Meeting Agenda
BOARD OF DIRECTORS
Lakeshore Regional Entity
October 28, 2026 – 1:00 PM
GVSU Muskegon Innovation Hub
200 Viridian Dr, Muskegon, MI 49440

1. Welcome and Introductions – Ms. Gardner
    - Lydia Terrell, LRE Executive Assistant

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.
    - October 28, 2026, Board of Directors meeting agenda *(Attachment 1)*
    - September 23, 2026, Board of Directors meeting minutes *(Attachment 2)*

5. Reports –
    a. CEO – Ms. Marlatt-Dumas *(Attachment 3)*
    b. COO – Stephanie VanDerKooi *(Attachment 4)*

6. Chairperson's Report – Ms. Gardner (*Attachment 5)*
    a. October 21, 2026, Executive Committee
    b. Fall Conference Update

7. Legislative and Advocacy Committee – Mr. Parnin *(Attachment 6)*

8. Action Items –
    i. 2026 LRE Corporate Compliance Plan *(Attachment 7)*
    Suggested Motion: To approve the 2026 Corporate Compliance Plan as presented

    ii. 2027 LRE Executive Board Schedule *(Attachment 8)*
    Suggested Motion: To approve the 2027 LRE Executive Board schedule as presented

    iii. Legislative and Advocacy Priorities
    Suggested Motion: To approve the following five priorities established by the newly formed Legislative and Advocacy Committee of the Board:
        1. Specialized residential rates
        2. MDHHS timeliness in issuing rates and providing other critical information

3. Review of the legislative grid to identify bills requiring support, opposition, or other action
4. Crisis stabilization units (CSUs) and related funding
5. Workforce recruitment and retention.

9. Financial Report and Funding Distribution – Ms. Chick *(Attachment 9)*
    a. FY2026, September Funds Distributions *(Attachments 10)*
    Suggested Motion: To approve the FY2026, September Funds Distribution as presented.

    b. Statement of Activities as of 8/31/2026 with Variance Reports *(Attachments 11)*
    c. Monthly FSR *(Attachments 12)*

10. Board Member Comments
11. Public Comment
12. Upcoming LRE Meetings
    - November TBD, 2026 – Executive Committee, 1:00PM
    - November 18, 2026 – LRE Executive Board Work Session, 11:00 AM
      GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
    - November 18, 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
September 23, 2026 – 1:00 PM
Delta Hotel Convention Center, Mona Lake Room
939 3rd Str., Muskegon, MI 49440

WELCOME AND INTRODUCTIONS – Ms. Gardner
Ms. Gardner called the September 23, 2026, LRE Board of Directors meeting to order at 1:04 PM and welcomed Board members, staff, and attendees participating in person and online.

ROLL CALL/CONFLICT OF INTEREST QUESTION – Ms. Gardner
In Attendance: Jon Campbell, Michelle Ferris, Patricia Gardner, Janice Hilleary, Richard Kanten, O'Nealya Gronstal, Dave Parnin, Craig Van Beek.

Absent: Ron Bacon, Bob Davis, Alice Kelsey, Andrew Sebolt, Stan Stek, Jim Storey, Janet Thomas

PUBLIC COMMENT
No public comment.

CONSENT ITEMS:
LRE 26-23 Motion: To approve by consent the following items.

- September 23, 2026, Board of Directors meeting agenda
- August 26, 2026, Board of Directors meeting minutes

Moved: Richard Kanten Support: O'Nealya Gronstal
MOTION CARRIED

COMMUNITY ADVISORY PANEL
The September 10, 2026, Community Advisory Panel meeting notes are included in the packet for information.

LEADERSHIP BOARD REPORTS

i. CEO Report
The CEO report was included in the Board packet.
- The CMHA Fall Conference will be held October 26-27, 2026. Board members interested in attending should contact Ms. Moran for registration and lodging.
- Planning is underway for an LRE Board retreat focused on the history and legal foundations of Michigan's community mental health system, Board and CEO

responsibilities, and governance decision-making. A follow-up session will address financial challenges and rate adequacy. Ms. Moran will distribute a scheduling survey to schedule a possible date in November. The trainer is also available throughout December, and January can be included as an additional timeframe if no other dates work.

- LRE requested an extension of the September 24 deadline related to the FY2024 financial compliance audit and FY2025 medical loss ratio comparison. Completion of the FY2024 audit remains the top priority, the FY2025 comparison will be completed promptly afterward.
- Community partners relaunched the "Any Way You Slice It, Prevention Matters" campaign for Family Meals Month. Prevention messages will appear on pizza boxes across West Michigan to encourage family conversations about youth substance misuse prevention.
- PIHP/CMH contracts are in the CMH signature process, with several already returned. The FY2027 MDHHS/PIHP contract has been fully executed and returned.
- Wakely provided a phased proposal for a needs-based funding assessment: Phase 1, assessment and alternatives, estimated at $8,000-$10,000; Phase 2, quantitative analysis, estimated at $40,000-$50,000; and Phase 3, final methodology and implementation, estimated at $15,000-$20,000. The analysis would compare potential methodologies with LRE's current revenue allocation and assess whether funding is adequate relative to population needs and costs. Staff will confirm procurement requirements and bring the proposal, scope, pricing, and recommended next steps to the Executive Committee and full Board in October.
- The Oversight Policy Board met September 16, 2026. Five PA2 reserve requests were approved, one for OnPoint, three for Ottawa CMH, and one for Network180. The FY2027 budget and SUD Strategic Plan were approved, and the Strategic Plan was submitted to MDHHS.
- In the FY2022 cost-settlement litigation, the court denied the State's request to dismiss LRE's case and consolidated it with the NorthCare matter involving four other PIHPs and the 7.5% Internal Service Fund cap. Prior mediation did not resolve the dispute. The consolidated case will proceed to discovery and depositions.
- The proposed Legislative and Advocacy Committee membership included Dave Parnin, Joe Stone, Casey Kuperus as a provider representative, Michelle Ferris, and O'Nealya Gronstal, with an Allegan representative still pending. Ms. VanDerKooi will chair the committee. Initial priorities include specialized residential rates and the timeliness of MDHHS rate-setting.

CHAIRPERSON'S REPORT

The September 16, 2026, Executive Committee meeting minutes were included in the packet for information.

- Ms. Gardner reviewed the Governance Committee's September 11 recommendations for Board officers and Executive Committee members. The proposed slate was Patricia Gardner, Chairperson; Bob Davis, Vice Chairperson; Craig Van Beek, Secretary; and Janet Thomas and Ron Bacon as at-large Executive Committee members.

ACTION ITEMS

LRE 26-24 Motion: To approve the following officers for a one-year term for 2026/2027.

- Chairperson: Patricia Gardner
- Vice Chairperson: Bob Davis
- Secretary: Craig VanBeek

Moved: Jon Campbell Support: Richard Kanten
MOTION CARRIED

LRE 26-25 Motion: To approve appointment of the following Board Directors to serve for a 1-year term on the LRE Board Executive Committee.

- Janet Thomas
- Ron Bacon

Moved: Jon Campbell Support: Janice Hilleary
MOTION CARRIED

LRE 26-26 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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Moved: O'Nealya Gronstal Support: Dave Parnin
MOTION CARRIED

LRE 26-27 Motion: To appoint O'Nealya Gronstal, Dave Parnin, Joe Stone, Casey Kuperus, and Michelle Ferris to the Legislative and Advocacy Committee, with an Allegan representative to be appointed later.

Moved: Janice Hilleary Support: Richard Kanten
MOTION CARRIED

FINANCIAL REPORT AND FUNDING DISTRIBUTION
CFO Report is included in the Board packet for information.

FY2026 August Funds Distribution
LRE 26-28 Motion: To approve the FY2026 August Funds Distribution as presented.

August distributions were approximately $10 million lower than the prior month, primarily because July included approximately $16 million in prior-year cost settlements, while August included approximately $5.9 million for the Hospital Reimbursement Adjustment.

Moved: Michelle Ferris Support: Jon Campbell
MOTION CARRIED

FY2026 Budget Amendment #4
LRE 26-29 Motion: To approve FY2026 Budget Amendment #4 as presented.

The amendment increases revenue and expenditures by approximately $1.9 million. The most significant revenue change is approximately $1.3 million in FY2025 CCBHC quality bonus incentive payments routed through the PIHP and passed through to the qualifying CCBHCs. Approximately $4.5 million in administrative expenses was reclassified to operating expense member payments.

Moved: O'Nealya Gronstal Support: Michelle Ferris
MOTION CARRIED

FY2027 Budget
LRE 26-30 Motion: To approve the FY2027 Budget as presented.

The initial FY2027 budget is approximately $23.5 million lower than the FY2026 initial budget, primarily because of changes in Medicaid funding sources. Compared with FY2026 Budget Amendment #4, the decrease is approximately $14 million. Final results may change when MDHHS issues the FY2027 base capitation rates.

Moved: Michelle Ferris Support: Dave Parnin
MOTION CARRIED

Statement of Activities as of 7/31/2026 with Variance Report
Through July 31, 2026, revenue was approximately $17 million, or 4.36%, below budget. Most revenue sources were close to budget; notable timing differences included the $2.2 million performance bonus incentive and quarterly HRA payments not yet received. Expenditures were approximately $6.9 million under budget. Variances in salaries and wages, office supplies, contractual and consulting costs, legal expenses, member payments, and provider payments were

primarily attributable to timing and reclassifications reflected in Budget Amendment #4. The remaining variances were primarily due to the timing of funds received from MDHHS and payments made to members and providers.

Monthly FSR-
Included in the Board packet for information.
The region reported an actual deficit of approximately $1.9 million through July and a projected year-end deficit of nearly $17 million. HealthWest, OnPoint, and West Michigan reported surpluses; Network180 and Ottawa reported deficits. Ottawa's deficit increased by approximately $3.1 million after previously omitted SUD Medicaid expenditures were added. The omission was attributed to finance staff turnover and an electronic health record transition, and the reporting issue has been corrected going forward.

BOARD MEMBER COMMENTS

- Board members thanked Ms. Moran for her service, professionalism, and support. A retirement celebration will be held following the October Board meeting.
- Ms. Gronstal thanked Stacia Chick for the detailed budget presentation and for answering the Board's questions.
- Mr. Campbell noted that he will be unable to attend the October meeting.
- Ms. Gardner thanked the Board for the opportunity to continue serving as Chairperson.

PUBLIC COMMENT
No public comment was offered.

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

ADJOURN
Ms. Gardner adjourned the September 23, 2026, LRE Board of Directors meeting at 1:57 PM.

_____ _____

Ron Bacon, Board Secretary

Minutes respectfully submitted by:
Ms. Moran, Executive Assistant

LAKESHORE REGIONAL ENTITY

CEO Report
October 28th, 2026

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

- **PIHP UPDATE**

  - Please join me in welcoming Lydia Terrell to LRE. She will serve as the new Executive Administrative Assistant, succeeding Marion Moran.

