33,503,241	6,343,005	23.4%
Operating Expense - Member Payments	431,185,225	401,295,078	(29,890,147)	-6.9%
Contribution to ISF/Savings	-	-	-	0.0%
Local Contribution to State Medicaid	1,007,548	1,007,548	-	0.0%
Total Expense	<u>\$ 478,090,127</u>	<u>\$ 454,495,187</u>	<u>\$ (23,594,940)</u>	
Revenue Over/(Under) Expense	<u>0</u>	<u>0</u>		