LAKESHORE REGIONAL ENTITY

Meeting Agenda
BOARD OF DIRECTORS
Lakeshore Regional Entity
September 23, 2026 – 1:00 PM
Delta Hotel Convention Center, Mona Lake Room
939 3rd Str., Muskegon, MI 49440

1. Welcome and Introductions – Ms. Gardner
2. Roll Call/Conflict of Interest Question – Ms. Gardner
3. Public Comment (Limited to agenda items only)
4. Consent Items:
   Suggested Motion: To approve by consent the following items.
   - September 23, 2026, Board of Directors meeting agenda *(Attachment 1)*
   - August 26, 2026, Board of Directors meeting minutes *(Attachment 2)*

5. Community Advisory Panel *(Attachment 3)*
6. Reports –
   a. CEO – Ms. Marlatt-Dumas *(Attachment 4)*

7. Chairperson's Report – Ms. Gardner (*Attachment 5)*
   a. September 16, 2026, Executive Committee
   b. Governance Committee

8. Action Items –
   i. 2026/2027 LRE Board Slate of Officers *(Attachment 6)*
   Suggested Motion: To approve appointment of the following Board Directors to serve for a 1-year term as the 2025/2026 LRE Board slate of officers.
      - Chairperson:
      - Vice Chairperson:
      - Secretary:

   ii. Executive Committee Members
   Suggested Motion: To approve appointment of the following Board Directors to serve for a 1-year term on the LRE Board Executive Committee.

   iii. LRE Governance Policies *(Attachments 7-9)*
   Suggested Motion: To approve LRE Governance Policies and Procedures as recommended by the Executive Committee:
      i. 10.2 Committees Structure
      ii. 10.23 Board Conflict of Interest
      iii. 10.23a Board Conflict of Interest Procedure

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Phone: 231-769-2050
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9. Financial Report and Funding Distribution – Ms. Chick *(Attachment 10)*
    a. FY2026, August Funds Distributions *(Attachments 11)*
    Suggested Motion: To approve the FY2026, August Funds Distribution as presented.

    b. FY2026 Budget Amendment #4 *(Attachment 12)*
    Suggested Motion: To approve the budget amendment #4 to the FY26 budget as presented.

    c. FY2027 Budget *(Attachment 13)*
    Suggested Motion: To approve the FY2027 Budget as presented.

    d. Statement of Activities as of 7/31/2026 with Variance Reports *(Attachment 14)*
    e. Monthly FSR *(Attachment 15)*

10. Board Member Comments
11. Public Comment
12. Upcoming LRE Meetings
    - October 21, 2026 – Executive Committee, 1:00PM
    - October 28, 2026 – LRE Executive Board Work Session, 11:00 AM
      GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
    - October 28, 2026 – LRE Executive Board Meeting, 1:00 PM
      GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

13. Adjourn

LAKESHORE REGIONAL ENTITY

Meeting Minutes
BOARD OF DIRECTORS
Lakeshore Regional Entity
August 26, 2026 – 1:00 PM
GVSU Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

WELCOME AND INTRODUCTIONS – Ms. Gardner
Ms. Gardner called the August 26, 2026, LRE Board of Directors meeting to order at 1:01 PM and welcomed Board members, staff, and attendees participating in person and online.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Ms. Gardner
In Attendance: Bob Davis, Michelle Ferris, Patricia Gardner, Janice Hilleary, Richard Kanten, Alice Kelsey, O'Nealya Gronstal, Dave Parnin, Andrew Sebolt, Stan Stek, Jim Storey, Janet Thomas, Craig Van Beek.
Online: Ron Bacon
Absent: Jon Campbell

PUBLIC COMMENT
No public comment.

CONSENT ITEMS:
LRE 26-15 Motion: To approve by consent the following items.
- August 26, 2026, Board of Directors meeting agenda
- July 22, 2026, Board of Directors meeting minutes

Moved: Dave Parnin Support: O'Nealya Gronstal

MOTION CARRIED

LEADERSHIP BOARD REPORTS

i. CEO Report
The CEO report was included in the Board packet.
- Ms. Marlatt-Dumas reminded Board members that the fall conference will be held in Traverse City on October 26-27, 2026. Board members interested in attending should contact Ms. Marlatt-Dumas or Ms. Moran for registration and lodging coordination. Attendance is included in the budget and is encouraged as part of the strategic plan and Board education efforts.
- LRE received a corrective action plan letter from MDHHS related to the FY24 financial compliance audit, which had been delayed due to the FY22 cost settlement issue. Ms. Marlatt-Dumas reported that MDHHS has indicated

potential sanctions; however, a hearing would be required before sanctions could be imposed. LRE will evaluate whether it is financially prudent to contest the matter and will keep the Board updated.

- Ms. Marlatt-Dumas reported that the CMHSP/PIHP contracts are ready for distribution. Feedback from the CMHs has been reviewed and largely incorporated, with no significant concerns identified. Board approval will be requested under action items, and an amendment may be issued later after the MDHHS/PIHP contract changes are reviewed further.
- Ms. Marlatt-Dumas reported that MDHHS did not provide a redlined FY27 PIHP contract. LRE compared the FY26 and FY27 contracts using an AI review tool and included a summary of changes in the Board packet. Staff believe the changes are manageable and do not plan to incorporate them into the CMHSP contracts at this time. The Board Association requested that PIHPs sign the contract by September 10, 2026, to ensure contracts are in place before the fiscal year begins.
- Regarding the FY22 cost settlement litigation, Ms. Marlatt-Dumas reported that the recent court hearing went well. The judge discussed combining LRE's case with related PIHP litigation for judicial efficiency due to overlapping issues, including the 7.5% ISF matter. LRE has not yet received the court order. Ms. Marlatt-Dumas also reported that mediation involving the other PIHPs proceeded after initially being expected to be postponed, and no resolution was reported. LRE will monitor whether the matters proceed jointly or separately.
- Ms. Marlatt-Dumas discussed reconvening the Legislative and Advocacy Committee, which existed prior to COVID. The committee will help identify legislative priorities and advocacy opportunities. LRE is seeking one or two Board members with an interest in advocacy to volunteer. Interested members should contact Ms. Marlatt-Dumas, Ms. Moran, or Ms. VanDerKooi. A proposed committee slate and charter will be brought back to the Board for appointment.
- Ms. Marlatt-Dumas noted that the Board packet included a joint letter from five specialized residential providers in the region. Board members may review the letter and direct any questions to Ms. Marlatt-Dumas or the providers.
- Ms. Marlatt-Dumas provided an update on the CoventBridge UPIC audit. The audit has continued for approximately 17 months, and LRE received additional requests as recently as the prior week. LRE has been able to respond to requests but remains concerned that the audit approach appears focused on identifying fraud and extrapolating findings across the system. Several cases reviewed have involved autism services, and the other Michigan PIHPs selected for audit are experiencing similar concerns.
- Ms. Marlatt-Dumas also included the CMHA primary election recap in the packet to highlight behavioral health-related items that may affect LRE and its partners.

ii. COO Report

The COO report was included in the Board packet.

- Ms. VanDerKooi reviewed the 2026 tobacco compliance checks. LRE completed 49 of 52 assigned checks and achieved an 89% compliance rate, exceeding the 80% requirement. She noted county results, the importance of Synar compliance for federal block grant funding, and LRE's ongoing retailer education through "No Cigs for Our Kids."
- Ms. VanDerKooi reviewed the FY27-FY29 SUD Strategic Plan, which is required by the Michigan Mental Health Code and was discussed during the work session.
- Ms. VanDerKooi reported 15 re-credentials and three new organizational credentials and noted LRE's work with the State on a universal credentialing system.
- The Quality team is completing CMHSP site reviews and updating FY27 review tools to reflect policy and contract changes, with training to follow for CMHSPs and providers.
- Ms. VanDerKooi reported that LRE's regional autism framework promotes service consistency and will support a three-year performance improvement project beginning in FY27.
- Ms. VanDerKooi shared that LRE submitted 255 reports from January through August 2026, with 92.5% completed on time.
- The Veteran Navigator's reports highlighted outreach to 283 veterans and families, 66 new veterans served, and consultation support to community organizations. Ms. VanDerKooi also recognized Autumn's veteran-focused ArtPrize sun catcher installation at Calder Plaza.
- Ms. VanDerKooi reviewed the legislative update, highlighting bills and guidance related to mental health, substance use disorder, artificial intelligence, recipient rights, retroactive Medicaid, and Olmstead.

CHAIRPERSON'S REPORT

August 19, 2026, Executive Committee meeting minutes are included in the packet for information.

- Ms. Gardner highlighted the LRE Board survey results and next steps discussed by the Executive Committee. The survey identified opportunities for education and clarity in areas including diverse and skilled Board membership, strategic focus, accountability and evaluation, engagement and participation, risk management, and financial oversight. Survey results were generally consistent with or slightly improved from the prior year. Ms. Gardner encouraged Board members to consider attending Board Association conferences.

ACTION ITEMS

LRE 26-16 Motion: To approve the Board members below to the LRE Board Governance Committee for the purpose of making a recommendation to the full board for the 2026/2027 LRE Board slate of officers and Executive Committee:

- Patricia Gardner, Kent

- Bob Davis, Ottawa
- Craig Van Beek, Allegan
- O'Nealya Gronstal, Lake, Mason, Oceana
- Michelle Ferris, Muskegon

Moved: Janet Thomas Support: Janice Hilleary
MOTION CARRIED

LRE 26-17 Motion: To approve the LRE 2027-2030 (3-year) Strategic Plan as presented.

Moved: O'Nealya Gronstal Support: Janet Thomas
MOTION CARRIED

LRE 26-18 Motion: To approve the LRE 2027-2030 (3-year) SUD Strategic Plan as presented and submit to MDHHS per requirements pending approval by the LRE Oversight Policy Board.

Moved: O'Nealya Gronstal Support: Bob Davis
MOTION CARRIED

LRE 26-19 Motion: ***:*** To approve LRE CEO to fully execute the FY27 MDHHS/PIHP contract.

Moved: O'Nealya Gronstal Support: Janet Thomas
MOTION CARRIED

LRE 26-20 Motion: To approve LRE CEO to fully execute the FY27 PIHP/CMHSP contract.

Moved: Michelle Ferris Support: Bob Davis
MOTION CARRIED

LRE 26-21 Motion: To approve LRE CEO to fully execute contracts to allocate funds for the purposes and amounts defined in Attachment 7.

Moved: Janet Thomas Support: O'Nealya Gronstal
MOTION CARRIED

FINANCIAL REPORT AND FUNDING DISTRIBUTION

CFO Report is included in the Board packet for information.
Ms. Chick reported that LRE has not received meaningful FY27 rate-setting information from MDHHS. LRE has communicated the urgency of this information for PIHP and CMHSP planning, and PIHP CFOs are expected to send a joint communication to MDHHS.
Ms. Chick reported that, due to the lack of FY27 rate information, initial spending plans are based on FY26 revenue projections. The region currently projects a $14.7 million Medicaid-related FY27 deficit, with HealthWest projecting a surplus, Network180, OnPoint, and Ottawa projecting deficits, and West Michigan projecting a balanced budget.

FY2026 July Funds Distribution
LRE 26-22 Motion: To approve the FY2026, July Funds Distribution as presented.

Moved: Bob Davis Support: Dave Parnin
MOTION CARRIED

Statement of Activities as of 6/30/2026 with Variance Report
Ms. Chick reviewed the Statement of Activities as of June 30, 2026. Revenues were under budget by approximately $19.7 million. Medicaid revenue was closely aligned with budget; however, DHS incentive payments, performance bonus incentive payments, hospital rate adjuster payments, and PA2 liquor tax revenue were below budget due to payment timing. Expenditures were under budget by approximately $24.2 million, primarily due to PIHP expenditures being under budget by approximately $5.7 million and HRA expenditures being under budget by approximately $7 million. Overall, the change in net assets was approximately $4.5 million positive.

Monthly FSR-
Included in the Board packet for information.
The Monthly FSR showed an actual regional surplus of approximately $3.1 million through June. With projections, the region is anticipating an estimated $15.3 million deficit for the year, which improved from the prior month's projected deficit of approximately $18.9 million. The improvement was primarily due to West Michigan submitting revised projections showing approximately $3.1 million in excess funding.

BOARD MEMBER COMMENTS

- Mr. Davis reported that Ottawa County voters renewed and restored the mental health millage for another 10 years, with approximately 64% voter approval.
- Mr. Parnin stated that reviewing the strategic plans during the work session and voting during the Board meeting was an effective use of time.
- Ms. Gronstal commended staff for the time and effort invested in the strategic plans and stated that the presentation was informative and well done.
- Ms. Thomas stated that the method used to gather Board input for the strategic plan was effective and thanked staff for incorporating the detailed feedback into the final plan.
- Ms. Kelsey asked about progress related to covering LRE CCBHC costs. Ms. Marlatt-Dumas stated she would follow up with her offline and have Ms. Chick provide additional information.
- Mr. Sebolt echoed appreciation for Ms. VanDerKooi and her team's work on the strategic planning process.
- Ms. Ferris thanked the team for their hard work and transparency, particularly regarding the strategic plan and budget information.

PUBLIC COMMENT

- Dr. Michael provided public comment regarding Ottawa County CMH's plan to address its budget deficit. He stated that the plan had been provided to LRE administration and included seven areas, such as a move to authority status, projected savings over the next several years, partnership with LRE on data collection and utilization management guidelines, and a robust advocacy plan to collect regional data and present it to the State. He stated that the plan is not solely a request for additional funding; however, he believes the region does not receive adequate funding and that CMHs cannot remain in the current PEPM allocation model even with significant utilization management changes. He stated that he will continue to provide information and work with LRE leadership on Ottawa's plan.
- Jackie Johnson, CEO of Thresholds, thanked Ms. Marlatt-Dumas for including the letter from the IDD residential provider group in the Board packet and clarified that inclusion of the letter should not be interpreted as endorsement by LRE or the Board. She stated that providers have a duty of care to the individuals they serve and a responsibility to operate in a fiscally responsible manner while keeping the overseeing bodies informed of serious concerns. She noted that providers are facing significant financial pressure and referenced discussion at a recent Network180 Board meeting that one provider may have approximately 90 days left to operate. She encouraged the Board to stay informed, ask difficult questions, and consider options before provider network changes occur that may be difficult to reverse.

UPCOMING LRE MEETINGS

- September 16, 2026 – Executive Committee, 1:00PM
- September 23, 2026 – LRE Executive Board Work Session, 11:00 AM
  The Delta Hotel Convention Center, Mona Lake Room
  939 3rd St., Muskegon, MI 49440
- September 23, 2026 – LRE Executive Board Meeting, 1:00 PM
  The Delta Hotel Convention Center, Mona Lake Room
  939 3rd St., Muskegon, MI 49440

ADJOURN

Ms. Gardner adjourned the August 26, 2026, LRE Board of Directors meeting at 2:04 PM.

_____ _____

Ron Bacon, Board Secretary

Minutes respectfully submitted by:
Ms. Moran, Executive Assistant

LAKESHORE REGIONAL ENTITY

COMMUNITY ADVISORY PANEL MEETING NOTES

Thursday, September 10 – 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., James S., Sharon P., Angie K., Shawnee T.
Absent: Demario P.