  - The CMHA Fall Conference was held October 26–27, 2026. Two members of the LRE Board of Directors attended on behalf of LRE, along with several representatives from the CMHs. For the first time in five years, the full LRE leadership team was able to attend.

  - The LRE Board Retreat is scheduled for December 16 from 10:00 a.m. to 2:00 p.m. The regular LRE Board of Directors meeting will follow immediately afterward.

  - LRE received notice from MDHHS that it has been placed under a Corrective Action Plan related to the incomplete FY24 Financial Compliance Audit and Medical Loss Ratio comparison. This matter is connected to the FY22 settlement and the $13.7 million issue. The LRE has consulted with legal counsel and will develop a proposed strategy for presentation to the Board of Directors next month.
    UPDATE: LRE continues to work with its auditors to complete the audit.

- **REGIONAL UPDATE**

  - Needs-Based Funding: Legal counsel has advised that LRE may pursue a Tier Two procurement for actuarial services under the HMA MiDEAL contract, subject to DTMB confirmation of LRE's eligibility to use the contract. The Tier Two process requires notification of all eligible contract vendors; therefore, LRE cannot presume that HMA/Wakely will be the sole contractor interested in or qualified to perform the work. DTMB guidance and final legal review are pending.

  - FY22 LRE MDHHS Cost Settlement lawsuit/ FY25 MDHHS/PIHP Contract Lawsuit
    - 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.
UPDATE: The next phase of the case will proceed through discovery. No further update at present time.

- **STATE OF MICHIGAN/STATEWIDE ACTIVITIES**
    - Statewide activity has remained limited. Recent reports indicate that MDHHS may move forward with issuing a request for proposals in December 2026, however, the likelihood and timing remain uncertain.

- **LEGISLATIVE UPDATE**: The legislative report is included in the Board materials.

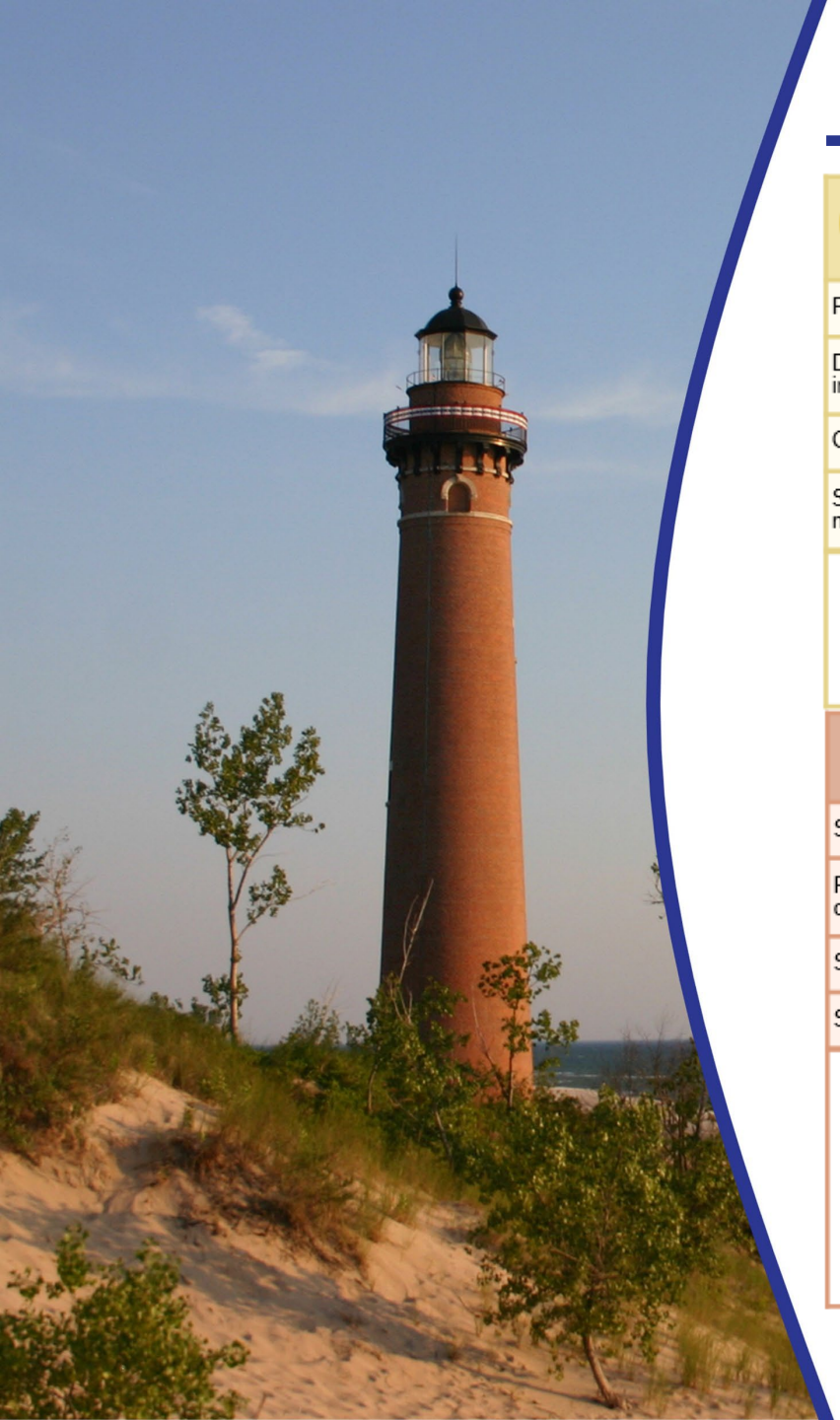
- **Last but not least**: Saving this until the end, today will be Marion's last board meeting. I hope you all can join us immediately following the board meeting for a small celebration.

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

LAKESHORE
REGIONAL ENTITY

October 2026 Board of Directors Presentation.

Stephanie VanDerKooi
Chief Operating Officer



LRE Strategic Plan Update:

Support Local Service Quality	Status
Proactively identify and address constituent concerns	↻
Data & performance trends drive development & improvement	↻
Consistent access to services for all eligible individuals	↻
Support local implementation of consistent utilization management procedures	↻

Metrics

- In July 2026, 79% of ROAT members agreed their team effectively uses data to inform service improvement.
- FY24 - 6 substantial gaps identified in PN Adequacy Report (Goal: None by FY26).

Collaborative Relationships	Status
Support & coordinate efforts with local Member CMHSPs	↻
ROAT Teams support local efforts & foster regional coordination	↻
Support effective engagement of the Board of Directors	↻
Support staff engagement & retention	↻

Metrics

Among respondents In July 2026:

- 50% of OAC members agreed the LRE effectively coordinates advocacy for the region.
- 83% of ROAT members agreed their team effectively support local efforts and fosters regional coordination.
- 94% of members agreed the board functions effectively.
- LRE staff retention in FY25 was 97% (Goal:90%)

Innovative Service Development	Status
Elevate and support opportunities for local solutions	↻
Increase coordination to identify and respond to threats	✓

Metrics

In July 2026:

- 75% of OAC respondents agreed the LRE supports regional coordination in response to threats.
- 75% of OAC respondents agreed the LRE fosters regional discussion to explore potential innovations
- 83% of ROAT members agreed the team provides opportunities to explore innovation.

Fiscal Responsibility	Status
Advocate for appropriate actuary rate	✓
Improve region's ability to accurately project expenses	↻
Improve region's ability to manage within projected revenue levels	↻
Maintain adequate financial reserves	!

Metrics

- Achieved state maximum ISF balance of 7.5% in FY23 & FY24; decreased to 7.1% in FY25
- Spending exceeded revenue in FY24 (1.6% over) and in FY25 (1.7% over) (Goal: spending ≤ revenue by FY26)

FY26 not yet available. FY24 and FY25 are not fully audited or cost settled with MDHHS as of 9/25/26

Legend: ✓ Complete · ↻ On track & ongoing · Underway · ⏸ Future work · ! Behind schedule

LAKESHORE REGIONAL ENTITY

LRE Strategic Plan Update:

Innovative Service Development	Goal	2024	2025	2026
% of OAC members who agree the LRE fosters regional discussion to explore potential innovation.	>50% by FY24 end & annual	33%	67%	75%
% of OAC members who agree the LRE supports regional coordination in response to emerging threats.	>50% by FY24 end & annual	33%	67%	75%
% of ROAT members who agree that the ROATs provide opportunities to explore innovation.	>50% by FY24 end & annual	68%	72%	83%

Fiscal Responsibility	Goal	2024	2025	2026
Region Spending % over/under revenue	0% by FY26	1.6% over	1.7% over	Not avail
By close of FY26, the ISF fund will be 5% points closer to goal established in 2023.	State maximum ISF Balance = 7.5%	7.5%	7.1%	Not avail

Support Local Service Quality	Goal	2024	2025	2026
% of ROAT members who agree that the Regional Operations Advisory Teams effectively use data to inform service improvements efforts	>50% by FY24 end & annual	56%	83%	79%
# of substantial gaps in service availability ID'd in Provider Network Adequacy report.	None by FY26	6 gaps	6 gaps	3 gaps

Collaborative Relationships	Goal	2024	2025	2026
% of OAC members who agree the LRE effectively coordinates advocacy for the region.	>50% by FY24 end & annual	33%	67%	50%
% of ROAT members who agree that the team is an effective tool to support local efforts and foster regional coordination.	>50% by FY24 end & annual	67%	78%	83%
% of Board Directors who agree that board functions effectively.	>50% by FY24 end & annual	63%	100%	94%
LRE annual staff retention rate.	90%	89%	97%	97%

LAKESHORE REGIONAL ENTITY

New LRE Strategic Plan Update:

Strategic Plan Metrics Tracking

Innovative Service Development	Goal	2027	2028	2029
% of OAC members who agree that LRE fosters regional discussion to explore potential innovation.	50%+			
% of OAC members who agree that LRE supports regional coordination in response to emerging threats.	50%+			
% of ROAT members who agree the ROAT provides opportunities to explore innovations.	50%+			
Relationships	**Goal**	**2027**	**2028**	**2029**
% of ROAT members who agree that the ROAT is an effective tool to support local efforts and foster regional coordination.	50%+			
% of OAC members who agree that LRE effectively coordinates advocacy for the region.	50%+			
% of Board Directors who agree the board functions effectively.	50%+			
Service Quality	Goal	2027	2028	2029
% of OAC members who agree that ROAT teams effectively use data to inform service improvement efforts.	50%+			
Fiscal Responsibility	**Goal**	**2027**	**2028**	**2029**
Reduce the % of regional spending in excess of revenue annually.	≤ 0%			

LAKESHORE REGIONAL ENTITY

Health Services Advisory Group (HSAG) & Performance Metric Validation (PMV) Update:

MMBPIS Indicator 2 | Executive Summary

REPORTABLE

HSAG found the region's data-handling processes sufficient.

66.67%

Indicator 2 total rate

Above 75th percentile

KEY STRENGTH

66.67%

Indicator 2 total rate

Performance was above the 75th percentile benchmark.

AREAS FOR IMPROVEMENT

1. **Encounter reporting**

   Institutional encounters capture only one procedure code.

2. **HealthWest date reporting**

   Inpatient discharge date was not reported as the request-for-services date.

3. **HealthWest coding**

   Three BPS records were excluded from Indicator 2 reporting due to incorrect coding.

4. **Ongoing validation**

   LRE did not consistently review PCE programming during CMHSP transitions or verify source-code accuracy throughout the year.

LAKESHORE REGIONAL ENTITY

SUD Update-TalkSooner:

Any Way You Slice It

Campaign Impact

Community partnerships placed youth substance misuse prevention messaging in trusted, everyday settings.

3	3.96M	$167,991
MEDIA PLACEMENTS	AUDIENCE REACH	PR VALUE

Why It Mattered

- **9 local businesses** partnered to carry the campaign message.
- **6 West Michigan counties** were represented: Kent, Muskegon, Ottawa, Allegan, Lake and Oceana.
- **Earned and social media** connected prevention messaging with families in community spaces.

LAKESHORE REGIONAL ENTITY

Autism Updates:

- **MDHHS approved the Autism Framework** as a Performance Improvement Project (PIP).
- **Collaboration with the CMHSPs** has been engaged and effective at solving problems.
- LRE will share the universal authorization form at the October ABA provider meeting.
- **Spanish translation** of the parent handbook is underway.
- **The LRE autism team met with Kent ISD** and is developing collaboration training for ABA providers and schools.
- The LRE autism team hosted training on writing discharge and transition plans.

Provider Network Updates:

2026 Report Submission Tracking-October 2026 Update:

As of the reporting date, 284 reports have been submitted timely, with five reports currently past due and no reports submitted late, resulting in an overall compliance rate of **92.5%**. Report submission performance remains strong overall, with continued follow-up focused on outstanding reports and maintaining timely submission throughout the remainder of the year.

2026 Report Submission Progress Tracking

Report Month	Past Due	Submitted Late	Submitted Timely	Total
January	2	0	47	49
February	0	0	18	18
March	0	0	28	28
April	0	0	44	44
May	0	0	23	23
June	3	0	21	24
July	0	0	45	45
August	0	0	23	23
September	0	0	35	35
October	0	0	13	96
November	0	0	1	72
December	0	0	0	31
Total (to date)	**5**	**0**	**284**	**289**
			COMPLIANCE RATE	98.3%

LAKESHORE REGIONAL ENTITY

Credentialing Updates:

In September, the **LRE Credentialing Committee** approved three new organizational providers and 15 re-credentialing files.

The region has successfully adopted the **online Universal Credentialing System across all five CMHSPs** and continues to provide MDHHS with feedback to enhance the platform.

LAKESHORE REGIONAL ENTITY

Legislative Update:

The newly created **LRE Board Advocacy Group** met for the first time on October 20. This group consists of:

1 Provider Representative: Casey Kuperus

Oversight Policy Board Member: Joe Stone (N180)

CMH CEO: Mark Witte (OnPoint)

LRE Board Members: Michelle Ferris, O'Nealya Gronstal, Dave Parnin, 1 TBD.

3 LRE Staff: Stephanie (Lead), Melanie, and Marion/Lydia
Groups first meeting will establish priority areas

For the full LRE Legislative Report please **CLICK HERE**.

LAKESHORE REGIONAL ENTITY

Veteran Navigator Report
FY26 Q3

The Veteran Navigator connects Region 3 veterans with essential housing, employment, healthcare, benefits, mental health, substance use, peer-support, and legal resources. Through individualized advocacy and community partnerships, the **program supported 118 veterans, assisted 24 veterans experiencing homelessness, connected more than 43 veterans** with treatment, provided **suicide-prevention support to 30 veterans, and established 12 new community partnerships.**

Veteran Mental Health Challenges		VA Resources Provided	
PTSD	25	VA Healthcare	43
Depression	13	Housing	47
Anxiety	8	Transportation	37
Suicidal Ideation	31	Education	16
Attempted Suicide	23	Faith Community	18
Alcohol	35	Employment	24
Narcotics	12	Legal	17
Homless	24	VA Benefits	118
Other	43	Other	30

LAKESHORE REGIONAL ENTITY

Compliance Update:

LRE Compliance Officer, Jack Calhoun, has announced he is retiring. Effective November 30, 2026.

The LRE is happy to announce **Jill Osterhout** will be taking over as our new Compliance Officer. Jill is currently serving as our Medicaid Event Verification Specialist and brings a wealth of compliance experience with her to this new role.

LAKESHORE REGIONAL ENTITY

Oversight Policy Board Update:

Our final **Oversight Policy Board** (OPB) meeting of the year is Wednesday, December 9th. As we head into 2027 we are looking to fill vacancies from the following counties:

- **Kent County**: 4 members
- **Mason County**: 1 member
- **Ottawa County**: 2 members
- **Muskegon County**: 1 member

County Administrators in each of those counties have been notified in writing and formally requested to fill the vacancies.

LAKESHORE REGIONAL ENTITY

Q&A

LAKESHORE REGIONAL ENTITY

LAKESHORE REGIONAL ENTITY

EXECUTIVE COMMITTEE SUMMARY
Wednesday, October 21, 2026, 11:30 AM

Present: Patricia Gardner, Janet Thomas, Bob Davis, Craig Van Beek, Ron Bacon
LRE: Mary Marlatt-Dumas, Stephanie VanDerKooi, Stacia Chick, Lydia Terrell

WELCOME AND INTRODUCTIONS

i. Review of October 21, 2026, Meeting Agenda
ii. Review of September 16, 2026, Meeting Minutes
iii. Introduction Lydia Terrell, LRE Executive Assistant

The meeting was called to order. Members reviewed the revised October 21, 2026, agenda and the September 16, 2026, Executive Committee meeting minutes. No additional agenda items or corrections were requested. The minutes were accepted as presented and will be included in the next Board packet.

Ms. Marlatt-Dumas introduced Lydia Terrell, the new LRE Executive Assistant.

MDHHS UPDATES

i. FY22 Cost Settlement/Hearing Update
   - Taft Law is compiling and deposing individuals regarding the FY22 cost-settlement case, which has been judicially consolidated with the cases of the other four PIHPs. Each PIHP submitted possible witnesses for deposition. It was noted that a new state administration could affect whether the litigation proceeds or is resolved.

ii. PIHP Rebid Update
   - An MDHHS staff member reportedly stated that a new RFP could be issued in December 2026. This has not been confirmed. There was discussion of a December release being unlikely during the administration transition. The region is in a holding pattern pending the election, new leadership, and direction from MDHHS. No major changes have been communicated by Interim Director Amy Epkey.

FY27 Rates Update

Milliman issued FY27 rates, but the region is concerned that the rates will be insufficient as enrollment declines. Operations Committee (Ops) previously requested three projections: Milliman's assumptions, a 15% enrollment reduction, and a 30% reduction based on early-adopter states. After reviewing those projections, Ops requested additional scenarios of 12.5%, 15%, and 18% enrollment reductions to review.

Ms. Chick reported that the scenario changes produce relatively small revenue differences. The 15% and 30% projections differed by about 1% in regional revenue, moving from 15% to 12.5%

or 18% would change revenue by less than 1%, and the 12.5% scenario would differ by less than 0.5%.

Members emphasized clear public messaging. Even if organizations appear to have positive balances, CMHs are acting responsibly and seeking savings. It was noted that a 15% reduction still would not close the revenue-to-expenditure gap for some CMHs. The region expects continued advocacy for accurate rates. Milliman projected only a 3% decline for the LRE region compared with approximately 10% for much of the state, a difference LRE is questioning.

Ms. Marlatt-Dumas states HR1 will limit retroactive eligibility for new enrollees to 30 days rather than 90 days beginning in January. Re-enrollment for current Medicaid recipients begins in March, creating different impacts during the fiscal year. Members also discussed the distinction between total Medicaid enrollment and individuals actively served by the CMH system, as well as risks tied to work requirements and incorrect eligibility categories.

For September 2026, our region was paid for 54,319 HMP enrollees. 15% of that would be 8,148. However, September was lower than usual and there are likely some retro enrollees expected. Ms. Chick comments that a more accurate number would be to use August enrollees of 60,266, 15% being 9,040.

Ms. Marlatt-Dumas will continue to update Board members as more information is available.

LEGISLATIVE AND ADVOCACY COMMITTEE (LAC)

The committee held its first meeting and selected Dave Parnin as liaison to the LRE Board and Oversight Policy Board. The LAC will meet monthly for the first few months and may later move to an every-other-month schedule. The committee proposed five priorities:

1. Specialized residential rates
2. MDHHS timeliness in issuing rates and other critical information
3. Review the legislative grid for bills requiring support, opposition, or other action
4. Crisis stabilization units and related funding
5. Workforce recruitment and retention, including direct-care wages and nursing capacity

Ms. VanDerKooi comments that an additional member from Allegan County is needed so that each area of the region is represented. The newly appointed Allegan Board member may be considered.

Members: Casey Kuperus (David's House/provider representative), Joe Stone, Dave Parnin, Michelle Ferris, and O'Nealya Gronstal. Stephanie VanDerKooi and Melanie will provide staff support, with Lydia Terrell assisting.

The Executive Committee agreed that the five proposed priorities are appropriate, while noting the need to prioritize them for greatest impact. Outreach to state leaders should wait until election results and appointments are clearer. The timing can be reevaluated in November or December. Ms. Gardner suggests that if CEOs, Board members, or committee members have established relationships, those contacts may be used earlier to help inform emerging policy priorities.

Action items:

- Present the five proposed priorities to the full Board for approval and prioritization.
- Identify an Allegan County representative.

UPCOMING LRE BOARD MEETINGS

i. November 11, 2026, Executive Committee Meeting / Veterans Day
   - The Executive Committee meeting scheduled for Veterans Day will be rescheduled. New date and time options will be distributed.

ii. Board Member Appointments Update
   - OnPoint – Jessica Castañeda, a staff member with the Friend of the Court and resident of the Fennville area. She may also be a strong candidate for the Legislative and Advocacy Committee.
   - West Michigan CMH – Laude Hartrum, Chief of Police in Pentwater and a former Mason County sheriff.
   - Ms. Marlatt-Dumas and Ms. VanDerKooi are considering a joint orientation covering for new Board members. New members will receive policies, procedures, the compliance plan, and other orientation materials within the next 30 days.

iii. Reminder: November and December Executive Committee and Board meetings are scheduled for one week earlier due to the holidays.

BOARD MEETING AGENDA ITEMS

i. Action Items:
   - 2027 Corporate Compliance Plan
     - The plan contains only required regulatory updates; the bulk of the document is unchanged. Ms. VanDerKooi will present the changes.
   - 2027 Board Meeting Schedule
   - LAC proposed priorities

BOARD WORK SESSION AGENDA

- There will be no work session.