CMH: Cathy Potter (OnPoint), Jodi Garrow (WM CMH), Max Knoth (Ottawa CMH),
LRE: Stephanie VanDerKooi, Michelle Anguiano, Mari Hesselink, Amy Embury

1. Welcome and Introductions.
    i. Review of September 10, 2026, Agenda
    ii. Review of June 11, 2026, Meeting Minutes

September 10, 2026, meeting agenda and June 11, 2026, meeting minutes were accepted as presented. Members were invited to identify any additions to the agenda; no additions were requested.

2. Member Stories – Limit 5 minutes
    i. Member Experiences
        - Lynette B. shared that she will attend the Rights Conference and has been selected to receive the Cookie Award for her advocacy work. She noted that she has served on numerous committees for many years and has worked in mental health advocacy for approximately 30 years. Members congratulated Lynette and recognized the honor as significant within Michigan's advocacy community.
        - Cathy shared that Sharon P. would be celebrating her birthday the following day. Members wished Sharon a happy birthday.

3. Guest: Amy Embury, LRE Substance Use Disorder (SUD) Prevention Manager
        - Amy connected the member stories to the importance of advocacy, noting that lived experience and personal stories help inform system change, particularly related to substance use prevention.
        - Amy reviewed TalkSooner.org, a prevention resource originally developed to help parents, caregivers, and other caring adults talk with youth early about substances and substance misuse. She highlighted the current "Any Way You Slice It" campaign in recognition of September as Family Meals Month. The campaign partners with local pizza shops to share TalkSooner.org information and pizza cutters with families, reinforcing that shared meals provide opportunities to discuss substances, alcohol use, vaping, gambling, and other risks youth may encounter.

- Amy explained that TalkSooner.org includes information on trending substances, conversation tips, age-appropriate guidance, and county-level contacts for Substance Use Prevention Coalitions. She noted that alcohol remains the most commonly used substance among youth, while vaping and gambling behaviors are also areas of concern. The website also includes "Stay Out of the Danger Zone" resources focused on preventing problem gambling, including warning signs, statistics, and tips for adults.
- Amy clarified that TalkSooner is primarily geared toward adults in a child's life, but the information is appropriate for youth as well and reflects information gathered through youth surveys and prevention education. She encouraged adults to use everyday opportunities, such as car rides or activities, to begin conversations in a less confrontational way.
- Lynette shared a personal experience related to losing a son to suicide and later learning that alcohol had been a concern. Amy thanked her for sharing and emphasized the importance of beginning conversations early, including conversations about feelings, coping skills, and healthy supports before substance use begins.

4. Community Advisory Panel –
   i. CMH/Statewide Summer Events
      - Walk-a-Mile, September 23, 2026

   ii. LRE Newsletters
      - LRE Fall Newsletter
        - The newsletter is attached and posted on the LRE website.
        - Stephanie highlighted Autumn Hartpence, LRE Veteran Navigator. Autumn's ArtPrize entry is a large sun catcher. The piece is displayed in Grand Rapids for ArtPrize beginning September 17, and Autumn has also submitted it for consideration as a Guinness World Record.
      - CAP Newsletter Update
        - The newsletter is attached and posted on the LRE website.
        - Members were encouraged to share any information or updates they would like included in upcoming issues by submitting items to Mari (marih@lsre.org), Michelle (michellea@lsre.org), or Marion (mariond@lsre.org).

5. OnPoint Board Chair, Alice Kelsey, Interview
   Stephanie shared that Alice Kelsey serves as OnPoint Board Chair and as an Allegan County representative on the LRE Board of Directors. Alice completed an interview with the board association, and members were encouraged to review the linked interview because it reflects her commitment to the work and the individuals served by the system.

6. PIHP Updates
    i. 2027-2030 LRE Strategic Plan
        - Stephanie reviewed the 2027–2030 LRE Strategic Plan. The plan explains who LRE is, identifies the five CMHs in the region, and includes a timeline describing how the plan was developed through input from the LRE Board, LRE staff, CMH leadership, the Community Advisory Panel, and other stakeholder groups. The Board approved the plan in August. The plan begins October 1, 2026, and focuses on four pillars: local solutions, service quality, collaborative relationships, innovation, and fiscal responsibility. Stephanie noted that updates and metrics will be shared with the Board as implementation moves forward.
    ii. 2027-2030 LRE SUD Strategic Plan
        - Stephanie reviewed the 2027–2030 LRE SUD Strategic Plan. She explained that MDHHS requires a three-year plan addressing youth and adults across prevention, early intervention, treatment, harm reduction, and recovery. The plan includes data-driven goals, community needs, evidence-based programming, coordination across the region, and specific objectives, including reducing underage drinking, youth prescription drug misuse, youth and young adult marijuana use, youth tobacco and vaping access, and increasing access to prevention services for older adults. Stephanie noted that MDHHS defines older adults as age 55 and older. The plan has been approved by the LRE Board, will go to the Oversight Policy Board for approval, and will then be submitted to MDHHS. Treatment metrics will be reviewed quarterly, and prevention progress will be evaluated annually.
        - Sharon H. shared concerns that some individuals with substance use needs are falling through the cracks, particularly when family members observe concerns that may not be apparent during an access center screening. She described interest in developing a simple, generic form that would allow family members to share observations while recognizing privacy laws, HIPAA, recipient rights, and substance use disorder confidentiality requirements. Lynette noted that recipient rights feedback supported a one-sided information-sharing approach, such as documenting observed concerns from the last 48 hours. Stephanie recommended beginning with the Network180 liaison or clinical director to better understand the current process and identify where the advisory committee may be able to assist. Shawnee added that family members can share observations with a provider, even though the provider may not be able to disclose information without permission.
        - Sharon P. suggested that prevention efforts should continue to include after-school and volunteer opportunities for youth, such as art, music, sports, hospital volunteering, fire department volunteering, helping older adults, or tutoring. She shared that structured after-school activities were helpful to her as a youth and can keep teenagers engaged in positive activities. Stephanie confirmed that after-school programming is included in the SUD Strategic Plan and that existing community programs are encouraged when available.

iii. Legislative and Advocacy Committee
- Stephanie shared that the LRE Board of Directors will begin a Legislative and Advocacy Committee in October. The committee will be a Board subcommittee focused on advocacy. Board members will be selected at the September Board meeting. Stephanie noted that opportunities or updates from the committee may be brought back to CAP in the future.

iv. Ottawa County
- Millage Update
  - There was a mental health millage that was approved. This provides extra funding that helps to fill in gaps that Medicaid does not cover.
- Authority Status
  - Ottawa CMH is becoming an authority. Stephanie explained that this means Ottawa County Community Mental Health will operate more independently rather than as a county department, with its own board, bylaws, and structure similar to other CMHs in the region. Max from Ottawa CMH shared that authority status will officially begin October 1, 2026, with additional changes continuing through January 1, 2027. Ottawa CMH will update its name, logo, website, email addresses, business cards, and other promotional materials. Existing emails will forward during the transition, and updated information will be shared as it becomes available.

7. State Updates –

i. PIHP System Competitive Procurement (Bid-Out) Update
- There are currently no formal updates regarding PIHP competitive procurement.

ii. Opposition to Privatizing Mental Health Services
- ACTION ALERT: Michigan Voters Overwhelmingly Oppose Privatizing Public Mental Health Services
- Members discussed advocacy opportunities related to opposing privatization of public mental health services. Stephanie also demonstrated the CMHA advocacy website, including how to sign up for action alerts, view election information, identify candidates, locate polling places, and access advocacy resources.

iii. Legislative Update *(Attachment 8)*
- Resources providing information about voting and candidates running for various offices
  - Ballotpedia
  - See What's On Your Ballot - Vote.org
  - CMHAM View Your Election Center

- The Legislative Update document provides state and federal updates related to mental health, substance use disorder, artificial intelligence, Medicaid, recipient rights, and other issues of interest. The document includes bill numbers, summaries, sponsors, links, and action alert information. Items highlighted in yellow are new developments; green indicates items supported by the association; purple indicates items opposed by the association; and blue identifies artificial intelligence-related items. Stephanie also noted that a section was added to include important updates that are not tied to specific legislation, as well as a section identifying elected officials for the region based on prior CAP feedback.

8. LRE Board Meeting
   September 23, 2026 – LRE Board Meeting
   The Delta Hotel Convention Center, Mona Lake Room
   939 3rd St., Muskegon, MI 49440

   Call-in information will be posted on the LRE website

9. Upcoming CAP Meetings (2nd Thursday of every third month [Quarterly] - 1:00 pm to 3:00 pm)

   2026 – December 10

FUTURE AGENDA ITEMS

LAKESHORE REGIONAL ENTITY

CEO Report
September 15, 2026

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

1. **PIHP UPDATE**
    - The CMHA Fall Conference is scheduled for October 26–27, 2026. LRE Board member attendance is encouraged. Board members interested in attending should contact me or Marion so that lodging and conference registration can be coordinated.

    - The LRE Board retreat is in the early planning stages. Board members are asked to provide feedback on whether they prefer a half-day or full-day retreat and whether a fall or spring retreat would be most appropriate. A draft outline will be brought back to the Board for review and additional feedback before being finalized.

    - LRE received notice from MDHHS that it has been placed under a Corrective Action Plan related to the FY24 Financial Compliance Audit and the Medical Loss Ratio comparison, which have not yet been completed. This matter is connected to the FY22 settlement and the $13.7 million issue. I have consulted with legal counsel and will develop a proposed strategy to present to the Board of Directors next month.
      UPDATE: LRE contacted MDHHS regarding this matter, and MDHHS subsequently extended the deadline for the requested information to September 24, 2026. If the deadline is not met, LRE may advance to the next phase of the corrective action process. LRE is working closely with RPC to meet this deadline, and this matter remains a top priority.

    - In recognition of Family Meals Month, TalkSooner and community partners are relaunching "Any Way You Slice It, Prevention Matters," a promotion with local West Michigan pizzerias and restaurants that encourages families to discuss youth substance misuse and prevention during shared meals. See attached flyer.

2. **REGIONAL UPDATE**
    - CMH/PIHP contracts are currently in the CMH signature process and are being returned to LRE as completed.

    - MDHHS/PIHP Contract: The MDHHS/PIHP contract has been fully executed.

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- Needs Based Assessment: LRE met with Wakely to discuss the scope of work and pricing. Wakely will provide a range of pricing options after completing its internal review. An update will be provided during the Board meeting.

- Oversight Policy Board Meeting (OPB)
    - The OPB met on September 16 and approved all items on the agenda. Click this link for the meeting packet.
        i. Five PA2 Reserve requests were approved: one for OnPoint, three for Ottawa CMH, and one for N180.
        ii. The FY27 Budget was also approved.
        iii. The SUD Strategic Plan was approved and submitted to the department. LRE is awaiting any response or feedback.

- FY22 Cost Settlement

  LRE and its legal counsel have not filed a lawsuit at this time. 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: The court has issued its order following the hearing. Judge Patel denied the request to dismiss the LRE case and ordered that it be consolidated with the NorthCare case for purposes of judicial efficiency, given the overlapping issue related to the 7.5% cap on the ISF. The central issue remains whether the 7.5% cap is actuarially sound. Two mediation sessions were held prior to the ruling resulting in no resolution. The next phase of the case will proceed through discovery.

- 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. The hearing was held on March 26. An opinion and order were issued on April 29, 2026.

      What was dismissed:
        - The Court dismissed claims related to the FY25 Contract, concluding there was never a meeting of the minds and therefore no FY25 Contract existed. Ironically, the Court later suggested that by signing the FY24 Contract, the PIHPs may have "waived" certain challenges to terms in that contract.
        - The Court also dismissed claims premised on a right to continued funding beyond the FY24 transition period. This was not a major surprise given Judge Yates's ruling, which Judge Patel cited extensively. The Court distinguished between MDHHS "terminating" a contract (which would trigger due process protections) and the FY24 Contract simply expiring while no FY25 Contract was ever formed.

      What remains: The Court denied the motion in all other respects, preserving the key substantive issues and allowing discovery to proceed. The remaining claims include:
        - ISF Account Limits (Count I): The Court found the FY24 Contract's ISF cap language is ambiguous and that factual questions exist regarding actuarial soundness, whether the restrictions constitute an impermissible direction of expenditures, and whether MDHHS waived its position by accepting Risk Management Strategies showing ISF balances above 7.5%.
        - ISF Funds for Prior-Year Services (Count I): The Court found a valid claim that the prohibition on using ISF funds for prior-year services violates federal restrictions on direct expenditures.

- Bonus Payments as Sanctions (Counts I and VI): The Court found a valid claim that withholding bonus payments for ISF noncompliance functions as a sanction, triggering notice-and-hearing protections. Whether these are discretionary bonuses or owed funding is a factual dispute for discovery.
- Waskul Settlement / CLS Fee Schedule (Count II): The Court found viable claims that the Waskul minimum fee schedule impermissibly directs Medicaid expenditures, and that the PIHPs are entitled to discovery on MDHHS's claimed APA exemption.
- CCBHC Demonstration Responsibilities (Count III): The Court found that CMHPSM and Region 10 stated valid claims that MDHHS shifted new CCBHC responsibilities onto them without additional funding and without following APA procedures.
- Headlee Amendment (Count IV): The Court found that CMHPSM and Region 10 stated a valid unfunded-mandate claim.
- The SUDHH preliminary injunction remains in full force and effect.

Noted: Legal for the PIHPs filed a motion for reconsideration, which essentially asks the court to reconsider its decision regarding the obligation to continue funding.
UPDATE: See update above.

- Legislative and Advocacy Committee - The purpose of the Legislative and Advocacy Committee (LAC) is to provide a structured forum for the LRE Board of Directors to monitor, study, prioritize, and respond to legislative, policy, and advocacy matters affecting services provided through the Lakeshore Regional Entity. The LAC will support regional alignment by identifying advocacy opportunities, confirming consensus where possible, and recommending shared approaches to the Board for consideration.
  ASK: Board members are asked to indicate their interest in serving on this committee. LRE is seeking one-to-two Board members with a strong interest in advocacy on behalf of the organization. Once nominees are identified, this matter will be brought back to the LRE Board of Directors in September for approval. The proposed committee charter is attached to this report.
  Update: Potential committee members are being contacted to confirm their interest in serving on the LAC. Final committee membership will be brought to the Board for approval. See Attached.

3. **STATE OF MICHIGAN/STATEWIDE ACTIVITIES**

Walk a Mile in My Shoes Rally

- **Date:** Wednesday, September 23, 2026
- **Location:** Michigan State Capitol Lawn, Lansing, MI
- **Time:** Starts around 1:30 p.m.
- **Host:** Community Mental Health Association of Michigan (CMHA)

4. **LEGISLATIVE UPDATE**: The legislative report is included in the Board materials. Bills to focus on for State: HB 6022, SB 1115-1122, SB 1000-1001 & HB 603.

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

TalkSooner.org

ANY WAY YOU SLICE IT, PREVENTION MATTERS

Participating Pizza Shops

FREE PIZZA CUTTER!