OTHER

- The fall conference in Traverse City will be reported at the Board meeting. LRE executive staff, Ms. Gardner, Ms. Ferris, and other staff will attend. LRE will present its Residential Framework on Monday morning. The session is intended to gather feedback and does not propose rate changes. The Board may schedule a future work session discussing the Residential Framework with Lynne Doyle as a potential speaker.
- CEO Evaluation – The process will begin soon. Ms. Chick will email the Executive Committee before the November meeting with the evaluation tool and related materials

for review and possible revision. The full evaluation tool is expected to go to the Board in December.

- Human Resources staffing – The FY27 budget includes a potential HR position. LRE is still evaluating whether the workload supports a full-time role. An internal manager was recently hired to reduce Ms. Chick's finance workload, while co-staff continue to support part of the HR function.

EXECUTIVE COMMITTEE/CEO SESSION (STANDING ITEM)

UPCOMING MEETINGS

- October 28, 2026 – LRE Executive Board Meeting, 1:00 PM
  GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- November 2026 – Executive Committee Meeting, date and time to be rescheduled
- November 18, 2026 – LRE Executive Board Work Session, 11:00 AM
  GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440
- November 18, 2026 – LRE Executive Board Meeting, 1:00 PM
  GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

ADJOURN

LAKESHORE REGIONAL ENTITY

LRE Legislative and Advocacy Committee Meeting Notes
October 20, 2026, 10:00–11:30 AM
Call-in: 1-586-482-8124, ID: 276 659 676#

Present: Casey Kuperus, Joe Stone, Dave Parnin, Michelle Ferris
Absent: O'Nealya Gronstal
LRE: Stephanie VanDerKooi, Melanie Misiuk, Marion Moran, Lydia Terrell

Legislative and Advocacy Committee (LAC) Charge

a. For Committee: Monitor policy changes and legislative efforts impacting all services provided through the LRE.

b. For the Board: Study and prioritize issues for regional focus and recommend a course of engagement or action to the LRE Board of Directors.

c. For the Public: Educate the public and support grass-roots community engagement to positively influence policies and legislation.

1. Welcome
   i. Review of October 20, 2026, Meeting Agenda

2. Review of LAC Charter/Information Flow/Timeline (Attachments)
   i. Board Reporter
      - Dave will serve as the committee's standing reporter to the LRE Board of Directors, using the approved minutes as talking points. Stephanie will serve as backup.
      - The information-flow document should support two-way collaboration among consumer advisory panels, CMHSPs, Regional Operating Advisory Teams, LRE staff, providers, the Board, and advocacy partners.
        - Action: Add the Community Mental Health Association of Michigan (CMHA) to the information-flow document.
      - Maintain a timeline and written record of committee activity for Board reporting.
        - Recommendation to add to the timeline: key advocacy windows, legislative outreach timing, and committee goals to the timeline.
      - Joe and Stephanie will bring back CMHA conference guidance on whom to contact and when, regarding legislation.

- Stephanie will distribute Alan Bolter's "What's Happening in Lansing" presentation.

3. FY27 Recommended Goals for Legislative and Advocacy Committee (Standing agenda item)
   i. Residential Rates – Advocate for adequate and sustainable residential provider rates.
      - Support adequate, sustainable residential-provider rates that reflect the true cost and intensity of care.
      - Use the LRE Specialized Residential Assessment and Authorization Framework to promote consistent, transparent assessment, authorization, and cost-based rate setting.
      - Advocate for MDHHS transparency on how residential rates are established and for broader statewide consistency.
      - The framework will be presented at the upcoming CMHAM Fall conference to gather provider and regional feedback.

      Approved: The committee approved residential rates as a priority.

   ii. Timeliness of State Rate Setting – Address concerns regarding the timing of MDHHS rate releases and the impact on LRE/CMHSPs' ability to develop required risk management plans by November when final rates may not be available until the end of the fiscal year.
      - FY27 rates were received on September 30 effective October 1, leaving inadequate time for LRE, CMHSP, and provider planning.
      - The FY26 mid-year rate adjustment was still outstanding as of October 20, 2026. The committee agreed to advocate for MDHHS adherence to published timelines.
      - Michelle noted that late state rate information was also common in Maine. The group requested additional research on practices in other states.
        - Action: Stephanie VanDerKooi and Joe Stone will consult Alan Bolter and David Lowe, and association contacts about other state models and possible advocacy approaches.

      Approved: The committee approved timeliness of state rate setting as a priority.

   iii. Legislative Priorities – Review and identify priority bills from the legislative tracking list.

- Continue reviewing the state and federal legislative tracking report and identify bills that warrant regional advocacy.
- Elevate priority bills when CMHA or LRE staff identifies a need for action.
- The two-year legislative cycle ends in December. Bills not enacted must either be advanced before year-end or reintroduced as new legislation in January.
- Voting-resource links were provided for members' reference.
    - Ballotpedia
    - See What's On Your Ballot - Vote.org
    - CMHAM View Your Election Center

iv. Crisis Stabilization Services and Funding

- Group agrees to seek Board direction on adding crisis-unit development and funding because this has been a topic of discussion at numerous board meetings.

Approved: Add Crisis Stabilization Services and Funding as the fourth priority.

v. Workforce Recruitment and Retention — advocate for the staffing, wage, training, licensing, and credentialing changes needed by CMHSPs and providers.

- The group discussed the need for better data connecting inadequate rates to workforce shortages and service risk.
    - SUD programs requiring nurses struggle to compete with hospitals, some detox services have closed because staffing could not be sustained.
    - Providers compete with hospitals, manufacturing, and food-service employers while direct-care roles require extensive training.
    - Melanie will identify bills and policy changes related to workforce supply, licensing, credentialing, and direct-care worker wages.

Approved: Add workforce recruitment and retention as the fifth proposed focus area.

Decision: Present all five proposed focus areas to the LRE Board for confirmation and possible prioritization.

4. CMHA and Advocacy Partnerships
    i. Legislative and Advocacy Committee Updates

- Mark Witte currently chairs the CMHA Legislative and Advocacy Committee. Melissa McKinstry is co-chair and is expected to assume leadership when Mark retires.
- The CMHA and LRE committees can share issues and advocacy requests, and several regional CEOs participate in the CMHA committee.
- Stephanie will distribute CMHA committee packets to this group. The CMHA committee meets every other month.
- The CMHA Legislation and Policy Committee meets next on November 18, 2026, at 9:30 AM via Zoom. The meeting is an open meeting.

ii. Partnership in Advocacy Discussion
- Michigan Society for Public Health Educators
- Michigan Primary Care Association
- Provider associations - Encompass
- Michigan Assisted Living Association (MALA)

5. 2026 Legislative and Advocacy Conference
   - Stephanie and Mary will attend the National Behavioral-Health Association conference and share relevant information with the committee.
   - Stephanie will distribute the free newsletter signup link and useful conference resources.

6. Future Agenda Items
7. Other
   - The committee was discussed at the Ottawa CMH Board meeting. The members will clarify expectations and ensure the Board understands the committee's scope.
   - Dave will learn more about Representative Greg VanWoerkom's role and relevant Medicaid and behavioral-health committees. If a meeting can be scheduled he will include Stephanie.
   - Marion and Lydia will prepare these minutes for the next Executive Committee/Board packet. Dave will report, with Stephanie as backup.

8. Upcoming LAC Meetings (Recommended every other month)
   - LAC will meet monthly for the first several months, then reevaluate the recurring schedule.
     - November 12, 2026, 12:00–1:30 PM
     - December 10, 2026, 11:00 AM–12:30 PM.

Follow-up actions

- **Stephanie and Melanie**: After the election, identify key legislators, committee chairs, and MDHHS contacts.
- **Melanie**: Update the legislative report and highlight bills related to the workforce priority for the next agenda.
- **Stephanie**: Share relevant CMHA and national-association materials, including conference notes and newsletter signup information.
    - Alan Bolter's "What's Happening in Lansing" presentation
- **Stephanie**: Invite Mark Witte to the next meetings and determine ongoing CMHSP CEO participation.
- **Stephanie**: Add the Community Mental Health Association of Michigan (CMHA) to the information-flow document.
- **Joe and Stephanie** will consult Alan Bolter and David Lowe, and association contacts about other state models and possible advocacy approaches.
- **Joe and Stephanie** will bring back CMHA conference guidance on whom to contact and when, regarding legislation.
- **Joe**: Brief Alan Bolter on the committee, request recommendations, and ask whether he can attend a January or February meeting.
- **All members**: Validate the five proposed priorities with their boards, agencies, and professional networks and identify missing partners or issues.
- **Dave** will learn more about Representative Greg VanWoerkom's role and relevant Medicaid and behavioral-health committees. If a meeting can be scheduled he will include Stephanie.

~~FY26~~ FY27 CORPORATE COMPLIANCE PLAN
October 202~~5~~6

Prepared by LRE Compliance Officer: September ~~15~~30, ~~2025~~2026
Reviewed by LRE Compliance ROAT: October 7, 2026
Reviewed by LRE Compliance Oversight Committee: ~~September 22, 2025~~October 12, 2026
~~Reviewed by LRE Compliance ROAT: November 5, 2025~~
~~Reviewed by LRE Operations Council: November 12, 2025~~
Reviewed and Approved by LRE Board of Directors: ~~November 19, 2025~~October 28, 2026
Distributed by LRE: ~~November 19, 2025~~October 29, 2026

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ORGANIZATIONAL STRUCTURE

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

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

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

LRE as the PIHP

LRE serves as the Medicaid PIHP for the region with authority and accountability for operations and fulfillment of applicable federal and state statutory, regulatory, and contractual obligations related to the applicable waiver(s) and MDHHS contract(s). The role of LRE as the PIHP is defined in federal statute, specifically 42 CFR § 438 and the Fiscal Year 2027~~6~~ (FY26) MDHHS/PIHP Contract.

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

LRE: MISSION and VALUES

MISSION:

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

VALUES:

- **Local Solutions – Value Local Differences:** We value locally unique service systems that are responsive to local needs, partnerships, and available resources.
- **Fiscal Responsibility – Accountable and Responsible with funds:** Transparent and accountable use of public funds. Maximize available resources.
- **Collaborative Relationships – Foster Effective Partnerships:** Nurture collaboration based on mutual trust and shared commitment to quality. Approach all interactions with respect, openness, and a commitment to proactively resolve conflict.
- **Innovation – Boldly Pursue Excellence:** Pursue audacious goals by challenging the status quo and trying new things. Actively work to identify and support opportunities for innovation.

OVERVIEW OF LRE's CORPORATE COMPLIANCE PLAN AND PROGRAM

SCOPE OF LRE CORPORATE COMPLIANCE PLAN

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

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

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

PURPOSE OF LRE CORPORATE COMPLIANCE PROGRAM

The purpose of the LRE Corporate Compliance Program is to

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

APPLICATION OF LRE CORPORATE COMPLIANCE PLAN

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

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

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

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

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

LRE CORPORATE COMPLIANCE PROGRAM ELEMENTS

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

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

See LRE Policies or Procedures:

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

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

10.5 – Code of Conduct

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

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

Field Code Changed

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

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

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

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

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

See LRE Policies or Procedures: 8.8 – Training and Development

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

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

2. LRE Online Incident Reporting Portal – suspected compliance violations (including, but not limited to privacy breaches, MEV overpayments, ethics/compliance, and FOIA requests) can be made using a link posted on the LRE website (Incident Reporting Portal). The Online Incident Reporting Portal allows for anonymous submissions by choosing *"Report Anonymously"* on the report form.