C D'S QUIK MART
Hopkins, Michigan

CADENA BROTHERS
Muskegon, Michigan

CRAIG'S CRUISERS
Norton Shores, Michigan

DON PETRINO'S PIZZERIA
Holland, Michigan

GOLDEN SAND GOLF COURSE & BUCKET BAR
Mears, Michigan

LAKESIDE PIZZA CO.
Muskegon, Michigan

LOMBARDO'S SICILIAN PIZZA
Muskegon, Michigan

POMPEII'S
Baldwin, Michigan

VITO'S PIZZA
Grand Rapids, Michigan

SCAN THE QR CODE TO LEARN MORE

LAKESHORE REGIONAL ENTITY

Legislative and Advocacy Committee
How It All Connects

Ideas • Suggestions • Feedback • Advocacy

CAP Groups (from CMHSPs)

Share ideas, needs and feedback

Our CAP Group (LRE)

Reviews, combines and prioritizes input

CMHSPs CEOs

Share concerns, opportunities and regional needs

ROATs

Bring forward data, trends and regional issues

CEOs (LRE & CMHSPs)

Review, discuss and align priorities

Our Staff

Share ideas, challenges and solutions

ROATs

Aggregate and elevate staff input

Executive Team (Ex. Team)

Develop recommendations and action plans

LRE LEGISLATIVE AND ADVOCACY COMMITTEE

- Receives input from all groups
- Reviews, discusses and takes action
- Shares updates and direction back to the groups

DOWNWARD FLOW

(Direction, priorities & feedback)

- Guidance and decisions
- Questions and requests
- Updates and next steps

UPWARD FLOW

(Ideas, concerns & recommendations)

- New ideas and opportunities
- Challenges and barriers
- Progress and successes

EVERYONE HAS A VOICE — AND A ROLE!

- ✓ **Share ideas, concerns and suggestions**
- ✓ **Bring forward what's working and what's not**
- ✓ **Be proactive and engaged**

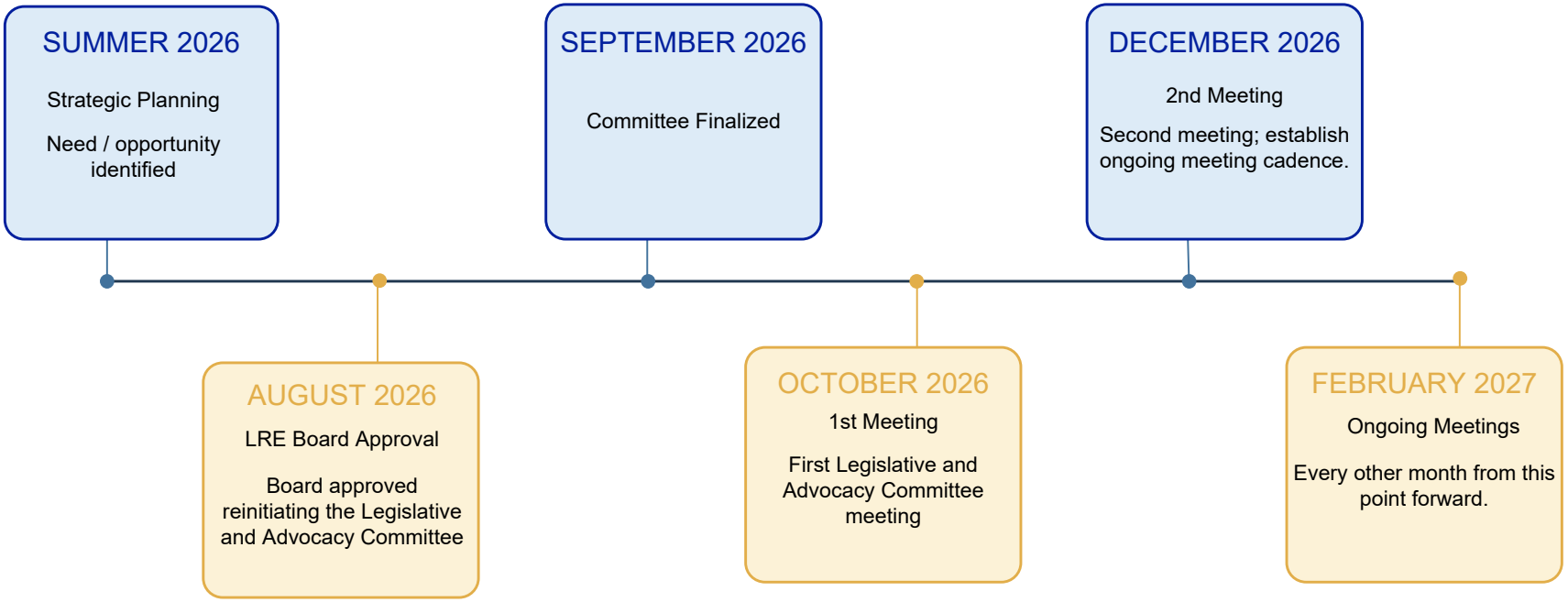
WE ENCOURAGE OUR BOARD TO:

- ✓ **Share your insights, experience and advocacy**
- ✓ **Push ideas, questions and concerns down**
- ✓ **Champion solutions and support action**

Collaboration + Communication = Better Decisions = Greater Impact

LAKESHORE REGIONAL ENTITY

LEGISLATIVE AND ADVOCACY COMMITTEE TIMELINE



ONGOING: Gather input ↕ Discuss & advocate ↕ Share priorities, direction & updates

2027 Feb, April, June, Aug, Oct, Dec

EVERYONE HAS A VOICE — AND A ROLE!

Lakeshore Regional Entity's Legislative Update – 9/16/2026

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 7/2/26: Read a second time 7/3/26: Read a third time, passed by House, returned to Senate, given immediate effect, ordered enrolled 7/14/26: Presented to Governor 7/29/26: Approved by the Governor, filed with the SOS, Assigned PA 0052'26 with immediate effect.
	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)

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH				
Priority	**BILL #**	**SUMMARY**	**SPONSOR**	**ACTION DATE**
				6/4/25: Referred to a second reading 7/24/25: Read a second time, placed on a third reading 9/4/25: Read a third time, passed House 9/9/25: Referred to Senate Committee on Housing and Human Services
	HB 4219 SB 143	These bills would require that patient's rights during mental health treatment, including the objection to treatment, must be communicated orally and in writing to the patient.	Rep - Jamie Thompson Sen – Rick Outman	3/12/25: Introduced, read a first time, referred to the Committee on Health Policy (4219) 3/12/25: Introduced, Referred to the Committee on Housing and Human Services (143) 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, 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 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: Committee Hearing in House* 12/9/25: Referred to a second Reading

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH				
Priority	**BILL #**	**SUMMARY**	**SPONSOR**	**ACTION DATE**
				2/18/26: read a second time, placed on immediate passaged, read a third time 2/24/26: Passed by the House, sent to the Senate, Referred to the Committee on Housing and Human Services
	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: Committee Hearing in House*
	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
	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

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH				
Priority	**BILL #**	**SUMMARY**	**SPONSOR**	**ACTION DATE**
	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	*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.*	*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 6/10/26 – Referred to a second reading
	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 Tisdel 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 3/18/26 – Read a third time, passed; given immediate effect 3/24/26 – Sent to Senate, Referred to Committee on Health Policy
	SB 973	A bill to provide for the establishment of a state-based health insurance exchange as a nonprofit corporation; to create the board of exchange and prescribe its powers and duties; to provide for assessments and user fees; and to provide for the powers and duties of certain state and local	Kevin Hertel	5/14/26 – Introduced, Referred to Committee on Health Policy 6/11/26 – Referred to the Committee of the Whole

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH				
Priority	**BILL #**	**SUMMARY**	**SPONSOR**	**ACTION DATE**
		governmental officers and agencies		6/17/26 – Placed on order of third reading with substitute 6/18/26 – Passed Senate, sent to House, read a first time, referred to Committee on Insurance
	HB 5739-5740	These bills would protect individual assets from being stolen or misappropriated by Guardians or family members for those under guardianship. These bills were presented by the Guardianship Association who are pushing for licensure for all guardians as well as increased pay for those guardians.	Jay DeBoyer Kathy Schmaltz	3/18/26 – Introduced, Read a first time, referred to the Committee on Families and Veterans. 4/28/26 – Reported with recommendation for referral to the Committee on Rules 6/2/26 – Read a second time 6/3/26 – Read a third time 6/10/26 – Passed House, sent to Senate, Referred to Committee on Housing and Human Services
Opposed by LRE	HB 6022	MENTAL HEALTH PREADMISSION SCREENING AND CONTRACTED HEALTH PLANS: House Bill 6022 would amend provisions of the Mental Health Code related to preadmission screening, hospitalization evaluations, and coordination of behavioral health services. The bill would expand the role of contracted health plans in these processes	Curtis VanderWall	5/21/26 – Introduced, Read a first time, referred to the Committee on Health Policy 6/10/26 – Reported with Recommendation to Committee on House Rules Health Policy - 6/3/2026 Rules - 6/25/2026
	SB 1000-1001 HB 6031	The department must, in accordance with federal law and regulations, develop a prospective payment system under the medical assistance program for funding certified community behavioral health clinics.	Rosemary Bayer (Senate) Sharon MacDonell (House)	Senate: 5/21/26 – Introduced, Referred to Committee on Housing and Human Services House: 6/2/26 – Introduced, Read a first time, referred to committee on Appropriations
/	SB 1115-1122	Recipient Rights: Series of bills regarding the collection of complaints, investigation of rights violations, retention of monitoring reports and review information by community mental health, and authority over surveillance for state psychiatric hospitals	Michael Webber	7/15/26 – Introduced, Referred to Committee on Housing and Human Services
***	HB 5814	A bill to change the retroactive Medicaid allowance to not more than one month before the in which the individual has applied.	Matt Maddock Luke Meerman	4/16/26 – Introduced, Read a first time, Referred to the committee on insurance 6/16/26 – Read a second and third time 6/23/26 – Passed House with immediate effect,

BILLS & REGULATIONS PERTAINING TO MENTAL HEALTH				
Priority	**BILL #**	**SUMMARY**	**SPONSOR**	**ACTION DATE**
				sent to Senate, referred to Committee on Appropriations
***	HB 5823	A bill to amend the mental health code to allow video surveillance in certain licensed care facilities. (Re: HCBS)	Bill Schuette	4/21/26 – Introduced, Read a first time, Referred to the Committee on Health Policy

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 *HB 5368-5370 12/16/25 - Introduced and Referred to Committee on Regulatory Reform. No hearings set at this time.* 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 4/22/26 – Amendments adopted, Passed roll call, received in the House, read a first time, referred to

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
				the Committee on Regulatory Reform Sign the Petition — Tobacco Free
	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 6/18/26 – Placed on order of third reading, Placed on Immediate passage, Passed Senate, sent to House, Read a first time, Referred to Committee on Judiciary
	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	Sam Singh Jeremy Moss	10/2/25 – Introduced, Referred to Committee on Regulatory Affairs

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
		result in more than one marihuana retailer for every 5,000 residents in the applicant's municipality, beginning January 1, 2026		
	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. • Currently, the licensing of persons engaged in the growing, processing, and handling of industrial hemp is governed by the Industrial Hemp Research and Development Act, which the bills would repeal. • The bills would require the Cannabis Regulatory Agency (CRA) to administer the "Industrial Hemp Processing Act's" licensing and regulatory requirements and to promulgate rules. • They also would establish licensure fees and qualifications and civil and criminal penalties for violations of the proposed Act.	Dayna Polehanki	10/2/25 – Introduced, Referred to Committee on Regulatory Affairs 12/2/25 – Referred to the Committee of the Whole with Substitute 12/9/25 – Placed on order of third reading, placed on immediate passage 12/16/25 – Amendments adopted, Passed roll call in Senate 12/17/25 – Received in House, Read a first time, Referred to Committee on Regulatory Reform
#2 – Supported by SUD Oversight Policy Board	HB 5134 & 5135	To amend MRTMA (or MMFLIA) to say: A person shall not advertise any of the following on a billboard or digital billboard that is located in this state: • 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 6/10/26 – Re-referred to 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 4/22/26 – Referred to a second reading

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
				4/28/26 – Read a second time, placed on a third reading
	HB 4951	*The bill would enact the "Comprehensive Road Funding Tax Act" to do the following:* *-- Impose a 24% excise tax on the wholesale price of marihuana.* *-- Create the Comprehensive Road Funding Fund and allocate $3.0 million of revenue from the Act in Fiscal Year (FY) 2025-2026 to the Fund and $500,000 of revenue from the Act to the Fund in each following fiscal year.* *-- Allocate the remainder of revenue collected under the Act to the Neighborhood Road Fund.1* *-- Beginning in FY 2027-2028 and in each following fiscal year, require the amount appropriated to the Comprehensive Road Funding Fund to be adjusted by the Consumer Price Index.* *-- Require the Department of the Treasury to administer the Act.* *-- Require a person subject to a tax imposed by the Act to file periodic returns at the times and in the manner prescribed by the Department.*	*Samantha Steckloff*	*9/16/2025 – Introduced, Read a first time, referred to the Committee on Appropriations.* *9/25/2025 – Second & Third Reading, Passed* *9/29/2025 – Sent to Senate, Referred to Committee of the Whole* *10/2/2025 - Placed on Immediate Passage, returned to House* *10/7/2025 – Approved by the Governor. Assigned PA 25'25 with Immediate Effect*
	SB 713-714	A bill to provide for regulation of advertisements and promotions for internet gaming	Erika Geiss	11/13/2025 – Introduced, Referred to the Committee on Regulatory Affairs Sen. Geiss Champions Legislation to Protect Michigan Youth from Gambling, Sports Betting Advertisements - Senator Erika Geiss
	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 1/27/26 – Referred to Committee of the Whole favorably with substitute, Placed on order of third reading 6/25/26 – Passed Senate, Sent to House, read a first time, referred to Committee on Regulatory Reform

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
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 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.**
	HB 5537	A bill to To amend the Michigan Penal Code to prohibit a person from growing, synthesizing, selling, offering for sale, giving, importing, or distributing kratom or a synthetic variant of kratom; would not apply to kratom that has been approved by the U.S. Food and Drug Administration (FDA) as a drug product, a dietary supplement, or a food additive in conventional food. This exception would not apply to synthetic variants of kratom	Cameron Cavitt	2/19/26 – Introduced, Read a first time, Referred to Committee on Regulatory Reform 3/18/26 – Read a second, third time, placed on immediate passage, passed given immediate effect 3/24/26 – Sent to Senate, Referred to Committee on Government Operations
	HB 4501	A bill to establish and operate a marihuana reference laboratory. ○ Collect, transport, and possess marihuana for the purpose of testing and conducting research in support of cannabis regulatory agency investigations and the development and optimization of testing methods performed through the cannabis regulatory agency reference laboratory	Mike Mueller	5/15/25 – Introduced, Read a first time, referred to Committee on Regulatory Reform 1/22/26 – Referred to a second reading
	HB 5756	A bill to amend the Michigan Regulation and Taxation of Marihuana Act (MRTMA) to allow and disallow for certain payment methods between businesses and processors; establish reporting requirements for certain financial information; allow CRA enforcement powers in reference to financial disclosures.	Joseph Aragona	3/18/26 – Introduced, Read a first time, Referred to the Committee on Regulatory Reform

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
	HB 5757	A bill to amend the Michigan Regulation and Taxation of Marihuana Act (MRTMA) to establish fines, penalties, and license revocation for Marijuana caregivers who are exceeding the amount of marijuana grown per cardholder connected to them (6 plants per MM card holder)	Joseph Aragona	3/18/26 – Introduced, Read a first time, Referred to the Committee on Regulatory Reform
	HB 6215	The Cannabis Licensee Enforcement and Appeals Act: A bill to provide for an appeal process for violations of certain laws related to marihuana; to provide for the manner in which disciplinary actions are taken against certain licensees; to create the cannabis licensing appeals board and prescribe its powers and duties; to provide for the powers and duties of certain state governmental officers and entities; to provide for the promulgation of rules; and to provide for sanctions.	Donavan McKinney	7/3/26 – Introduced, read a first time referred to Committee on Regulatory Reform
	HB 5453	A prosecutor's office, a law enforcement agency, and a social welfare agency may work in concert to establish a supervision program that diverts individuals who are suspected of possessing or using a controlled substance in violation of section 7403 or 7404 of the public health code, 1978 PA 368, MCL 333.7403 and 333.7404, away from criminal prosecution and into the supervision program before the filing of criminal charges under this section. A program established under this section must include appropriate substance use disorder treatment. A program established under this section must utilize a case management system that maintains a record of each case that is diverted under the program from inception to disposition. If the prosecutor's office and the social welfare agency agree that an individual has successfully completed the terms of the individual's supervision, the individual must not be prosecuted for the violation of section 7403 or 7404 of the public health code	Sarah Lightner	1/15/26 – Introduced, Read a first time, referred to the committee on Judiciary 6/10/26 - reported with recommendation without amendment, referred to second reading

BILLS & REGULATIONS PERTAINING TO ARTIFICAL INTELLIGENCE				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
	HB 4667	A bill to add a new section to the Michigan Penal Code to create three felonies related to AI systems, and provide for related penalties.	Sarah Lightner	6/24/25: Introduced, read a first time, referred to the Committee on Judiciary
	HB 4668	A bill to create a new act, the Artificial Intelligence Safety and Security Transparency Act, which would require large developers of foundation models to create and implement certain risk management practices relating to the use of those models, as well as provide for the powers and duties of government officers and entities, protections for certain employees, and related civil causes of action and sanctions.	Sarah Lightner	6/24/25: Introduced, read a first time, referred to the Committee on Judiciary 9/11/25: reported with recommendation for referral to Committee on Communications and Technology 9/18/25: placed on second reading; referred to Committee on Regulatory Reform

BILLS & REGULATIONS PERTAINING TO ARTIFICAL INTELLIGENCE				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
				3/19/26: Placed on second reading, Referred to Committee on Communications and Technology
	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 3/19/26: Placed on second reading, Referred to Committee on Communications and Technology
	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 3/19/26: Placed on second reading, Referred to Committee on Communications and Technology
	HB 4661	A bill to establish a crime victim communication modernization grant program to provide grants to certain state and local governmental officers to modernize communication with victims of crime and other individuals; to create the crime victim communication modernization fund and provide for the distribution of money from the fund; to provide for appropriations; and to provide for the powers and duties of certain state and local governmental officers and entities.	Curtis VanderWall	6/17/25: Introduced, read a first time, referred to the Committee on Appropriations
	HB 1077	The Responsible Artificial Intelligence Security for Employees Act: A bill to prescribe the circumstances under which an employer, third party, or service provider may use an automated decisions tool or electronic monitoring tool; to require the retention of certain data and documents; to require an impact assessment of electronic monitoring tools and automated decisions tools; to require an employer to provide covered individuals and certain labor organizations notice of certain events; to require an employer to provide certain benefits to certain individuals under certain circumstances; to provide for the powers and duties of certain state governmental officers and entities; to provide remedies; to prescribe civil sanctions; and to require the promulgation of rules.	Darrin Camilleri	6/24/26 – Introduced, Referred to Committee on Labor
	HB 5899	Artificial Intelligence Pilot Program Act: a bill to create an artificial intelligence board and prescribe its powers and duties; to require the creation of an artificial intelligence pilot program; to provide for	Jaime Greene	4/23/26 – Introduced, Read a first time, referred to the Committee on Communications and Technology.

BILLS & REGULATIONS PERTAINING TO ARTIFICAL INTELLIGENCE				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
		the powers and duties of certain state governmental officers and entities; to create funds; and to provide for the promulgation of rules.		5/19/26 – Reported with recommendation to Committee on Rules, Recommendation Concurred in
	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

BILLS & REGULATIONS PERTAINING TO ARTIFICAL INTELLIGENCE				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
	S. 4113 [Federal]	AI Guardrails Act of 2026: A bill to provide for limitations on the use of artificial intelligence by Department of Defense. This bill ensures a human is involved when deadly autonomous weapons are fired, AI cannot be used to spy on the American people, and that a human is on the switch to launch nuclear weapons.	Elissa Slotkin	3/17/26 – Introduced, Read twice, and referred to the Committee on Armed Services.

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 H.R. 8487	**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 Doris Matsui	Senate: 12/9/25 – Introduced, Read twice, Referred to the Committee on Finance House: 4/23/26 – Introduced, Referred to he Committee on Energy and Commerce, and in addition to the Committee on Ways and Means **Action Alert:** Contact your Senator/Representative -

				National Council for Mental Wellbeing | Ensuring Excellence in Mental Health Act
	H.R. 8620	**CARES Hotline Act:** To amend the Developmental Disabilities Assistance and Bill of Rights Act of 2000 to establish a hotline for caregivers of individuals with developmental disabilities, and for other purposes.	Robert Menendez	4/30/26 – Introduced, Referred to the House Committee on Energy and Commerce.
	H.R. 8540	**To amend title XIX of the Social Security Act to require coverage of, and expand access to, home and community-based services under the Medicaid program; to award grants for the creation, recruitment, training and education, retention, and advancement of the direct care workforce and to award grants to support family caregivers; and for other purposes.**	Debbie Dingell	4/28/26 – Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committees on Education and Workforce, Oversight and Government Reform, and Ways and Means
Supported by LRE	S. 4865 H.R. 9401	**Latonya Reeves Freedom Act of 2026:** To prohibit discrimination against individuals with disabilities who need long-term services and support, and for other purposes. To clarify and strengthen the integration mandate of the Americans with Disabilities Act of 1990, held by the Supreme Court in Olmstead v. L.C., 527 U.S. 581 (1999) in a manner that accelerates and improves State compliance.	Michael Bennet (Senate) Steve Cohen (House)	Senate: 6/23/26 – Introduced, read twice, referred to Committee on Health, Education, Labor, and Pensions House: 6/23/26 – Introduced, read twice, referred to Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker
	S. 5365	**Community Mental Wellness Worker Training Act:** A bill to authorize the Secretary of Health and Human Services, acting through the Assistant Secretary for Mental Health and Substance Use, to award grants to train community mental wellness workers, and for other purposes.	Cory Booker	8/7/26 – Introduced, Read twice and referred to the Committee on Health, Education, Labor, and Pensions.
	S. 5236	**Improving CARE for Youth Act:** A bill to amend title XIX of the Social Security Act to ensure Medicaid coverage of mental health services and primary care services furnished on the same day**.**	Margaret Wood Hassan	8/4/26 – Introduced, Read twice and referred to the Committee on Finance.
	H.R. 9990 S. 5120	**Increasing Mental Health Options Act of 2026:** A bill to amend title XVIII of the Social Security Act to expand access to psychological and behavioral services.	Nicole Malliotakis (House) Martin Heinrich (Senate)	House: 7/30/26 – Introduced, referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means Senate: 7/23/26: Introduced, Read twice and referred to the Committee on Finance.

	H.R. 10287	To amend title V of the Public Health Service Act and title XIX of the Social Security Act to promote access to mental health crisis response services.	Kim Schrier	9/3/26 – Introduced, Referred to the Committee on Energy and Commerce

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

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
	HR 2935	**PREPARE Act of 2025**: To establish a Commission on the Federal Regulation of Cannabis to study a prompt and plausible pathway to the Federal regulation of cannabis.	David Joyce	04/17/2025 - Referred to the Committee on Energy and Commerce, and in addition to the Committees on the Judiciary, Ways and Means, Agriculture, and Financial Services
	HR 2483	***SUPPORT for Patients and Communities Reauthorization Act of 2025 (SUPPORT Act):*** *This bill reauthorizes and revises Department of Health and Human Services (HHS) programs that address substance use disorders, overdoses, and mental health.*	*Brett Guthrie*	*3/31/2025 – Introduced in the House, Referred to the Committees on Energy, and Commerce, Education and Workforce, Judiciary, and Financial Services.* *5/29/2025 – Placed on the Union Calendar* *6/4/2025 – General Debate. Passed in the House* *6/5/2025 – Received in the Senate, read twice, referred to the Committee on Health, Education, Labor, and Pensions* *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	***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.)* ***Proposed Federal Legislation Would Ban Virtually All Hemp-Based Cannabinoid Products | Shipman & Goodwin LLP*** **The LRE is actively monitoring the repercussions of this new law, and the effects it will have on our system.*	*Jodey Arrington*	*5/20/2025 - The House Committee on the Budget reported an original measure* *5/22/2025 - On passage Passed by the Yeas and Nays: 215 – 214 in the House* *6/27/2025 – Received in the Senate* *7/1/2025 - Passed Senate with an amendment by Yea-Nay Vote. 51 – 50* *7/3/2025 - On motion that the House agree to the Senate amendment Agreed to by recorded vote: 218 – 214. Presented to President.* *7/4/2025 - Signed by President. Became Public Law No: 119-21.* *H.R.1 Implementation Journey*
	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 Espaillat	10/28/2025 – Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary
	H.R. 5573	The Attorney General, acting through the Director of the Bureau of Justice Assistance, and in consultation with the Secretary of Health and Human Services, is authorized to award grants to State and local law enforcement agencies to assist such agencies in planning, designing, establishing, or operating locally based, proactive programs to combat the unlawful sale, marketing, or distribution of controlled substances using social media platforms	Gabe Evans	9/26/2025 – Introduced, Referred to the House Committee on the Judiciary

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
	S. 3522	**No Red Tape For Addiction Treatment Act:** A bill to amend title XIX of the Social Security Act to require that State Medicaid programs provide at least one formulation of each type of medication for the treatment of opioid use disorder without prior authorization or limitations on dosage, and for other purposes.	Margaret Wood Hassan	12/17/2025 – Introduced, Read Twice, Referred to Committee on Finance
	HR 7994	**HERO Act:** A bill to establish a grant program to provide schools with opioid overdose reversal drugs, to direct schools receiving Federal funds to report to certain Federal information systems any distribution of an opioid overdose reversal drug, and for other purposes.	Raul Ruiz	3/19/26 – Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committee on Education and Workforce 6/25/26 – Subcommittee consideration and mark-up sessions held, forwarded by subcommittee to Full Committee by Voice Vote 7/21/26 - Committee Consideration and Mark-up Session Held, Ordered to be Reported (Amended) by the Yeas and Nays: 48 - 0
	S 3758	**End Veterans Overdose Act of 2026:** a bill to direct the Secretary of Veterans Affairs to make opioid overdose rescue medications available to veterans and their caregivers, and for other purposes.	Jeanne Shaheen	2/2/26 – Introduced, Read twice, referred to the Committee on Veterans' Affairs 3/18/26 - Committee on Veterans' Affairs. Ordered to be reported with an amendment in the nature of a substitute favorably.
	S 3588	**School Access to Naloxone Act of 2026:** a bill to amend the Public Health Service Act to provide funding for trained school personnel to administer drugs and devices for emergency treatment of known or suspected opioid overdose, and for other purposes.	Jeff Merkley	1/7/26 - Read twice and referred to the Committee on Health, Education, Labor, and Pensions. 3/19/26 - Committee on Health, Education, Labor, and Pensions. Hearings held.
	HR 8000	**END 7-OH Act:** a bill to amend the Controlled Substances Act to schedule synthetic 7-hydroxymitragynine as a Schedule I controlled substance.	Gus Bilirakis	3/19/26 – Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary
	S. 4257	**Resources To Prevent Youth Vaping Act:** A bill to apply user fees with respect to tobacco products deemed subject to the requirements of chapter IX of the Federal Food, Drug, and Cosmetic Act.	Jeanne Shaheen	3/26/26 – Introduced, Read twice and referred to the Committee on Health, Education, Labor, and Pensions.
	S. 4303	**ENDS Chinese Vapes Act of 2026:** A bill to amend the Tariff Act of 1930 to provide for escalating civil penalties for fraudulent or negligent importation of unauthorized electronic nicotine delivery systems.	Tom Cotton	4/15/26 – Introduced, Read twice, and referred to the Committee on Finance.

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
	HR 8192	**Nitazene Response Act:** To direct the Secretary of Health and Human Services to issue guidelines for the purpose of addressing the problem of nitazene overdoses, and for other purposes.	David J. Taylor	4/2/26 – Introduced, Referred to the House Committee on Energy and Commerce
	HR 7987	**CLIMB Act:** To prohibit Federal agencies from taking any adverse action against a person solely because the person provides business assistance to a cannabis-related legitimate business, to amend the Securities Exchange Act of 1934 to create a safe harbor for national securities exchanges to list the securities of issuers that are cannabis-related legitimate businesses	Guy Reschenthaler	3/18/26 – Introduced - Referred to the House Committee on Financial Services.
	H.R. 8766	**Deal Death, Face Death Act:** To amend the Controlled Substances Act to provide for the death penalty for anyone who knowingly deals fentanyl to a person who dies from the use of such fentanyl.	Chip Roy	5/12/26 – Introduced, Referred to the Committee on the Judiciary, and in addition to the Committee on Energy and Commerce
	S. 4552 HR 8811	**Moms Matter Act:** To address maternal mental health conditions and substance use disorders, and for other purposes.	Kirsten Gillibrand (Senate) Yvette Clarke (House)	Senate: 5/18/26 – Introduced, Read twice, referred to Committee on Health, Education, Labor, & Pensions House: 5/14/26 – Introduced, Referred to the House Committee on Energy and Commerce
	HR 9759 S 4895	**Turn the Tide Act: To provide funding for programs and activities under the SUPPORT for Patients and Communities Act.**	Chris Pappas (House) Jeanne Shaheen (Senate)	House: 7/16/26 – Referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, the Judiciary, Oversight and Government Reform, Education and Workforce, and Financial Services Senate: 6/24/26 – Introduced, Read twice, referred to Committee on Health, Education, Labor, & Pensions
	HR 9790	**Modernizing Opioid Treatment Access Act 2.0 of 2026:** a bill to expand access to methadone through alternative care models using pharmacies.	Donald Norcross	7/20/26 – Introduced, Referred to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary

BILLS & REGULATIONS PERTAINING TO SUD				
Priority	**BILL #**	**SUMMARY**	**SPONSOR(s)**	**STATUS/ACTION DATE**
	HR 9675	**Expanding Opportunities for Recovery Act of 2026:** A bill to authorize the Assistant Secretary for Mental Health and Substance Use, acting through the Director of the Center for Substance Abuse Treatment, to award grants to States to expand access to clinically appropriate services for opioid abuse, dependence, or addiction.	Bill Foster	7/14/26 – Introduced, Referred to the House Committee on Energy and Commerce.