~~2.~~3. LRE Electronic Mail (E-Mail) – Suspected compliance violations or questions can be sent electronically via e-mail to the Compliance Officer at compliance@lsre.org.

~~3.~~4. Mail Delivery – Suspected compliance violations or questions can be mailed to:

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

~~4.~~5. In-Person - Suspected compliance violations or questions can be made in person to the LRE Compliance Officer at the above address by appointment.

~~5.~~6. Virtual - Suspected compliance violations or questions can be made virtually via ZOOM or Microsoft® Teams upon request. Please contact the LRE Compliance Officer to make a virtual appointment.

~~6.~~7. MDHHS-OIG Telephone Hotline – Suspected compliance violations or questions can also be made to the OIG directly and anonymously at a toll-free hotline. The number is 1-855-MI-FRAUD (1-855-643-7283).

~~7.~~8. Mail Delivery – Suspected compliance violations or questions can also be mailed to:

Office of Inspector General

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PO Box 30062
Lansing, MI 48909

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

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

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

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

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

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

Corrective Action Plans

If an internal investigation substantiates a reported violation, corrective action will be initiated including, as appropriate~~, which will include~~: 1) LRE issuing a non-compliance letter, 2) LRE requiring a Corrective Action Plan (CAP) from the agency found to be out of compliance, 3) ~~Out of compliance agency developing a CAP inclusive of monitoring for adequate implementation and risk mitigation, and 4)~~ Out of compliance agency implementing changes to prevent a similar

[2] Also referred to as Whistleblower Protections.

violation from recurring in the future~~, is possible.~~, 4) LRE verification of CAP implementation and monitoring for event recurrence.

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

1. Describe in sufficient detail the corrective action that will be taken to minimize or eliminate the risk from repeating in the future.
~~1.~~2. Describe methods of monitoring for adequate implementation and risk mitigation.
~~2.~~3. Names or Titles of those responsible for implementing the corrective action, and
~~3.~~4. An implementation date and planned completion date.

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

See LRE Policies or Procedures:

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

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

~~Sanctions procedure~~
10.23 – Board Conflict of Interest
10.23a – Board Conflict of Interest procedure

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

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

			aggregate) – Under development

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

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

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

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

See LRE Policies or Procedures:
9.7 – Compliance Reviews and Investigations
9.7A Compliance Investigations
9.8 – Compliance Enforcement and Discipline
9.8A Sanctions
9.15 – Fraud, Waste, and Abuse Investigations
9.15A – Fraud, Waste, and Abuse Investigations procedure
9.15B – Medicaid Overpayments and Sanctions procedure

STRUCTURE OF LRE CORPORATE COMPLIANCE PROGRAM

GENERAL STRUCTURE

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

LRE Compliance Officer: LRE designates a Compliance Officer, who

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

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

1. Provides guidance, supervision, and coordination for the successful implementation and effectiveness of the LRE Corporate Compliance Program.
2. Reviews the effectiveness of the LRE Corporate Compliance Program and LRE Corporate Compliance Work Plan.
3. Reviews the Annual Corporate Compliance Risk Assessment.
4. Reviews recommendations from the Compliance Officer and Compliance ROAT that are related to the LRE Corporate Compliance Program, including all seven Corporate Compliance Program Elements.
5. Is comprised of the LRE Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Compliance Officer (chair), Chief Information Officer and at least one representative from the Board of Directors. Legal Counsel is an ad-hoc member of the

COC. In addition, other members of LRE not mentioned above may be asked to participate in the COC on a case-by-case basis to provide consultation on specific areas of expertise.
6. Meets quarterly and when otherwise needed to address specific impromptu matters.
7. Reviews all direct-to-consumer marketing activities in advance of launch if the activity involves giving anything of value directly to a consumer.

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

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

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

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

CONFIDENTIALITY AND PRIVACY

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

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

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

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

See LRE Policies or Procedures:

~~3.2-HIPAA-Security-and-Privacy.pdf (lsre.org)~~
3.5-Breach-Notification.pdf (lsre.org)
3.5A-Breach-Notification.pdf (lsre.org)
9.16 HIPAA Privacy
9.16A Privacy of Protected Health Information

LEGAL AND REGULATORY STANDARDS

PRIMARY REGULATORY AND LEGAL STANDARDS

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

The Affordable Care Act (2010) – This Act requires the PIHP to have a written and operable compliance program capable of preventing, identifying, reporting, and ameliorating fraud, waste, and abuse across the PIHP's provider network. All programs funded by the PIHP, including CMHSPs, sub-contract provider organizations and practitioners, board members and others involved in rendering PIHP-covered services fall under the purview and scope of LRE's Corporate Compliance Program.

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

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

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

ADDITIONAL LEGAL AND REGULATORY STANDARDS

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

1. 42 CFR Part 2 Confidentiality of Alcohol and Drug Use Patient Records
2. American with Disabilities Act of 1990
3. Civil Monetary Penalty Law of 1981
4. Code of Federal Regulations
5. Deficit Reduction Act/Medicaid Integrity Program of 2005
6. Government Accounting Standards Board (GASB) Guide to Encounter Data Systems
7. Health Information Technology for Economic and Clinical Health Act (HITECH) Act
8. Home and Community Based Services Final Rule

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

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

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

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

DEFINITIONS AND TERMS

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

1. **Abuse** means practices that are inconsistent with sound fiscal, business, or clinical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards of care. It also includes beneficiary practices that result in unnecessary costs to the Medicaid program. (42 CFR § 455.2)

2. **Compliance Inquiry** mean the initial step in the fraud, waste, and abuse (FWA) investigation process. A compliance inquiry begins when a Community Mental Health Service Provider (CMHSP) or other provider receives a complaint alleging FWA from any source exists, or the CMHSP or other providers identify questionable practices or irregularities that may indicate a potential credible allegation of fraud, or waste, or abuse, exists. The CMHSP or provider will conduct a basic fact gathering to see if there is sufficient evidence to refer the complaint to the Prepaid Inpatient Health Plan (PIHP) for a preliminary investigation.
3. **Corrective Action Plan** means a formal plan that identifies specific, actionable steps to improve an organization's processes or address deficiencies in performance when measured against established standards and contractual requirements.
4. **Credible Allegation of Fraud (CAF)** means an allegation, which has been verified by an agency or the State, from any source, including but not limited to the following:
   (1) Fraud hotline tips verified by further evidence.
   (2) Claims data mining.
   (3) Patterns identified through provider audits, civil false claims cases, and law enforcement investigations. Allegations are considered to be credible when they have indicia of reliability and the State Medicaid agency has reviewed all allegations, facts, and evidence carefully and acts judiciously on a case-by-case basis. (42 CFR 455).
5. **Fraud (Federal False Claims Act)** is an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable Federal or State law including but not limited to the Federal False Claims Act and the Michigan False Claims Act. (42 CFR §455.2).
6. **Full Investigation** means when the findings of a preliminary investigation give a PIHP reason to believe that PCAF has occurred, and the amount is $5,000 or greater, the PIHP must refer the case to the Office of Inspector General (OIG) and Medicaid Fraud Control Unit, which will conduct an extensive and thorough investigation to determine if a credible allegation of fraud (CAF) exists. Also, if PCAF has occurred and the amount is less than $5,000, the PIHP will conduct the full investigation to completion.
7. **Member CMSHPs** means the Member CMSHPs that hold a contract with LRE to provide supports and services to adults and children with mental illness, developmental disabilities, and co-occurring mental health and substance abuse disorders to Medicaid enrollees and to perform various delegated managed care functions consistent with LRE policy. "Member CMSHPs" includes the agency itself as well as those acting on its behalf, regardless of employment or contractual relationship.
8. **Network Provider** means, according to the FY24 MDHHS-PIHP Contract, any provider, group of providers, or entity that has a provider agreement with PIPH or Member CMHSP, including a CMHSP, and receives Medicaid funding directly or indirectly to order, refer or render covered services as a result. A network provider is not a subcontractor by virtue of the network provider agreement, unless the network provider is responsible for services other than those that could be covered in a network provider agreement related to the delivery, ordering, or referring of covered services to a beneficiary.

9. **Preliminary Investigation** is the second step in the FWA investigation process. The PIHP analyzes the information contained within the CMHSP's FWA referral to the PIHP and determines whether more information is required to reach a particular conclusion. After determining whether the evidence is sufficient, the PIHP will analyze all of the information in its entirety, conduct interviews if required, and make a recommendation to the OIG and Attorney General (AG) that there is sufficient evidence to prove that a PCAF exists that is $5,000 or more, and requires a full investigation. If a PCAF exists but the amount is less than $5,000, a full investigation will still be required, but it will be the responsibility of the PIHP to conduct.
10. **Potential Credible Allegation of Fraud (PCAF)** is the belief that fraud has occurred, and the evidence is leading the examiner to this conclusion. The PIHP will determine if a PCAF exists.
11. **Resolution of Full Investigation** means when the full investigation is completed and legal action is initiated, or the case is dismissed due to insufficient evidence to support the allegations, or the matter is resolved between the PIHP, CMHSP, and the provider beneficiary.
12. **Waste** means overutilization of services, or other practices that result in unnecessary costs. Generally, not considered caused by criminally negligent actions but rather the misuse of resources.