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
	AG Order No. 6754-2026 from Department of Justice & Drug Enforcement Agency	- DOJ and DEA immediately places all FDA approved products containing marijuana, and all marijuana products regulated by State Medical Marijuana programs as Schedule III. - "provide immediate and long-term clarity to researchers, patients, and providers alike while still maintaining strict federal controls against dillicit drug trafficking." - Expedited hearing process, scheduled for June 26, regarding the complete rescheduling of marijuana		Schedules of Controlled Substances: Rescheduling of Food and Drug Administration Approved Products Containing Marijuana From Schedule I to Schedule III; Corresponding Change to Permit Requirements

LOCAL THREATS AND CHALLENGES				
	ISSUE	**SUMMARY**	**COUNTY**	**ADDITIONAL INFORMATION/LINKS**
	DOJ Clarifies Position on Olmstead Guidance	Clarification on Department of Justice Guidance Titled, "Statement of the Department of Justice on Enforcement of the Integration Mandate of Title II of the Americans With Disabilities Act and Olmstead v. L.C."		Federal Register :: Clarification on Department of Justice Guidance Titled, "Statement of the Department of Justice on Enforcement of the Integration Mandate of Title II of the Americans With Disabilities Act and Olmstead v. L.C."

MISCELLANEOUS UPDATES

	ISSUE	**SUMMARY**	**COUNTY**	**ADDITIONAL INFORMATION/LINKS**
	Presidential Drug Policy Priorities	The White House Office of National Drug Control Policy (ONDCP) has announced six key priority areas that it plans to focus on this year: Reduce the Number of Overdose Fatalities, with a Focus on Fentanyl; Secure the Global Supply Chain Against Drug Trafficking; Stop the Flow of Drugs Across our Borders and into Our Communities; Prevent Drug Use Before It Starts; Provide Treatment That Leads to Long-Term Recovery; Innovate in Research and Data to Support Drug Control Strategies		ONDCP Releases Trump Administration's Statement of Drug Policy Priorities – The White House 2025-Trump-Administration-Drug-Policy-Priorities.pdf
	Regional Opposition to HB 4255 & 4256	The LRE and MSHN both have sent letters to State Senators in opposition of HB 4255 and 4256. Please see the attached letter. This letter was emailed to Senators at the instruction of the Regional SUD Directors.		2025-5-2-HB4255-4256 Opposition Letter.pdf
	H.R.1 Implementation	As states move to implement the Medicaid provisions of H.R. 1, behavioral health providers face both operational challenges and critical opportunities to shape the path forward. This journey map is designed to equip National Council for Mental Wellbeing members with clear, actionable guidance on the policy changes ahead, the roles of key stakeholders, and the opportunities that matter most for engagement. By proactively collaborating with state officials, leveraging community partnerships, and elevating the needs of people with mental health and substance use challenges, providers can help ensure implementation decisions preserve and strengthen access to care.		H.R.1 Implementation Journey
	SAMHSA Action Alert	**Congress must keep mental health a bipartisan priority in the FY 26 appropriations bill**		Funding Restored! Thank Congress & Encourage them to Keep Mental Health a Bipartisan Priority

	ISSUE	SUMMARY	COUNTY	ADDITIONAL INFORMATION/LINKS
	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
	Michigan's Primary Election Recap	CMHA's Primary Election Results and Commentary		 2026 Michigan Primary Election Reca
	General Fund Declining	CMHA provided a presentation on the concerns for the effects on the General Fund if there are significant losses from the Healthy Michigan Plan.		 GF & HMP Slides.pdf

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/)

LAKESHORE REGIONAL ENTITY

EXECUTIVE COMMITTEE SUMMARY
Wednesday, September 16, 2026, 1:00 PM

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

WELCOME AND INTRODUCTIONS

i. Review of September 16, 2026, Meeting Agenda
ii. Review of August 19, 2026, Meeting Minutes

The meeting was called to order. The September 16, 2026, agenda and the August 19, 2026, Executive Committee meeting minutes were reviewed. No modifications were requested, and the minutes were accepted as presented.

MDHHS UPDATES

i. FY22 Cost Settlement/Hearing Update
   - Judge Patel issued an order consolidating the FY22 cost settlement matter with the four PIHP lawsuit. Two mediation sessions were held before the consolidation order was issued. The LRE CEO did not attend those sessions. No agreement was reached, and names are now being gathered for depositions related to the 7.5% issue.
   - LRE is moving forward with the audit and is treating the $13.7 million as LRE funds currently. If future direction requires a revision, LRE will address it at that time.
   - Ms. Marlatt-Dumas reported that LRE contacted MDHHS regarding the sanction. MDHHS subsequently extended the deadline for the requested information to September 24, 2026. Finance staff and auditors are working to complete the required materials before the deadline. The sanction process is not expected to move forward.

ii. 4 PIHPs Lawsuit
   - The four PIHP lawsuit and the FY22 cost settlement matter have been consolidated by the court.

iii. PIHP Rebid Update
   - There has been no further update regarding the PIHP rebid. It remains posted on the DTMB website and in SIGMA, but no date or additional information has been provided.

GOVERNANCE COMMITTEE UPDATE

The Governance/Nominating Committee met and unanimously recommended a slate of officers and at-large Executive Committee members for presentation to the full Board.
The recommended slate is: Chair – Patricia Gardner; Vice Chair – Bob Davis; Secretary – Pastor Craig Van Beek; At-Large Members – Janet Thomas and Ron Bacon.

LEGISLATIVE AND ADVOCACY COMMITTEE

LRE is developing the membership structure for the Legislative and Advocacy Committee. Ms. Marlatt-Dumas will discuss CMH CEO participation at the Operations meeting and will contact Board members to determine interest and capacity. The goal is to include an Oversight Policy Board member, Board member representation, and representation from each CMH. Additional potential participants will be contacted before recommendations are brought forward.

GOVERNANCE POLICIES/PROCEDURES REVIEW

i. 10.2 Committees Structure
ii. 10.23 Board Conflict of Interest
iii. 10.23a Board Conflict of Interest Procedure

The Executive Committee recommends Board approval/readoption of the reviewed governance policies and procedures with no changes.

BOARD MEETING AGENDA ITEMS

i. Action Items:
    ii. Governance Policies
    iii. FY2027 Budget
    iv. FY2026 Budget Amendment #4

BOARD WORK SESSION AGENDA

- Annual Public Budget Hearing
- Ms. Marlatt-Dumas reported that the FY2027 spending plans and budgets are being developed using very preliminary draft rates. There is concern that the rates may not accurately reflect enrollment impacts related to H.R. 1. Milliman modeled a 10% disenrollment impact. However, national experience has been closer to 35%, and LRE's regional impact is currently estimated at approximately 6.5%.
- LRE met with Wakely regarding a potential needs-based model that would be CMH-specific rather than region-specific. Wakely also participated in a call with Milliman and affirmed concerns that the draft rates may not be accurate based on information presented and experience in other states.
- The Board Work Session will focus on the Annual Public Budget Hearing. Ms. Chick is expected to present the budget information at the September 23, 2026 Work Session.
- Ms. Marlatt-Dumas reports that CMHA is contracting with an organization to study the HMP population and enrollment trends, including why individuals are coming off HMP, how the loss of Medicaid affects the behavioral health system, and how CCBHC funding intersects with coverage for non-Medicaid individuals.

EXECUTIVE COMMITTEE/CEO SESSION (STANDING ITEM)

UPCOMING MEETINGS

- September 23, 2026 – LRE Executive Board Work Session, 11:00 AM
  The Delta Hotel Convention Center, Mona Lake Room
  939 3rd St., Muskegon, MI 49440
- September 23, 2026 – LRE Executive Board Meeting, 1:00 PM
  The Delta Hotel Convention Center, Mona Lake Room
  939 3rd St., Muskegon, MI 49440
- October 21, 2026 – Executive Committee, 1:00PM
- October 28, 2026 – LRE Executive Board Work Session, 11:00 AM
  GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- October 28, 2026 – LRE Executive Board Meeting, 1:00 PM
  GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

LAKESHORE REGIONAL ENTITY

LRE GOVERNANCE COMMITTEE NOTES
Tuesday, September 15, 2026 – 12:00 PM

Present: Bob Davis, Michelle Ferris, Patricia Gardner, O'Nealya Gronstal, Craig Van Beek

1. Welcome
2. Current LRE Executive Board Officers
    a. Current Officers
        - Chairperson – Patricia Gardner
        - Vice-Chairperson – Janet Thomas
        - Secretary – Ron Bacon

    b. Current Executive Committee:
        - Ron Bacon (Secretary) – Lake, Mason, Oceana (WM CMH)
        - Richard Kanten – Ottawa (Ottawa CMH)
        - Craig VanBeek – Allegan (OnPoint)
        - Patricia Gardner – Kent (Network180)
        - Janet Thomas – Muskegon (HealthWest)

3. Discussion
   The Committee reviewed Executive Committee representation by CMH partner and discussed the need to identify the recommended Executive Board officers and remaining Executive Committee members for the 2026/2027 term. Current Executive Committee representation includes Muskegon (HealthWest), Kent (Network180), Allegan (OnPoint), Ottawa (Ottawa CMH), and Lake, Mason, Oceana (West Michigan CMH) counties.

   The Committee discussed the officer slate first because the officers automatically serve on the Executive Committee. Mr. Davis agreed to serve as Vice Chair, and Mr. Van Beek agreed to serve as Secretary. The Committee reached consensus to recommend Patricia Gardner as Chair, Bob Davis as Vice-Chair, and Craig Van Beek as Secretary for the October 2026 through September 2027 term.

   Because the recommended officer slate covers Kent (Network180), Ottawa (Ottawa CMH), and Allegan (OnPoint) counties, the Committee discussed the remaining Executive Committee representation for Muskegon (HealthWest) and Lake, Mason, Oceana (West Michigan CMH) counties. The Committee agreed to recommend Janet Thomas for Muskegon (HealthWest) and Ron Bacon for Lake, Mason, Oceana (West Michigan CMH). Ms. Gardner will contact Ms. Thomas, Mr. Bacon and Mr. Kanten.

4. Recommendation
    i. 2026/2027 Slate of Officers
        - Chairperson – Patricia Gardner (Kent County)
        - Vice-Chairperson – Bob Davis (Ottawa County)

- Secretary – Craig Van Beek (Allegan County)

ii. Executive Committee

- Janet Thomas (Muskegon County)
- Ron Bacon (Lake, Mason, Oceana Counties)
- Chairperson – Patricia Gardner (Kent County)
- Vice-Chairperson – Bob Davis (Ottawa County)
- Secretary – Craig Van Beek (Allegan County)

POLICY TITLE: COMMITTEES STRUCTURE	POLICY # 10.2	
Topic Area: Board of Directors		**REVIEW DATES**
Applies to: Board of Directors		11/18/21
Review Cycle: Annually	**Issued By and Approved By:** Board of Directors	6/26/2024
		7/23/2025
Developed and Maintained by: CEO		
Supersedes: N/A	**Effective Date:** 9/17/16	**Revised Date:**

I. PURPOSE

To define the roles and functions of the Entity Board of Directors and Committees.

II. POLICY

A Committee is established as a Lakeshore Regional Entity (the "Entity") Board of Directors Committee only if its existence and charge is directed by the Entity Board of Directors, regardless of whether the Entity Board of Director's members sit on the committee. Unless otherwise stated, a committee ceases to exist as soon as its work is complete.

Committee Structure

A. The Entity Board of Directors will create Committees, as needed to address specific areas of concern.
B. A written charge for each Committee will be developed. The charge will include a written statement of the scope, purpose, and obligation of the Committee as well as details regarding committee makeup, member terms, and defined time frames for completion of the Committee's charge.

Committee Principles

Committees shall:

1. Assist the Entity Board of Directors by preparing policy alternatives and implications for the Entity Board of Directors deliberation. In keeping with the broader focus, the Entity Board of Directors committees will normally not have direct dealings with current staff operations.
2. Not speak or act for the Entity Board of Directors except when formally given such authority for specific and time-limited purposes.
3. Not exercise authority over the Entity staff.
4. Be developed sparingly and ordinarily in an ad hoc capacity.
5. The Member CEOs will assign staff resources necessary for committee support

III. APPLICABILITY AND RESPONSIBILITY

This policy applies to any group that is formed by the Entity Board of Directors action, whether or not it is called a committee and regardless of whether the group includes the Entity Board of Directors members. It does not apply to committees formed under the authority of the Entity CEO.

IV. MONITORING AND REVIEW

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

V. DEFINITIONS

N/A

VI. RELATED POLICIES AND PROCEDURES

A. Board of Directors By-laws
B. Operating Agreement

VII. REFERENCE/LEGAL AUTHORITY

N/A

VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
11/18/21	Merged 10.2 and 10.3, formatted. Renamed policy	CEO
6/26/24	Reviewed, No Changes	CEO
7/23/25	Reviewed, No Changes	CEO
9/15/2026	No Changes	CEO/BOD

POLICY TITLE: BOARD MEMBER CONFLICT OF INTEREST	POLICY # 10.23	REVIEW DATES	
Topic Area: BOARD GOVERNANCE	**ISSUED BY:** Chief Executive Officer	1/1/2015	12/16/21
Applies to: LRE BOARD OF DIRECTORS		7/1/2019	6/1/25
Developed and Maintained by: Chief Executive Officer	**APPROVED BY:** Board of Directors		
Supersedes: N/A	**Effective Date:** 1/1/2014	**Revised Date:**	

I. PURPOSE

To provide an effective oversight process to protect the interests of the Lakeshore Regional Entity (LRE) when contemplating a transaction, arrangement, proceeding or other matter that might benefit the private interest of an individual or another entity. The Policy accomplishes this objective by defining Conflict of Interest, identifying individuals subject to this Policy, facilitating the disclosure of actual and potential Conflicts of Interest, Financial Interests and Professional Interest and setting forth procedures to manage Conflicts of Interest. This Policy is intended to supplement, but not replace, any applicable state or federal laws governing conflicts of interests in governmental entities or charitable, tax exempt, nonprofit organizations

II. POLICY

It is the policy of LRE to provide a means for any Covered Person to identify and report to the LRE's Board of Directors (the "Board") any direct or indirect Financial Interest, Professional Interest and any actual or potential Conflict of Interest and, based on that information, to permit LRE's appropriate review of such Financial Interests, Professional Interest and Conflicts of Interest and provide a process for the LRE to follow when managing Conflicts of Interest, all in accordance with applicable law.

DUTIES OF COVERED PERSONS:

Duty of Care: Every Covered Person shall act in a reasonable and informed manner and perform his or her duties for the LRE in good faith and with the degree of care that an ordinarily prudent person would exercise under similar circumstances.

Duty of Loyalty: Every Covered Person owes a duty of loyalty to act at all times in the best interest of the LRE and not in the interest of the Covered Person or any other entity or person. No Covered Person may personally take advantage of a business opportunity that is offered to the LRE unless the Board of Directors determines not to pursue that opportunity, after full disclosure and a disinterested and informed evaluation.

Duty to Disclose: Each Covered Person has a duty to disclose to the Board of Directors the existence of a Financial Interest and all related material facts.

Conflicts of Interest: No Covered Person may engage in any transaction, arrangement, proceeding or other matter or undertake positions with other organizations that involve a Conflict of Interest, except in compliance with this Policy. Covered Persons should avoid not only actual but the appearance of Conflicts of Interest as well. Every Covered Person shall:

A. Disclose all financial interests as set out below.
B. As it relates to action by the Board of Directors, unless a Conflict-of-Interest Waiver has been granted, recuse themself from voting on any transaction, arrangement, proceeding or other matter in which he/she has a Financial Interest, and not be present when any such vote is taken; and
C. Comply with any restrictions or conditions stated in any Conflict-of-Interest Waiver granted for the Covered Person's activities.

III. APPLICABILITY AND RESPONSIBILITY

A. Individuals covered under this Policy include:
   1. Members of the LRE's Board
   2. Members of the LRE Substance Use Disorder (SUD) Oversight Policy Board responsible for planning, approval and monitoring of the region's use of Public Act 2 (PA2) (Liquor Tax) funds
   3. LRE officers,
   4. Members of committees of the Board with delegated authority from the Board, and
   5. LRE employees, independent contractors or agents who are responsible for the expenditure of federal or state government funds in excess of $100 on behalf of the LRE.
B. These individuals are collectively referred to in this Policy as "Covered Person(s)."

IV. MONITORING AND REVIEW

This policy will be reviewed annually by the Board of Directors and Chief Executive Officer.

V. DEFINITIONS

BHDDA: Behavioral Health and Developmental Disabilities Administration

Compensation: Direct and/or indirect remuneration, in cash or in kind.

Conflict of Interest: A Conflict of Interest arises when a Covered Person participates or proposes to participate in a transaction, arrangement, proceeding or other matter for the LRE, in which the Covered Person, the Covered Person's Family Member, or an organization in which the Covered Person is serving as an officer, director, trustee or employee has a Financial Interest or Professional Interest of any kind whatsoever.

Covered Person: LRE Board members, SUD-OPB members, Chief Executive Officer or any other individual with a contractual relationship with the LRE.

Family Member: Spouse, parent, children (natural or adopted), sibling (whole or half-blood), father-in-law, mother-in-law, grandchildren, great grandchildren and spouses of siblings, children, grandchildren, great grandchildren, and all stepfamily members, and any person(s) sharing the same living quarters in an intimate, personal relationship that could affect decisions of the Covered Person in a manner that conflicts with this Policy.

Financial Interest: A Covered Person has a Financial Interest if he or she has, directly or indirectly, actually or potentially, through a business, investment or through a Family Member:

A. an actual or potential ownership, control or investment interest in, or serves in a governance or management capacity for, an entity with which the LRE has a transaction, arrangement, proceeding or other matter;

B. an actual or potential compensation arrangement with any entity or individual with which the LRE has a transaction, arrangement, proceeding or other matter; or

C. an actual or potential ownership or investment interest in, compensation arrangement with, or serves in a governance or management capacity for, any entity or individual with which the LRE is contemplating or negotiating a transaction, arrangement, proceeding or other matter.

D. Compensation includes direct and indirect remuneration, in cash or in kind.

Interested Person: Is a Covered Person who has a Financial Interest.

Professional Interest: A person has a professional interest if the person has, directly or indirectly, through business, investment, or family:

A. An ownership or investment interest in any entity that would benefit from active participation in LRE affairs;
B. A compensation arrangement for professional services outside of LRE where the execution of professional services would benefit from active participation in LRE affairs;
C. A contractual obligation(s) with a public, private, or governmental entity that pays for, provides or supplies goods or services to the health care industry but is not directly affiliated with LRE.
D. A professional interest is not necessarily a conflict of interest.

VI. REFERENCES AND SUPPORTING DOCUMENTS

A. LRE Compliance Plan
B. The Policy is based on the following legal authorities:
    - Mental Health Code, 1974 PA 258, MCL 300.1001 to 300.2106
    - 1978 PA 566, MCL 15.181 to 15.185 (incompatible public offices)

- 1968 PA 317, MCL 15.321 to 15.330 (contracts of public servants with public entities)
- 45 CFR Part 74 (Federal Procurement Regulations)
- 45 CFR Part 92 (Federal Procurement Regulations)
- 42 USC 1396a (Federal Medicaid Statute)
- Michigan Medicaid State Plan
- 18 USC 208 (Federal Conflict of Interest Statute)
- IRS Conflict of Interest Guidelines, Policies and Pronouncements for Charitable Tax Exempt Nonprofit Entities
- 42 CFR 455 Subpart B
- Section 1902 (a)(4)(C) and (D) of the Social Security Act: 41 U.S.C. Chapter 21 (formerly Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. §423): 18 U.S.C. §207: 18 U.S.C. §208: 42 CFR §438.58: 45 CFR Part 92: 45 CFR Part 74: 1978 PA 566: and MCL 330.1222.

VII. RELATED POLICIES AND PROCEDURES

A. LRE Board Policies and Procedures
   1. 10.23a – Board Member Conflict of Interest Procedure
B. Compliance Policies and Procedures

VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
11/21/2013	New Policy	Chief Executive Officer
1/1/2015	Annual Review	Chief Executive Officer
7/1/2019	Annual Review	Chief Executive Officer
12/16/21	Combined Policy/Procedure, Updated legal references/policies	Chief Executive Officer
6/1/2025	Renumbered Policy (from General Management to Board Governance); Removed employee references in policy and procedure; removed procedural language	Chief Executive Officer
9/15/26	No changes	CEO/BOD

ORGANIZATIONAL PROCEDURE

PROCEDURE # 10.23A		**EFFECTIVE DATE**	**REVISED DATE**
TITLE:	**BOARD MEMBER CONFLICT OF INTEREST**	**1/1/2014**	
ATTACHMENT TO		**REVIEW DATES**	
POLICY #:	**10.23**	**6/1/2025**	
POLICY TITLE:	**BOARD MEMBER CONFLICT OF INTEREST**		
CHAPTER:	**BOARD GOVERNANCE**		

I. PURPOSE

To provide an effective oversight process which protects the interests of the Lakeshore Regional Entity (LRE) when contemplating a transaction, arrangement, proceeding or other matter that might benefit the private interest of an individual or another entity.

II. PROCEDURES

A. **Disclosure of Financial Interests:**

i. Each Covered Person shall submit in writing to the Entity's Chief Executive Officer a Conflict of Interest and Financial Interest Disclosure (COI/FID) Statement (Attachment A) listing all Financial Interests and affirming compliance with the Conflict-of-Interest Policy.

ii. Each Covered Person shall update their Annual COI/FID Statement on the date designated by LRE, or promptly when any new Financial Interests or potential Conflicts of Interest arise.

iii. The Chief Executive Officer shall review and become familiar with all submitted COI/FID Statements, updates and waivers in order to guide their conduct regarding the disclosed information.

iv. The Chairperson of the Board shall review and become familiar with the COI/FID Statement submitted by the Chief Executive Officer.

v. The Vice Chairperson of the Board shall review and become familiar with the COI/FID Statement submitted by the Chairperson of the Board.

vi. The Board of Directors may request that a Covered Person(s) appear before the Board or submit written information to supplement or answer questions regarding information disclosed on the COI/FID Statement.

B. **Annual Conflict of Interest and Financial Interest Disclosure Statement**

Annually, on a date to be determined by the Board, each Covered Person shall complete, sign and date a COI/FID Statement. The COI/FID Statement affirms that the signor:

i. Has received a copy of the Board Member Conflict of Interest Policy;

ii. Has read and understands the Policy;

iii. Has agreed to comply with the Policy and the requirements of 42 CFR 455 Subpart B;

iv. Has disclosed on the COI/FID Statement all Financial Interests which the signor currently may have in accordance with the information identified in 42 CFR 455 Subpart B;
v. Agrees that they will update the information on the COI/FID Statement promptly should a new Financial Interest arise, by completing a new Financial Interest Disclosure Statement.
vi. Understands that the LRE is required to notify the MDHHS BHDDA Division of Program Development, Consultation and Contracts when any disclosures are made with regard to criminal offense described under sections 1128(a) and 1128(b)(1)(2), or (3) of the Social Security Act.

Covered persons may submit a current copy of an equivalent disclosure statement previously completed for a member Community Mental Health Service Program (CMHSP), provided the disclosure statement complies with the requirements of 42 CFR 455 Subpart B and the information disclosed remains accurate at the time of receipt by the LRE.

C. **Addressing Financial Interests and Conflicts of Interest:**
If the Board determines, by majority vote of disinterested members, that it may, with reasonable efforts, obtain a more advantageous transaction, arrangement, proceeding or other matter from another person or entity not involving the Interested Person, the Chief Executive Officer on behalf of the Board shall notify the Interested Person and may pursue such other transactions, arrangements, proceedings, or other matters or restrict the Interested Person's participation in the matter, as the Board determines appropriate.

D. **Granting a Conflict-of-Interest Waiver:**
If it is determined that it is not possible, with reasonable efforts, to obtain a more advantageous transaction, arrangement, proceeding or other matter from another person or entity not involving the Interested Person, and that the financial interest is not so substantial as to be likely to affect the integrity of the services which the Entity may expect from the Interested Person, the Board may vote to waive the potential Conflict of Interest and proceed with the proposed transaction, arrangement, proceeding or other matter and the Interested Person's participation in the matter. A Conflict-of-Interest Waiver shall be made in writing and signed by the Chairperson of the Board and the Chief Executive Officer.

The Conflict-of-Interest waiver may restrict the Interested Person's participation in the matter to the extent deemed necessary by the Board. Further, the Conflict-of-Interest waiver may cover all matters the Interested Person may undertake as part of his/her official duties with the Entity, without specifically enumerating such duties. All Conflict-of-Interest Waivers shall be issued prior to the Interested Person's participation in any transaction, arrangement, proceeding or other matter on behalf of the Entity.

1. Factors for Consideration When Granting a Waiver:
   In making a determination as to whether a Financial Interest is substantial enough to be likely to affect the integrity of the Interested Person's services to the Entity, the following shall be considered, as applicable.

   The type of interest that is creating the disqualification (e.g. stock, bonds, real estate, cash payment, job offer or enhancement of a spouse's employment);
   i. The identity of the person whose Financial Interest is involved, and if the interest does not belong directly to the Interested Person, the Interested Person's relationship to that person;
   ii. The dollar value of the disqualifying Financial Interest, if known and quantifiable (e.g., amount of cash payment, salary of job to be gained or lost, change in value of securities);
   iii. The value of the financial instrument or holding from which the disqualifying Financial Interest arises and its value in relationship to the individual's assets;
   iv. The nature and importance of the Interested Person's role in the matter, including the level of discretion which the Interested Person may exercise in the matter;
   v. The sensitivity of the matter;
   vi. The need for the Interested Person's services; and
   vii. Adjustments which may be made in the Interested Person's duties that would eliminate the likelihood that the integrity of the Interested Person's services would be questioned by a reasonable person.

2. Compensation Committees
   i. A voting member of the Board or any Board committee whose scope of authority includes compensation matters and who receives compensation, directly or indirectly, from the LRE, is precluded from voting on matters pertaining to their own compensation from the LRE.
   ii. No voting member of the Board or any Board committee whose scope of authority includes compensation matters and who receives compensation, directly or indirectly, from the LRE, is prohibited, individually or as part of a group, from providing information to the Board or any committee regarding compensation.

3. Waivers Supported by Michigan Law:
   Michigan law specifically provides support for granting a waiver of a Conflict of Interest arising under the following Conflict of Interest exception scenarios:
   i. A community mental health services program ("CMHSP") Board member may be a party to a contract with a CMHSP or administer or financially benefit from that contract, if the contract is between the CMHSP and the Entity;
   ii. A CMHSP Board member may also be a member of the Entity Board, even if the Entity has a contract with the CMHSP;

iii. A CMHSP Board may approve a contract with the Entity, if a CMHSP Board member is also an employee or independent contractor of the Entity; and
iv. CMHSP public officers (e.g., Board members, officers, executives and employees) may also be Board members, officers, executives and employees of the Entity, even if the Entity contracts with the CMHSP, subject to any prohibition imposed by the Michigan Department of Health and Human Services (MDHHS) in that regard.

E. **Records of Proceeding**

The minutes of the Board and all committees with Board-delegated powers shall contain:

1. The names of Covered Persons who disclosed or otherwise were found to have a Financial Interest, the nature of the Financial Interest, any due diligence investigation of the Financial Interest and potential Conflict of Interest, and the Board's decision with regard to the matter. If a written waiver of a Conflict of Interest is granted, a copy of the written waiver shall be attached to the minutes of the meeting at which it was granted.
2. The names of all persons who were present for discussion and votes related to the transaction or arrangement involved in the Financial Interest, a summary of the content of the discussion, including any alternatives proposed to the transaction or arrangement, and a record of any vote taken in connection with the matter.
3. If waiver of a Conflict of Interest is granted, the waiver shall be in writing and shall be signed by the Chairperson of the Board and the Chief Executive Officer. in the case of the Chairperson of the Board the Vice Chairperson and the Chief Executive Officer.and the Waiver shall describe the Financial Interest, the proceeding, transaction or matter to which the Financial Interest applies, the Interested Person's role in the proceeding, transaction or matter, and any restriction on the Interested Person's participation in the proceeding, transaction or matter.

F. **Reporting to the State:**

The LRE will promptly notify the Michigan Department of Health and Human Services (MDHHS) Division of Program Development, Consultation and Contracts, Behavioral Health and Developmental Disabilities Administration (BHDDA) if:

1. Any disclosures are made by providers with regard to the ownership or control by a person that has been convicted of a criminal offense described under sections 1128(a) and Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program 29 1128(b)(1), (2), or (3) of the Act, or that have had civil money penalties or assessments imposed under section 1128A of the Act. (See 42 CFR 1001.1001 (a)(1): or
2. Any staff member, director, or manager of the PIHP, individual with beneficial ownership of five percent or more, or an individual with an employment, consulting, or other arrangement with the PIHP has been convicted of a criminal offense described under sections 1128(a) and 1128(b)(1), (2), or (3) of the Act, or that have had civil money penalties or assessments imposed under section 1128A of the Act. (See 42 CFR 1001.1001(a)(1))

G. **Policy Enforcement**

1. if the Board has reasonable cause to believe that a Covered Person has failed to disclose actual or potential Financial Interests or Conflicts of Interest, the Board shall inform the involved Covered Person of the basis for such belief and afford the Covered Person an opportunity to explain the alleged failure to disclose.
2. If, after hearing the Covered Person's response and after making such further investigation as may be required, the Board determines that the Covered Person has in fact failed to disclose and actual or potential Financial Interest or Conflict of Interest, the Board shall take appropriate corrective action.

III. CHANGE LOG

Date of Change	Description of Change	Responsible Party
6/1/25	NEW Procedure	Chief Executive Officer
9/16/26	No Changes	CEO/BOD

LAKESHORE REGIONAL ENTITY

Lakeshore Regional Entity Board
Financial Officer Report for September 2026
9/23/2026

- **Disbursements Report** – A motion is requested to approve the August 2026 disbursements. A summary of the disbursements is included as an attachment.

- **Statement of Activities** – Report through July is included as an attachment. These figures are draft and will not be final until after the audit is complete.

- **FY26 Budget Amend 4 –** A motion is requested to approve the FY26 Budget Amend 4, the final amend of the fiscal year.

- **FY27 Initial Budget -** A motion is requested to approve the FY27 Initial Budget. The budget is based on draft Medicaid rates only because MDHHS has not provided the PIHPs with final rates for FY27.