REFERENCES, HYPERLINKS, AND SUPPORTING DOCUMENTS

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

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

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

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

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

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

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

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

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

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

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

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

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

COMPLIANCE OFFICER CONTACT INFORMATION

LAKESHORE REGIONAL ENTITY

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

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

MEMBER CMHSPs

COUNTY(IES)	MEMBER CMHSP	COMPLIANCE OFFICER CONTACT INFORMATION
Allegan County	OnPoint (Allegan County Community Mental Health Services)	~~Diane Bennett~~Russ Graves - Compliance Officer Tel: 269-~~512-4737~~355-0694 E-mail: ~~cofficer@onpointallegan.org~~rgraves@onpointallegan.org
Kent County	Network 180 (Kent County CMH Authority)	Mehgan McNeil - Director of Quality, Compliance, and Risk Management Tel: 616-825-5122 E-mail: mehgan.mcneil@network180.org
Lake County Mason County Oceana County	West Michigan Community Mental Health System	Devon Hernandez - Director of Corporate Compliance and Risk Management Tel: 231-845-6294 Fax: 231-845-7095 E-mail: devonh@WMCMHS.org
Muskegon County	HealthWest	Linda Anthony - Director of Health Information Services Tel: 231-724-3631 Fax: 231-724-3659 E-mail: linda.anthony@healthwest.net
Ottawa County	Community Mental Health of Ottawa County	~~Kristen Henninges~~Laura Peterson – Supervisor of Compliance ~~Program Coordinator~~and QI Tel: 616-393-5685 Fax: 616-393-5687 E-mail: ~~khenninges@miottawa.org~~lpeterson@miottawa.org

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GOVERNMENTAL AGENCIES

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

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

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

ATTESTATIONS

ATTESTATION FOR LRE STAFF

LRE STAFF ANNUAL CORPORATE COMPLIANCE TRAINING CERTIFICATION FORM

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

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

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

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

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

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

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

_____
LRE Staff Name (PRINT)

_____ _____
LRE Staff Signature Date

ATTESTATION FOR BOARD OF DIRECTORS

LRE BOARD OF DIRECTORS ANNUAL CORPORATE COMPLIANCE TRAINING CERTIFICATION FORM

1. I attended and completed the "Annual Corporate Compliance Training" for the newly appointed LRE Board of Directors on _____.
   (Month, Date, Year)
1. I have received, read, and understand the LRE Corporate Compliance Plan.
2. I agree to act in compliance with and abide by the LRE Corporate Compliance Plan during the entire term of my Board service.
3. I acknowledge that I have a duty to report to the LRE Compliance Officer any suspected or actual violation of the LRE Corporate Compliance Plan, related laws, regulations, policies, and procedures by myself, another Board Member, or any other person.
4. I will seek advice from the LRE Compliance Officer concerning appropriate actions that I may need to take to comply with the LRE Corporate Compliance Plan, related laws, regulations, policies, and procedures.
5. I agree to participate in future LRE Board of Directors compliance trainings, as required.
6. I agree to disclose the existence and nature of any potential or actual conflict of interest annually as required by the financial disclosure form and at any time when it arises thereafter to the LRE Board Chairperson and LRE Compliance Officer.
7. I understand that failure to comply with any part of the LRE Corporate Compliance Plan may result in my removal from the Board of Directors.

_____
Board of Director Name (PRINT)

_____ _____
Board of Director Signature Date

FY27 CORPORATE COMPLIANCE PLAN
October 2026

Prepared by LRE Compliance Officer: September 30, 2026
Reviewed by LRE Compliance ROAT: October 7, 2026
Reviewed by LRE Compliance Oversight Committee: October 12, 2026
Reviewed and Approved by LRE Board of Directors: October 28, 2026
Distributed by LRE: October 29, 2026

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ORGANIZATIONAL STRUCTURE

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

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

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

LRE as the PIHP

LRE serves as the Medicaid PIHP for the region with authority and accountability for operations and fulfillment of applicable federal and state statutory, regulatory, and contractual obligations related to the applicable waiver(s) and MDHHS contract(s). The role of LRE as the PIHP is defined in federal statute, specifically 42 CFR § 438 and the Fiscal Year 2027 (FY26) MDHHS/PIHP Contract.

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

LRE: MISSION and VALUES

MISSION:

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

VALUES:

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

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

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

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

OVERVIEW OF LRE's CORPORATE COMPLIANCE PLAN AND PROGRAM

SCOPE OF LRE CORPORATE COMPLIANCE PLAN

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

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

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

PURPOSE OF LRE CORPORATE COMPLIANCE PROGRAM

The purpose of the LRE Corporate Compliance Program is to

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

APPLICATION OF LRE CORPORATE COMPLIANCE PLAN

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

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

LRE, directly and indirectly, through its Member CMSHPs, contracts services for adults and children with mental health conditions, intellectual/developmental disabilities, and co-occurring mental health and substance abuse disorders within its seven county region.

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

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

LRE CORPORATE COMPLIANCE PROGRAM ELEMENTS

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

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

See LRE Policies or Procedures:

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

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

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

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

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

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

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

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

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

See LRE Policies or Procedures: 8.8 – Training and Development

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

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

2. LRE Online Incident Reporting Portal – suspected compliance violations (including, but not limited to privacy breaches, MEV overpayments, ethics/compliance, and FOIA requests) can be made using a link posted on the LRE website (Incident Reporting Portal). The Online Incident Reporting Portal allows for anonymous submissions by choosing *"Report Anonymously"* on the report form.

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

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

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

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

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

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

8. Mail Delivery – Suspected compliance violations or questions can also be mailed to:
   Office of Inspector General
   PO Box 30062
   Lansing, MI 48909

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

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

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

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

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

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

Corrective Action Plans

If an internal investigation substantiates a reported violation, corrective action will be initiated including, as appropriate: 1) LRE issuing a non-compliance letter, 2) LRE requiring a Corrective Action Plan (CAP) from the agency found to be out of compliance, 3) Out of compliance agency implementing changes to prevent a similar violation from recurring in the future, 4) LRE verification of CAP implementation and monitoring for event recurrence.

[2] Also referred to as Whistleblower Protections.

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

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

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

See LRE Policies or Procedures:

1.1 – Staff Conflict of Interest
1.1a – Staff Conflict of Interest procedure
4.4 – Credentialing Recredentialing
4.9 – Corrective Action Plan/Performance Improvement
4.9a – Corrective Action Plan/Performance Improvement procedure
7.1 – Quality Management
7.7 – CMHSP Member Monitoring
7.8 – Medicaid Services Verification
7.8a – Medicaid Services Verification procedure
8.5 – Hiring and Background Checks
9.8 – Compliance Enforcement
9.8A Sanctions
9.9 – Exclusion Screening
9.9A Exclusion Screening
9.11 – Criminal History Checks
9.11A Criminal History Checks
9.12 – Disclosure of Ownership, Control, and Criminal Convictions
9.12A Ownership Interest Disclosure
9.15B – Medicaid Overpayments and Sanctions procedure
10.23 – Board Conflict of Interest
10.23a – Board Conflict of Interest procedure

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

Procedure	Frequency	By:	Finding Provided to:

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

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

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

See LRE Policies or Procedures:

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

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

See LRE Policies or Procedures:

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

STRUCTURE OF LRE CORPORATE COMPLIANCE PROGRAM

GENERAL STRUCTURE

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

LRE Compliance Officer: LRE designates a Compliance Officer, who

1. Is given sufficient authority and control to monitor the successful implementation and effectiveness of the LRE Corporate Compliance Plan, including all seven LRE Corporate Compliance Program Elements.
2. Has primary responsibility of advising LRE's Chief Executive Officer (CEO), Board of Directors, and Executive Team of compliance risks related to strategic and operational decisions and operation of the LRE Corporate Compliance Program.
3. Serves as the Chair of the Compliance Regional Operations Advisory Team (ROAT) and the LRE Compliance Oversight Committee (COC).

4. Reports status of implementation of the LRE Corporate Compliance Plan and its related compliance activities, as well as any needs of the LRE Corporate Compliance Program to the LRE CEO and/or Board of Directors.
5. Recommends revisions to the LRE Corporate Compliance Program and Plan, inclusive of all seven Corporate Compliance Program Elements, as well as the Compliance Policies and Procedures.
6. Provides consultative support to Member CMHSPs and Network Providers, as requested.
7. Is responsible for the day-to-day operations of the LRE Corporate Compliance Program.
8. Assures compliance training and education efforts for LRE staff and the Board of Directors are completed annually.
9. Assures LRE is aware of evolving federal requirements and MDHHS contractual obligations and standards and ensuring compliance.
10. Coordinates and oversees investigations, audits, and monitoring activities.
11. Coordinates with LRE Operations, Human Resources, and other relevant departments regarding LRE Staff, Member CMHSPs, and Network Providers credentialing and recredentialing including but not limited to certifications, licensures, criminal background checks, sanctions checks, etc.
12. Independently investigates and acts on matters related to compliance.
13. Drafts and maintains reports including but not limited to annual Corporate Compliance Program Evaluation.

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

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

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

1. Is comprised of LRE Compliance Officer and the compliance officer from each Member CMHSP in Region 3, which is appointed by the respective Member CMHSP.

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

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

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

CONFIDENTIALITY AND PRIVACY

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

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

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

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

See LRE Policies or Procedures:

3.5-Breach-Notification.pdf (lsre.org)
3.5A-Breach-Notification.pdf (lsre.org)
9.16 HIPAA Privacy
9.16A Privacy of Protected Health Information

LEGAL AND REGULATORY STANDARDS

PRIMARY REGULATORY AND LEGAL STANDARDS

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

The Affordable Care Act (2010) – This Act requires the PIHP to have a written and operable compliance program capable of preventing, identifying, reporting, and ameliorating fraud, waste, and abuse across the PIHP's provider network. All programs funded by the PIHP, including CMHSPs, sub-contract provider organizations and practitioners, board members and others involved in rendering PIHP-covered services fall under the purview and scope of LRE's Corporate Compliance Program.

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

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

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

ADDITIONAL LEGAL AND REGULATORY STANDARDS

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

1. 42 CFR Part 2 Confidentiality of Alcohol and Drug Use Patient Records
2. American with Disabilities Act of 1990
3. Civil Monetary Penalty Law of 1981
4. Code of Federal Regulations
5. Deficit Reduction Act/Medicaid Integrity Program of 2005
6. Government Accounting Standards Board (GASB) Guide to Encounter Data Systems
7. Health Information Technology for Economic and Clinical Health Act (HITECH) Act
8. Home and Community Based Services Final Rule
9. Letters to State Medicaid Directors
10. Medical Services Administration (MSA) Policy Bulletins
11. Medicaid State Plan
12. Michigan Medicaid Provider Manual
13. Michigan Medical Records Act
14. Michigan Mental Health Code, Public Health Code and Administrative Rules
15. Michigan State Licensing requirements
16. Michigan Whistleblowers Act, Act 469 of 1980
17. Office of Inspector General Annual Work Plan
18. Office of Management and Budget (OMB) Circulars

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

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

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

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

DEFINITIONS AND TERMS

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

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

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

   (1) Fraud hotline tips verified by further evidence.

   (2) Claims data mining.

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

is less than $5,000, a full investigation will still be required, but it will be the responsibility of the PIHP to conduct.