- **LRE Combined Monthly FSR –** The July LRE Combined Monthly FSR Report is included as an attachment for this month's meeting. Expense projections, as reported by each CMHSP, are noted. An actual **deficit** fiscal year-to-date through July of **$1.9 million**, a projected annual **deficit** of **$16.7 million**, and a budgeted **deficit** of **$18.8 million** regionally (Medicaid and HMP) is shown in this month's report. All CMHSPs have an actual **surplus** except Network180 who has a **deficit** of **$10.4 million** and CMH of Ottawa with a **deficit of $4.4 million**. HealthWest, OnPoint, and West Michigan CMH have a projected **surplus**. Network180 and CMH of Ottawa have projected **deficits**. All CMHSPs have a budgeted **surplus or breakeven**, except Network180 with a budgeted **deficit** of **$15 million** and CMH of Ottawa with a budgeted **deficit** of **$7.1 million**.

  The projected **deficit** from June to July was increased by **$1.4 million** primarily due to an increase of $2.2 million in expense projections reported by CMH of Ottawa, who identified and corrected omitted SUD Medicaid expenses in its FY26 FSRs.

- **Cash Flow Issues –** No cash flow issues have been reported.

- **FY2027 Rate Setting –** MDHHS has provided FY27 draft rates. The draft rates are generally higher than FY26 rates with average increases of DAB 9.5%, HMP 14.1%, and TANF 5% excluding the TANF 65 and older population. The TANF 65 and older population rates decreased over 90%; however, this represents less than 0.02% of the TANF population and thus has a minimal impact on revenues. Draft HSW rates increased 1.5% from FY26, SEDW increased 21.1% and CWP decreased 17%.

  Uncertainty remains regarding the impact of H.R.1 implementation on eligibility and subsequently, revenues. MDHHS instructed the state's actuary to incorporate a 10% reduction in HMP (Michigan's Medicaid expansion program) eligibility due to H.R.1 into the rate-setting assumptions. Anecdotal evidence from states that adopted H.R.1 early indicates 30-40% decrease in Medicaid expansion program eligibility. MDHHS did not include adjustments to reflect the potential disenrollment for traditional Medicaid populations.

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

MDHHS has not provided a timeline for issuing final FY27 rates. For context, PIHPs did not receive the FY26 final rate certification until September 30, 2025.

- **FY2026 Revenue Projections** – The FY26 August revenue is within 0.03% of the expected total year-to-date revenue based on the June quarterly projections. MDHHS continues to pay waivers at FY25 rates, which are generally greater than FY26 rates. Revenue projections include a -$1.4 million adjustment for expected recoupments.

- **FY26 Finance Site Review Summary –** LRE has reviewed all five CMHSP Members as well as five out of six contracted SUD providers. Below is a summary of the current standing of those reviews.

Community Mental Health Providers

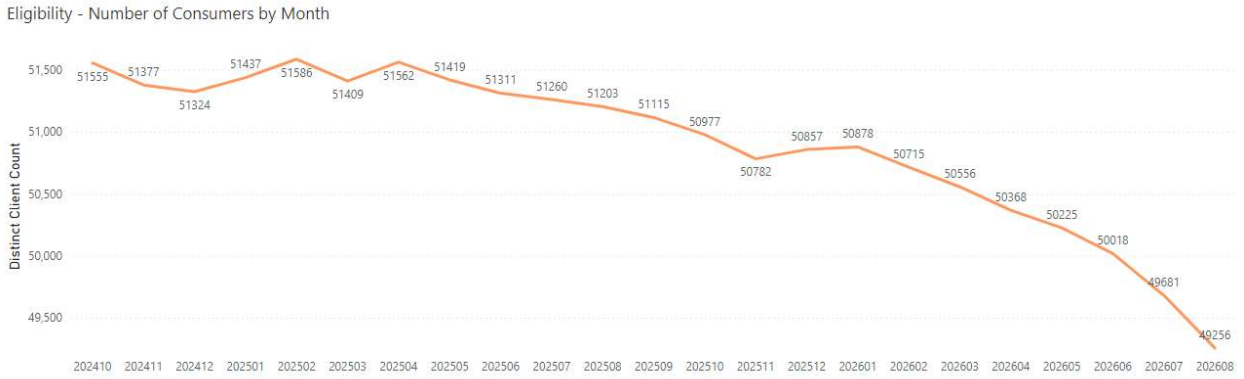
Provider	Review Date	Score	Change from Prior Year	Findings
West Michigan CMH	6/1/26–6/3/26	Score 36/38, 94.74%	Increase of 12.24%	2 repeat findings 0 new findings
HealthWest	6/22/26–6/24/26	Score 27/42, 64.29%	Decrease of 17.53%.	5 new findings 5 repeat findings.
OnPoint	7/13/26–7/15/26	Score 32/40, 80%	Decrease of 10%.	4 new findings 2 repeat findings 1 repeat recommendation
Ottawa CMH	8/3/26-8/5/26	Score 29/38, 76.32%	Increase of 3.59 %.	1 new finding 6 repeat findings.
Network 180	8/17/26-8/20/26	Score 32/38, 84.21%	Increase of 4.21%	2 new findings 4 repeat findings

SUD Providers

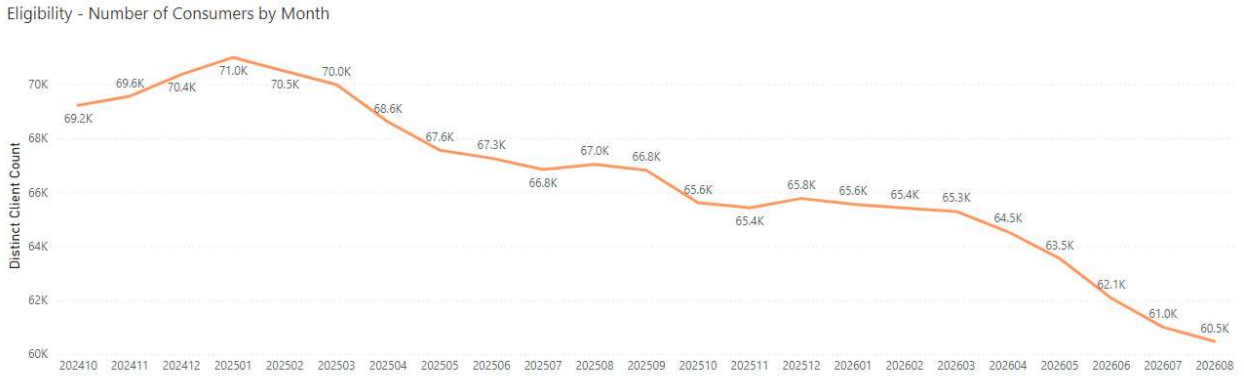
Provider	Review Date	Score	Change from Prior Year	Findings
District Health Department 10	6/8/26–6/10/26.	Score 17/20, 85%	Increase of 20%	0 new findings 3 repeat findings.
Wedgwood	7/21/26–7/23/26	Score 16/20, 80%	Increase of 9%.	0 new findings 2 repeat findings.
Kent County HD	7/30/26-8/1/26	Score 18/80, 90%	Increase of 36%	0 new findings 2 repeat findings
Trinity Health	7/30/26–8/126	Score 11/20, 55%	Decrease of 16%	0 new findings 6 repeat findings
Arbor Circle	9/9/2026–9/11/2026.	Preliminary Score 18/20, 90%	Increase of 0%	0 new findings 6 repeat findings
Ottawa Health Department	8/26/26–8/27/26.	Score 19/20, 95 %	Increase of 37%	0 new findings 1 repeat finding.
Red Project	10/12-10/14	Not Available	Not Available	Not Available

- **Financial Data/Charts** – The charts below show regional eligibility trends by population. The number of Medicaid eligible individuals in our region determines the amount of revenue the LRE receives each month. Data is shown for October 2024 – August 2026. The LRE has experienced a decline in enrollments for DAB, TANF, and HMP, mirroring patterns observed throughout the state.

DAB

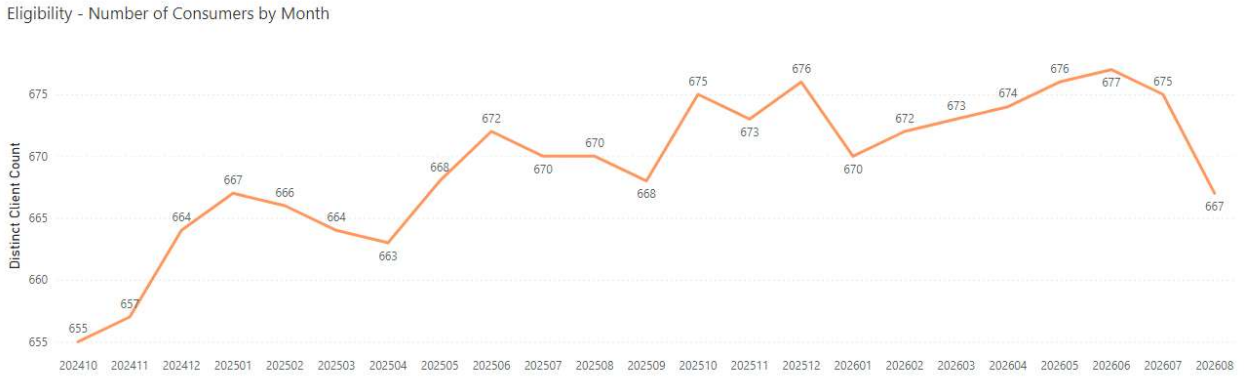


HMP



TANF

HSW



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 Operating Agreement	Health West Litigation	N180 Litigation	General	State Fair Hearings	Compliance	CCBHC	ISF Litigation	Total
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	$ -	$ -	$ -	$ -	$ 101,018.00	$ -	$ 2,304.00	$ -	$ 64.00	$ 103,386.00
Total	**$ 370,653.95**	**$ 12,200.00**	**$ 41,663.14**	**$ 54,028.53**	**$ 340,591.45**	**$ 18,802.00**	**$ 2,304.00**	**$ 812.50**	**$ 75,018.20**	**$ 916,073.77**

As of August 31, 2026

LAKESHORE REGIONAL ENTITY

BOARD ACTION REQUEST
Subject: August 2026 Disbursements
Meeting Date: September 23, 2026

RECOMMENDED MOTION:

To approve the August 2026 disbursements of $43,467,999.31 as presented.

SUMMARY OF REQUEST/INFORMATION:

Disbursements:	
Allegan County CMH	$2,659,510.76
Healthwest	$8,229,988.85
Network 180	$17,487,356.58
Ottawa County CMH	$5,224,758.61
West Michigan CMH	$2,796,134.18
SUD Prevention Expenses	$90,687.27
Local Match Payment	$251,887.00
Hospital Reimbursement Adjuster (HRA)	$5,931,144.00
SUD Public Act 2 (PA2)	$335,278.43
Administrative Expenses	$461,253.63
Total:	**$43,467,999.31**

83.94% of Disbursements were paid to Members and SUD Prevention Services.

I affirm that all payments identified in the monthly summary above are for previously appropriated amounts.

STAFF: *Stacia Chick* **DATE:** ***9/10/2026***

Attachment 12

LAKESHORE REGIONAL ENTITY

Budget Proposal Summary
Fiscal Year Ending 9/30/2026

	FY 2025/2026 Budget Amendment 3	FY 2025/2026 Budget Amendment 4	Increase / (Decrease)	Change %
Revenue				
Regional Operating Revenue				
Mental Health State Plan & 1915(i)	$ 237,065,009	$ 236,969,342	$ (95,667)	0.0%
Habilitation Supports Waiver (HSW)	51,376,896	51,408,155	31,259	0.1%
Children's Waiver	3,771,553	4,058,734	287,182	7.6%
SED Waiver	651,819	671,021	19,202	2.9%
DHS Incentive Payment	552,788	552,788	-	0.0%
Autism Revenue	67,580,121	67,856,179	276,059	0.4%
Mental Health Healthy Michigan	22,659,872	23,405,870	745,998	3.3%
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	8,598,834	8,630,057	31,224	0.4%
Substance Use Healthy Michigan	13,559,467	13,655,871	96,404	0.7%
Substance Use Block, State Opioid Response	10,163,577	10,163,577	-	0.0%
Performance Bonus Incentive Pool	2,648,663	2,648,663	-	0.0%
CCBHC Quality Bonus Incentive	-	1,339,073	1,339,073	0.0%
Substance Use PA2 Liquor Tax	5,167,318	5,366,318	199,000	3.9%
Health Homes (BHH, SUDHH)	27,700	27,700	-	0.0%
Hospital Rate Adjuster (HRA)	23,383,692	23,383,692	-	0.0%
Interest Earnings	1,365,174	400,000	(965,174)	-70.7%
Use of ISF/Savings	16,476,076	16,476,076	-	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	$ 466,896,647	$ 468,861,206	$ 1,964,559	
Expense				
Regional Operating Expenses				
Administration expense	$ 13,922,556	$ 9,398,708	$ (4,523,849)	-32.5%
Block Grants - Clubhse/Veterans/Hisp/Tob Cess/ NatAm/BHH Expansion	585,041	585,041	-	0.0%
SUD Treatment Expenses - Grants	716,319	716,319	-	0.0%
SUD Prevention Expenses - Grants & PA2	3,242,547	3,242,547	-	0.0%
Hospital Rate Adjustment / Taxes	28,295,860	28,295,860	-	0.0%
Operating Expense - Member Payments	419,126,775	425,615,184	6,488,408	1.5%
Contribution to ISF/Savings	-	-	-	0.0%
Local Contribution to State Medicaid	1,007,548	1,007,548	-	0.0%
Total Expense	$ 466,896,647	$ 468,861,206	$ 1,964,559	
Revenue Over/(Under) Expense	0	(0)		

LAKESHORE REGIONAL ENTITY

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	$ 478,090,127	$ 454,495,187	$ (23,594,940)	
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	$ 478,090,127	$ 454,495,187	$ (23,594,940)	
Revenue Over/(Under) Expense	0	0		