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

REFERENCES, HYPERLINKS, AND SUPPORTING DOCUMENTS

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

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

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

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

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

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

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

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

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

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

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

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

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

COMPLIANCE OFFICER CONTACT INFORMATION

LAKESHORE REGIONAL ENTITY

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

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

MEMBER CMHSPs

COUNTY(IES)	MEMBER CMHSP	COMPLIANCE OFFICER CONTACT INFORMATION
Allegan County	OnPoint (Allegan County Community Mental Health Services)	Russ Graves - Compliance Officer Tel: 269-355-0694 E-mail: rgraves@onpointallegan.org
Kent County	Network 180 (Kent County CMH Authority)	Mehgan McNeil - Director of Quality, Compliance, and Risk Management Tel: 616-825-5122 E-mail: mehgan.mcneil@network180.org
Lake County Mason County Oceana County	West Michigan Community Mental Health System	Devon Hernandez - Director of Corporate Compliance and Risk Management Tel: 231-845-6294 Fax: 231-845-7095 E-mail: devonh@WMCMHS.org
Muskegon County	HealthWest	Linda Anthony - Director of Health Information Services Tel: 231-724-3631 Fax: 231-724-3659 E-mail: linda.anthony@healthwest.net
Ottawa County	Community Mental Health of Ottawa County	Laura Peterson – Supervisor of Compliance and QI Tel: 616-393-5685 Fax: 616-393-5687 E-mail: lpeterson@miottawa.org

GOVERNMENTAL AGENCIES

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

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

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

ATTESTATIONS

ATTESTATION FOR LRE STAFF

LRE STAFF ANNUAL CORPORATE COMPLIANCE TRAINING CERTIFICATION FORM

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

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

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

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

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

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

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

_____
LRE Staff Name (PRINT)

_____ _____
LRE Staff Signature Date

ATTESTATION FOR BOARD OF DIRECTORS

LRE BOARD OF DIRECTORS ANNUAL CORPORATE COMPLIANCE TRAINING CERTIFICATION FORM

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

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

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

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

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

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

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

_____
Board of Director Name (PRINT)

_____ _____
Board of Director Signature Date

LAKESHORE REGIONAL ENTITY

2027 EXECUTIVE BOARD MEETING SCHEDULE

Unless otherwise noted, all Lakeshore Regional Entity Board of Directors meetings are scheduled to begin at 1:00 PM. Unless otherwise noted, prior to each Board Meeting a Work Session is scheduled for 11:00 AM.

DATE	LOCATION	ADDRESS
January 27, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
February 24, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
March 24, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
April 28, 2027	TBD	TBD
May 26, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
June 23, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
July 28, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
August 25, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
September 22, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
October 27, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
November 17, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
December 15, 2027	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440

Mary Marlatt Dumas, CEO
Cell Phone: 231-638-8625
Email: marymd@lsre.org

Lydia Terrell, Executive Assistant
Office: 231-769-2052, Cell: 231-215-7224
Email: lydiat@lsre.org

LAKESHORE REGIONAL ENTITY

Lakeshore Regional Entity Board
Financial Officer Report for October 2026
10/28/2026

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

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

- **LRE Combined Monthly FSR –** The August 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 August of **$6.6 million**, a projected annual **deficit** of **$15.8 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 **$11.5 million** and CMH of Ottawa with a **deficit of $5.6 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 July to August was decreased by **$900 thousand** primarily due to HealthWest, OnPoint, and CMH of Ottawa reporting decreases in expense projections.

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

- **FY2027 Rate Setting –** MDHHS provided final FY27 capitation rates on September 30, 2026. The rates are generally higher than FY26 rates (prior to the September rate amendment) with average increases of DAB 8.5%, HMP 15.1%, and TANF 4% 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. HSW rates increased 3.4% from FY26, SEDW increased 22.2% and CWP decreased 16.3%.

  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. The H.R.1 requirements take effect in January 2027 for new enrollees and March 2027 for redeterminations; therefore, the impact may not be visible in the data until the third quarter of FY27.

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

- **FY2026 Revenue Projections** – The FY26 September revenue is within 0.1% of the expected total year-to-date revenue based on the initial budget projections. MDHHS continues to pay waivers at FY25 rates, which are generally greater than FY26 rates. Revenue projections include an adjustment of over -$1.5 million for expected recoupments.

  MDHHS provided FY26 rate amendment materials on September 30, 2026. Rates increased for all populations: DAB by 1.4%, TANF by 4%, HMP by 1.5%, HSW by 0.2%, and CWP and SEDW by 0.4% each. Based on current enrollment, the amended rates are projected to contribute an additional $12.4 million in revenue. However, actual MDHHS revenue may vary due to recoupments and retroactive eligibility adjustments. The ultimate retroactive payment will depend on the actual member months MDHHS uses and MDHHS's settlement methodology, which has not been consistently applied in the past. MDHHS expects to process payments by the end of January 2027.

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

CMHSP Providers

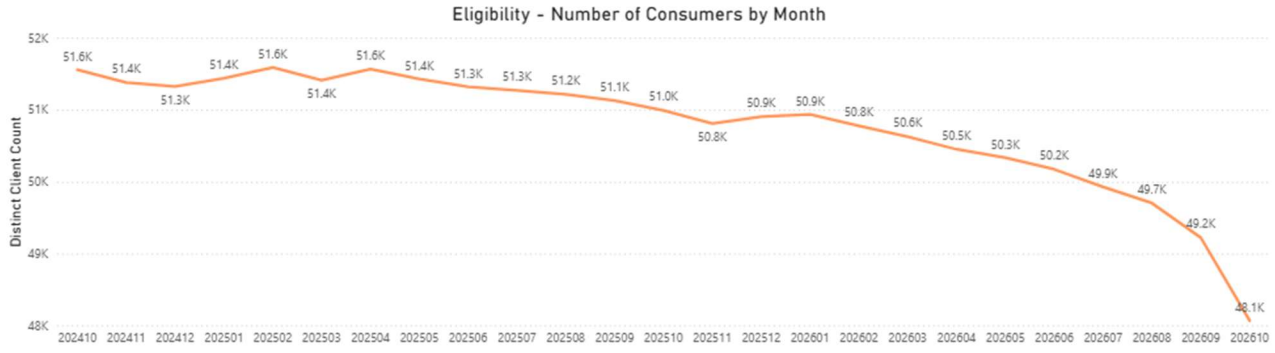
Provider	Review Dates / Status	Final Report / Score	Findings
West Michigan CMH	Original review 6/1/26–6/3/26; initial and final review completed.	Final report complete 6/16/26. Score 36/38, 94.74%; increase of 12.24% from last year.	2 repeat findings on the CAP response.
HealthWest	Original review 6/22/26–6/24/26; initial and final review completed.	Final report complete 7/7/26. Overall score 27/42, 64.29%; decrease of 17.53%.	5 new findings and 5 repeat findings.
OnPoint	Original review 7/13/26–7/15/26; initial and final review completed.	Final report 7/21/26. Overall score 32/40, 80%; decrease of 10%.	4 new findings, 2 repeat findings, and 1 repeat recommendation.
Ottawa CMH	Original review 8/3/26-8/5/26. Initial and final review completed.	Final Report 8/7/26. Overall score 29/38 or 76.32% an increase of 3.59 %.	One new finding and 6 repeat findings.
Network 180	Original Review 8/17/26-8/20/26 preliminary and final review complete.	Final report complete 8/27/26 overall score of 84.21% increase of 4.21% from prior year..	2 new findings and 4 repeat findings

SUD Providers

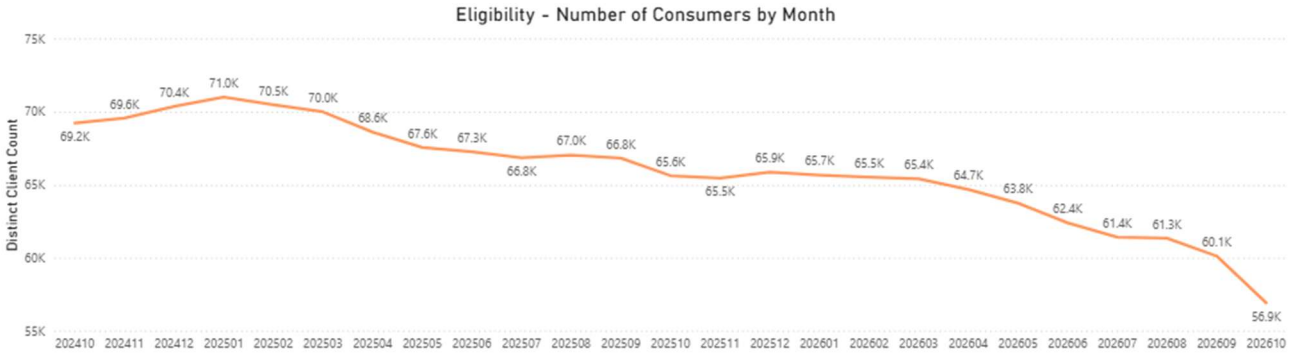
Provider	Review Dates / Status	Final Report / Score	Findings
District Health Department 10	Review completed 6/8/26–6/10/26.	Final report 6/12/26. CAP response received 7/8/26. Overall score 17/20, 85%; increase of 20%.	No new findings and 3 repeat findings.
Wedgwood	Review completed 7/21/26–7/23/26;	Final report 7/28. Overall score 16/20, 80%; increase of 9%.	No new findings and 2 repeat findings.
Kent County HD	Review completed 7/30–8/1.	Final Report 8/18/26. Overall score 18/20 or 90%, increase of 36% from previous year.	2 Repeat findings.
Trinity Health	Review completed 7/30–8/1.	Final Report 8/18/26. Overall score of 11/20 or 55% is a decrease of 16% from previous year.	No new findings and 6 repeat findings.
Arbor Circle	Review completed 9/9/2026–9/11/2026.	Final Report 9/11/26. Overall score 18/20 or 90%. Same score as previous year.	No new findings and 2 repeat findings.
Ottawa Health Department	**Review completed 8/26/26–8/27/26.**	**Final report 8/27. Overall score of 19/20 95 % increase of 37%**	**No new findings one repeat finding.**
Red Project	Review completed 10/12-10/14	Final report 10/12/26. Overall score of 10/20 or 50%.	6 new findings. No new findings. First year of review.

- **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 – September 2026. The LRE has experienced a decline in enrollments for DAB, TANF, and HMP, mirroring patterns observed throughout the state.