LAKESHORE REGIONAL ENTITY

Statement of Activities - Actual vs. Budget
Fiscal Year 2025/2026
7/31/2026

	Year Ending 9/30/2026	7/31/2026		
	FY26 Budget *Amendment 3*	Budget to Date	Actual	Actual to Budget Variance
Operating Revenues				
Medicaid, HSW, SED, & Children's Waiver	301,464,110	251,220,092	251,668,022	447,930
DHS Incentive	552,788	460,657	445,303	(15,354)
Autism Revenue	67,580,121	56,316,767	58,965,981	2,649,214
Healthy Michigan	36,219,339	30,182,782	32,474,627	2,291,844
Performance Bonus Incentive	2,648,663	2,207,219	-	(2,207,219)
Hospital Rate Adjuster (HRA)	23,383,692	19,486,410	17,842,782	(1,643,628)
Member Local Contribution to State Medicaid	1,007,548	839,623	839,623	(0)
Health Homes (BHH/SUDHH)	27,700	23,084	30,662	7,578
MDHHS Grants	10,998,618	9,165,515	6,689,207	(2,476,308)
PA 2 Liquor Tax	5,167,318	4,306,098	2,812,564	(1,493,534)
Interest Earnings	1,365,174	1,137,645	336,844	(800,801)
Use of ISF/Savings	16,476,076	13,730,063	-	(13,730,063)
Miscellaneous Revenue	5,500	4,583	-	(4,583)
Total Operating Revenues	**466,896,647**	**389,080,539**	**372,104,942**	**(16,975,597)**
Expenditures				
Salaries and Fringes	8,006,979	6,672,483	4,288,367	(2,384,115)
Office and Supplies Expense	317,116	264,263	167,772	(96,491)
Contractual and Consulting Expenses	1,025,954	854,961	555,043	(299,918)
Managed Care Information System (PCE) *	345,200	287,667	246,000	(41,667)
Legal Expense *	229,000	190,833	80,540	(110,294)
Utilities/Conferences/Mileage/Misc Exps	3,998,307	3,331,923	(30,094)	(3,362,017)
Grants - MDHHS & Non-MDHHS	585,041	487,534	430,650	(56,885)
Hospital Rate Adjuster / Taxes	28,295,860	23,579,883	20,290,883	(3,289,001)
Prevention Expenses - Grant & PA2	3,242,547	2,702,123	2,290,691	(411,432)
SUD Treatment Expenses - Grants	716,319	596,933	356,389	(240,544)
Member Payments - Medicaid/HMP	407,504,753	339,587,294	328,208,878	(11,378,416)
Member Payments - PA2 Treatment	3,828,118	3,190,098	2,303,396	(886,702)
Member Payments - Grants	7,793,905	6,494,921	5,173,362	(1,321,559)
Local Contribution to State Medicaid	1,007,548	839,623	839,623	(0)
Total Expenditures	**466,896,647**	**389,080,539**	**365,201,499**	**(23,879,040)**
Total Change in Net Assets	**(0)**	**(0)**	**6,903,443**	**6,903,443**

*** 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 July 31, 2026

As of Date: 7/31/26

Operating Revenues

Medicaid/HSW/SED/CWP	N/A - Closely aligned with the current budget projections.
DHS Incentive	N/A - Closely aligned with the current budget projections.
Autism Revenue	Revenue is increasing based on latest projections. Adjustments will be made in amendment 4.
Healthy Michigan	Revenue is increasing based on latest projections. Adjustments will be made in amendment 4.
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 received in April.
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 Revised 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. Adjustments will be made in amendment 4.
Office and Supplies	Some expenses in this category will occur later in the fiscal year. Adjustments will be made in amendment 4.
Contractual/Consulting	Some expenses in this category will occur later in the fiscal year. Adjustments will be made in amendment 4.
Managed Care Info Sys	Some expenses in this category will occur later in the fiscal year.
Legal Expense	Some billings are delayed and additional expenses in this category may occur later in the fiscal year per contract reconciliations.
Utilities/Conf/Mileage/Misc	This line item includes LRE's contingency fund. Adjustments will be made in amendment 4.
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 received in April.
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
July 2026 Reporting Month
Reporting Date: 9/14/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Distributed Medicaid/HMP Revenue							
Medicaid	49,192,743	119,083,411	20,131,082	32,209,363	17,082,682	3,796,427	241,495,709
Autism	11,576,955	29,869,582	5,217,929	8,904,115	3,397,401	849,666	59,815,648
Healthy Michigan	5,880,440	16,558,305	2,402,162	4,537,299	2,165,410	661,535	32,205,151
Total Distributed Medicaid/HMP Revenue	66,650,138	165,511,298	27,751,173	45,650,777	22,645,493	5,307,628	333,516,507
Capitated Expense							
Medicaid	42,448,500	116,390,007	22,124,784	38,189,292	15,988,050	3,796,427	238,937,060
Autism	7,256,385	33,970,098	1,519,420	8,066,469	1,813,668	849,666	53,475,705
Healthy Michigan	9,193,721	24,018,822	2,485,775	3,763,317	1,512,087	661,535	41,635,256
Total Capitated Expense	58,898,606	174,378,926	26,129,979	50,019,078	19,313,805	5,307,628	334,048,021
Actual Surplus (Deficit)	7,751,532	(8,867,628)	1,621,194	(4,368,301)	3,331,688	-	(531,514)
% Variance	11.63%	-5.36%	5.84%	-9.57%	14.71%	0.00%	
Information regarding Actual (Threshold: Surplus of 5% and deficit of 1%) ***(Variance Explanation provided by CMHSP)***	As efforts to increase face-to-face services, we saw the gap close slightly from July. We anticipate this to continue to close as the year comes to a close.	1. Autism service demand exceeds funding, as regional rate allocations do not reflect county-level needs. 2. The CSU uses an eligible Medicaid rate per MDHHS guidance; however, Network180 cannot determine the amount of funds in the capitation nor if it is adequate to fully fund the service. 3. Utilization remains high and consistent with FY25, driven by inpatient, autism, and CLS/Personal Care in a residential setting.	Certain utilization has been lower than projected (particularly Autism). Staff annual wage increases happened in April. As noted below, this surplus does not include approximately $310,000 in waiver overpayments due back to LRE/MDHHS.	Unfunded health and safety expenses associated Individuals who require extensive health and safety supports primarily IDD Adults. An increase in inpatient hospitalization for individuals on the Healthy Michigan Plan being served by Medicaid Health Plans. Continued expenditures resulting from emergency rate increases implemented last fiscal year to sustain residential provider operations to prevent residential closures. Please note that the vast majority of the increase in utilization and expenditures noted above are for non-CCBHC eligible services.	WM is expecting excess funding. Please refer to spend plan below.	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.	244,399	(1,498,878)	(310,134)	(70,641)	258,621	-	(1,376,633)
Actual Surplus (Deficit)	**7,995,931**	**(10,366,505)**	**1,311,060**	**(4,438,942)**	**3,590,310**	**-**	**(1,908,147)**

PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
LRE Revenue Projections as of:							
June							
Total Projected Medicaid/HMP Revenue	79,183,455	193,783,955	32,540,981	53,798,244	27,122,208	13,922,556	400,351,401
	(0)	(0)	(0)	0	-	-	
Total Capitated Expense Projections	75,998,201	207,688,048	32,504,192	62,915,112	24,015,648	13,922,556	417,043,758
Projected Surplus (Deficit)	3,185,254	(13,904,093)	36,789	(9,116,868)	3,106,560	-	(16,692,356)
% Variance	4.02%	-7.18%	0.11%	-16.95%	11.45%	0.00%	
Information regarding Projections (Threshold: Surplus of 5% and deficit of 1%) ***(Variance Explanation provided by CMHSP)***	Less than threshold for explanation.	1. Autism service demand exceeds funding, as regional rate allocations do not reflect county-level needs. 2. The CSU uses an eligible Medicaid rate per MDHHS guidance; however, Network180 cannot determine the amount of funds in the capitation nor if it is adequate to fully fund the service. 3. Utilization remains high and consistent with FY25, driven by inpatient, autism, and CLS/Personal Care in a residential setting.	Less than threshold for explanation.	Unfunded health and safety expenses associated Individuals who require extensive health and safety supports primarily IDD Adults. An increase in inpatient hospitalization for individuals on the Healthy Michigan Plan being served by Medicaid Health Plans. Continued expenditures resulting from emergency rate increases implemented last fiscal year to sustain residential provider operations to prevent residential closures. Please note that the vast majority of the increase in utilization and expenditures noted above are for non-CCBHC eligible services.	Updated WM spending plan utilizating the FY26 Budget Amendment	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	6/10/2026	8/7/2026		
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	60,735,168	24,015,648	13,922,556	417,724,301
						-	
Budgeted Surplus (Deficit)	268,123	(14,987,158)	-	(7,133,216)	3,028,267	-	(18,823,984)
% Variance	0.34%	-7.79%	0.00%	-13.31%	11.20%	0.00%	
Information regarding Spending Plans (Threshold: Surplus of 5% and deficit of 1%) ***(Variance Explanation provided by CMHSP)***	Less than threshold for explanation.	1. Autism service demand exceeds funding, as regional rate allocations do not reflect county-level needs. 2. The CSU uses an eligible Medicaid rate per MDHHS guidance; however, Network180 cannot determine the amount of funds in the capitation nor if it is adequate to fully fund the service. 3. Utilization remains high and consistent with FY25, driven by inpatient, autism, and CLS/Personal Care in a residential setting.	Less than threshold for explanation.	Unfunded health and safety expenses associated Individuals who require extensive health and safety supports primarily IDD Adults. An increase in inpatient hospitalization for individuals on the Healthy Michigan Plan being served by Medicaid Health Plans. Continued expenditures resulting from emergency rate increases implemented last fiscal year to sustain residential provider operations to prevent residential closures. Please note that the vast majority of the increase in utilization and expenditures noted above are for non-CCBHC eligible services.	Updated WM spending plan utilizating the FY26 Budget Amendment	Less than threshold for explanation.	

Variance between Projected and Proposed Spending Plan	2,917,132	1,083,066	36,789	(1,983,652)	78,293	-	2,131,628
% Variance	3.67%	0.56%	0.11%	-3.70%	0.29%	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.	CMHOC identified and corrected omitted SUD Medicaid expenses in its FY26 FSRs which increased the projected expenses.	Less than threshold for explanation.	Less than threshold for explanation.	

Lakeshore Regional Entity
FY2026 FSR Monthly Comparison of Surplus/(Deficit) Detail
(Excluding CCBHC)
July 2026 Reporting Month
Reporting Date: 9/14/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	3,675,362	(6,265,990)	(2,387,449)	(5,276,588)	2,006,576	(8,248,090)
Autism	4,320,569	(4,100,515)	3,698,509	837,646	1,583,733	6,339,942
Total Distributed Medicaid/HMP Revenue	7,995,931	(10,366,505)	1,311,060	(4,438,942)	3,590,310	(1,908,147)

PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	(753,427)	(7,755,056)	(4,194,013)	(7,647,783)	1,256,719	(19,093,560)
Autism	3,938,681	(6,149,036)	4,230,802	(1,469,085)	1,849,841	2,401,204
Total Distributed Medicaid/HMP Revenue	3,185,254	(13,904,093)	36,789	(9,116,868)	3,106,560	(16,692,356)

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

Actual	Nov	Change	Dec	Change	Jan	Change	Feb	Change	Mar	Change	April	Change	May	Change	June	Change	July	Change	Significant Change Explanations
HW	3,210,521	3,210,521	1,880,517	(1,330,003)	4,135,097	2,254,579	5,539,968	1,404,871	6,451,883	911,915	8,423,981	1,972,098	8,468,495	44,514	8,003,745	(464,749)	7,995,931	(7,814)	
N180	(2,499,914)	(2,499,914)	(3,522,325)	(1,022,411)	(3,796,208)	(273,882)	(3,743,865)	52,342	(3,807,003)	(63,138)	(4,630,644)	(823,641)	(7,368,473)	(2,737,829)	(8,252,223)	(883,751)	(10,366,505)	(2,114,282)	
OnPoint	369,888	369,888	400,276	30,387	561,154	160,878	793,592	232,438	802,046	8,454	1,066,231	264,185	1,382,625	316,394	1,484,872	102,247	1,311,060	(173,812)	
Ottawa	1,725,566	1,725,566	1,650,528	(75,038)	477,495	(1,173,033)	(125,262)	(602,757)	(1,075,092)	(949,830)	(2,576,399)	(1,501,307)	(1,295,497)	1,280,902	(1,308,025)	(12,528)	(4,438,942)	(3,130,918)	CMHOC identified and corrected omitted SUD Medicaid expenses in its FY26 FSRs.
WM	1,307,093	1,307,093	1,276,611	(30,481)	1,452,997	176,386	1,896,932	443,935	2,059,410	162,478	2,209,112	149,702	2,809,172	600,060	3,203,843	394,671	3,590,310	386,467	
Total	**4,113,153**	**4,113,153**	**1,685,607**	**(2,427,546)**	**2,830,536**	**1,144,929**	**4,361,365**	**1,530,830**	**4,431,244**	**69,879**	**4,492,282**	**61,038**	**3,996,322**	**(495,960)**	**3,132,212**	**(864,110)**	**(1,908,147)**	**(5,040,359)**	

Projection	Nov	Change	Dec	Change	Jan	Change	Feb	Change	Mar	Change	April	Change	May	Change	June	Change	July	Change	
HW	3,869,714	3,869,714	(4,266,494)	(8,136,208)	(105,768)	4,160,726	1,767,867	1,873,635	2,657,114	889,247	2,640,934	(16,180)	2,124,816	(516,119)	2,387,915	263,099	3,185,254	797,340	
N180	(2,078,970)	(2,078,970)	(2,759,095)	(680,125)	(14,987,158)	(12,228,064)	(13,284,733)	1,702,425	(13,284,733)	(0)	(13,284,733)	-	(14,046,782)	(762,049)	(13,904,093)	142,689	(13,904,093)	-	
OnPoint	-	-	(107,520)	(107,520)	(107,520)	0	(238,361)	(130,842)	54,737	293,098	54,737	(0)	54,737	-	36,789	(17,947)	36,789	-	
Ottawa	(3,469,038)	(3,469,038)	(3,580,703)	(111,665)	(4,276,735)	(696,032)	(4,811,845)	(535,110)	(4,811,845)	(0)	(7,197,836)	(2,385,990)	(7,197,836)	-	(6,936,923)	260,912	(9,116,868)	(2,179,944)	CMHOC identified and corrected omitted SUD Medicaid expenses in its FY26 FSRs which increased the projected expenses.
WM	-	-	50,080	50,080	50,080	0	90,996	40,916	90,996	-	90,996	-	90,996	-	3,106,560	3,015,564	3,106,560	-	
Total	**(1,678,294)**	**(1,678,294)**	**(10,663,732)**	**(8,985,438)**	**(19,427,101)**	**(8,763,370)**	**(16,476,077)**	**2,951,025**	**(15,293,732)**	**1,182,345**	**(17,695,902)**	**(2,402,170)**	**(18,974,069)**	**(1,278,167)**	**(15,309,752)**	**3,664,317**	**(16,692,356)**	**(1,382,605)**	

Proposed Spending Plan/Budget	Nov	Change	Dec	Change	Jan	Change	Feb	Change	Mar	Change	April	Change	May	Change	June	Change	July	Change	Significant Change Explanations
HW	268,123	268,123	268,123	-	268,123	(0)	268,123	-	268,123	-	268,123	-	268,123	-	268,123	-	268,123	-	
N180	(2,078,970)	(2,078,970)	(2,078,970)	-	(14,987,158)	(12,908,189)	(14,987,158)	-	(14,987,158)	-	(14,987,158)	-	(14,987,158)	-	(14,987,158)	-	(14,987,158)	-	
OnPoint	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ottawa	-	-	-	-	-	-	-	-	-	-	(7,133,216)	(7,133,216)	(7,133,216)	-	(7,133,216)	-	(7,133,216)	-	
WM	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,028,267	3,028,267	3,028,267	-	
Total	**(1,810,847)**	**(1,810,847)**	**(1,810,847)**	**-**	**(14,719,036)**	**(12,908,189)**	**(14,719,036)**	**-**	**(14,719,036)**	**-**	**(21,852,251)**	**(7,133,216)**	**(21,852,251)**	**-**	**(18,823,984)**	**3,028,267**	**(18,823,984)**	**-**	