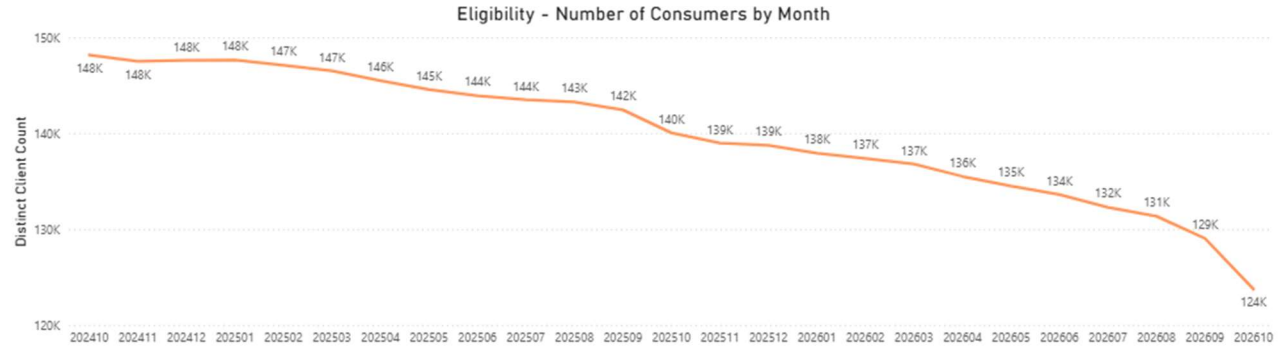
DAB



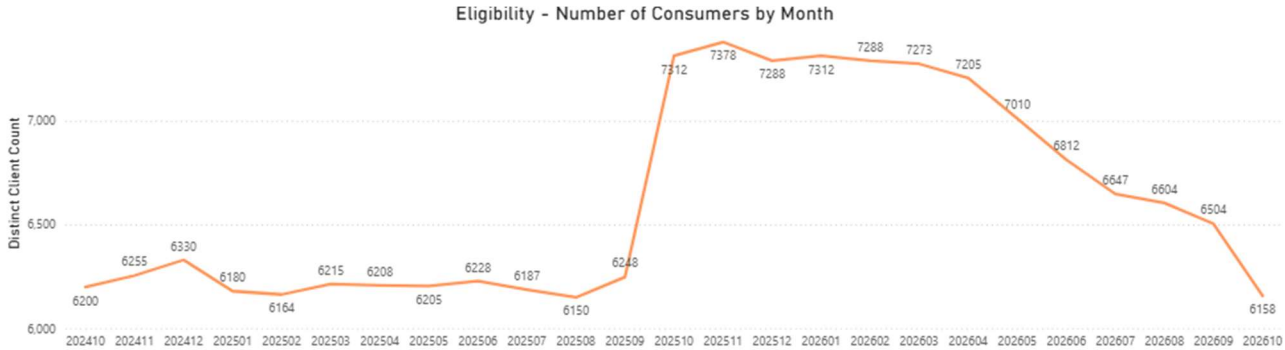
HMP



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	$ -	$ -	$ -	$ -	$ 94,835.50	$ -	$ 2,304.00	$ -	$ 5,248.00	**$ 102,387.50**
Total	**$ 370,653.95**	**$ 12,200.00**	**$ 41,663.14**	**$ 54,028.53**	**$ 334,408.95**	**$ 18,802.00**	**$ 2,304.00**	**$ 812.50**	**$ 80,202.20**	**$ 915,075.27**

As of September 30, 2026

LAKESHORE REGIONAL ENTITY

BOARD ACTION REQUEST
Subject: September 2026 Disbursements
Meeting Date: October 28, 2026

RECOMMENDED MOTION:

To approve the September 2026 disbursements of $33,498,082.92 as presented.

SUMMARY OF REQUEST/INFORMATION:

Disbursements:	
Allegan County CMH	$2,830,839.16
Healthwest	$6,595,241.66
Network 180	$16,392,541.49
Ottawa County CMH	$4,516,787.71
West Michigan CMH	$2,232,365.99
SUD Prevention Expenses	$64,319.37
Hospital Reimbursement Adjuster (HRA)	$138,608.00
SUD Public Act 2 (PA2)	$62,886.83
Administrative Expenses	$664,492.71
Total:	**$33,498,082.92**

97.41% 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:** ***10/14/2026***

LAKESHORE REGIONAL ENTITY

Statement of Activities - Actual vs. Budget
Fiscal Year 2025/2026
8/31/2026

	Year Ending 9/30/2026	8/31/2026		
	FY26 Budget *Amendment 4*	Budget to Date	Actual	Actual to Budget Variance
Operating Revenues				
Medicaid, HSW, SED, & Children's Waiver	301,737,309	276,592,533	276,475,189	(117,344)
DHS Incentive	552,788	506,722	445,303	(61,419)
Autism Revenue	67,856,179	62,201,498	64,843,282	2,641,785
Healthy Michigan	37,061,741	33,973,263	35,520,664	1,547,402
Performance Bonus Incentive	2,648,663	2,427,941	-	(2,427,941)
CCBHC Quality Bonus Incentive	1,339,073	1,227,483	1,339,073	111,589
Hospital Rate Adjuster (HRA)	23,383,692	21,435,051	17,842,782	(3,592,269)
Member Local Contribution to State Medicaid	1,007,548	923,586	923,586	(0)
Health Homes (BHH/SUDHH)	27,700	25,392	34,246	8,854
MDHHS Grants	10,998,618	10,082,067	6,704,952	(3,377,115)
PA 2 Liquor Tax	5,366,318	4,919,125	2,812,564	(2,106,561)
Interest Earnings	400,000	366,667	364,906	(1,761)
Use of ISF/Savings	16,476,076	15,103,070	-	(15,103,070)
Miscellaneous Revenue	5,500	5,042	-	(5,042)
Total Operating Revenues	**468,861,206**	**429,789,439**	**407,300,540**	**(22,488,898)**
Expenditures				
Salaries and Fringes	7,301,679	6,693,206	4,864,081	(1,829,125)
Office and Supplies Expense	317,116	290,690	186,970	(103,720)
Contractual and Consulting Expenses	1,062,354	973,825	623,555	(350,270)
Managed Care Information System (PCE) *	345,200	316,433	270,600	(45,833)
Legal Expense *	229,000	209,917	102,388	(107,529)
Utilities/Conferences/Mileage/Misc Exps	143,359	131,413	(12,059)	(143,472)
Grants - MDHHS & Non-MDHHS	585,041	536,288	488,511	(47,777)
Hospital Rate Adjuster / Taxes	28,295,860	25,937,872	20,290,883	(5,646,989)
Prevention Expenses - Grant & PA2	3,242,547	2,972,335	2,581,436	(390,899)
SUD Treatment Expenses - Grants	716,319	656,626	367,806	(288,820)
Member Payments - Medicaid/HMP	413,794,160	379,311,313	360,779,171	(18,532,143)
Member Payments - PA2 Treatment	4,027,118	3,691,525	2,560,308	(1,131,216)
Member Payments - Grants	7,793,905	7,144,413	5,879,286	(1,265,127)
Local Contribution to State Medicaid	1,007,548	923,586	923,586	(0)
Total Expenditures	**468,861,206**	**429,789,439**	**405,100,106**	**(24,689,333)**
Total Change in Net Assets	**(0)**	**(0)**	**2,200,435**	**2,200,435**

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

For internal use only. This report has not been audited, and no assurance is provided.

LAKESHORE REGIONAL ENTITY

Statement of Activities
Budget to Actual Variance Report

For the Period ending August 31, 2026

As of Date: 8/31/26

Operating Revenues

Medicaid/HSW/SED/CWP	N/A - Closely aligned with the current budget projections.
DHS Incentive	This revenue is received quarterly beginning in April. Final two payments will be received after 9/30.
Autism Revenue	Revenue is increasing based on latest projections.
Healthy Michigan	Revenue is increasing based on latest projections.
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	N/A - Closely aligned with the current budget projections.
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 in September. Anticipate being under budget.
Office and Supplies	Additional expenditures may be received prior to year end billing and close out. Anticipate being under budget.
Contractual/Consulting	Additional expenditures may be received prior to year end billing and close out. Anticipate being under budget.
Managed Care Info Sys	Anticipate being under budget. Projects were completed within the scope and cost of our regular service.
Legal Expense	Some billings are delayed and additional expenses in this category may occur later in the fiscal year per contract reconciliation/true-up.
Utilities/Conf/Mileage/Misc	This line item includes LRE's indirect offsets for grant administration.
Grants - MDHHS & Non-MDHHS	Expenditures under due to some MDHHS grant amendment and payment delays.
HRA/Taxes	IPA & HRA taxes are paid quarterly. Fourth quarter HRA payment is expected in December.
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.

For internal use only. This report has not been audited, and no assurance is provided.

Lakeshore Regional Entity Combined Monthly FSR Summary
FY 2026
August 2026 Reporting Month
Reporting Date: 10/12/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Total Distributed Medicaid/HMP Revenue (plus 1st & 3rd Party Collections)	73,267,270	181,877,780	30,582,846	50,413,529	24,869,070	5,838,391	366,848,886
Total Capitated Expense	68,178,653	191,877,707	28,840,747	55,904,581	21,394,302	5,838,391	372,034,381
Actual Surplus (Deficit)	5,088,617	(9,999,927)	1,742,099	(5,491,052)	3,474,768	-	(5,185,494)
% Variance	6.95%	-5.50%	5.70%	-10.89%	13.97%	0.00%	
Information regarding Actual (Threshold: Surplus of 5% and deficit of 1%) ***(Variance Explanation provided by CMHSP)***	As expected, face-to-face services are increasing as HealthWest implements productivity standards. This gap will continue to close in the last month.	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 $320,000 in waiver overpayments due back to LRE/MDHHS. This would be under the threshold for explanation taking that expected recoup into consideration.	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.	234,401	(1,499,870)	(319,866)	(92,055)	255,628	-	(1,421,762)
Actual Surplus (Deficit)	**5,323,018**	**(11,499,797)**	**1,422,233**	**(5,583,107)**	**3,730,396**	**-**	**(6,607,256)**

PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
LRE Revenue Projections as of:							
June							
Total Projected Medicaid/HMP Revenue (plus CMHSP Projected 1st & 3rd Party Collections)	79,183,455	193,783,955	32,540,981	54,050,598	27,122,208	13,922,556	400,603,755
	(0)	(0)	(0)	(0)	-	-	-
Total Capitated Expense Projections	75,754,059	207,688,048	32,091,886	62,915,112	24,015,648	13,922,556	416,387,310
	-	-	(0)	-	-	-	
Projected Surplus (Deficit)	3,429,396	(13,904,093)	449,096	(8,864,514)	3,106,560	-	(15,783,555)
% Variance	4.33%	-7.18%	1.38%	-16.40%	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.	Actual Revenue is higher than this projection by $900k 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	3,161,273	1,083,066	449,096	(1,731,298)	78,293	-	3,040,430
% Variance	3.98%	0.56%	1.38%	-3.23%	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.	

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Lakeshore Regional Entity
FY2026 FSR Monthly Comparison of Surplus/(Deficit) Detail
(Excluding CCBHC)
August 2026 Reporting Month
Reporting Date: 10/12/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	790,933	(6,890,087)	(2,677,428)	(6,363,109)	1,939,446	(13,200,245)
Autism	4,532,085	(4,609,710)	4,099,661	780,002	1,790,950	6,592,989
Total Distributed Medicaid/HMP Revenue	5,323,018	(11,499,797)	1,422,233	(5,583,107)	3,730,396	(6,607,256)

PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	Total
Distributed Medicaid/HMP						
Medicaid/HMP	(770,325)	(7,755,056)	(3,722,370)	(7,436,214)	1,256,719	(18,427,246)
Autism	4,199,721	(6,149,036)	4,171,466	(1,428,300)	1,849,841	2,643,692
Total Distributed Medicaid/HMP Revenue	3,429,396	(13,904,093)	449,096	(8,864,514)	3,106,560	(15,783,555)

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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*	August	*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)*	5,323,018	*(2,672,913)*	As expected, face-to-face services are increasing as HealthWest implements productivity standards. This gap will continue to close in the last month.
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)*	(11,499,797)	*(1,133,291)*	
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)*	1,422,233	*111,173*	
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)*	(5,583,107)	*(1,144,165)*	
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*	3,730,396	*140,087*	
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)***	**(6,607,256)**	***(4,699,109)***	

Projection	Nov	*Change*	Dec	*Change*	Jan	*Change*	Feb	*Change*	Mar	*Change*	April	*Change*	May	*Change*	June	*Change*	July	*Change*	August	*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*	3,429,396	*244,142*
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)	-	(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	-	449,096	*412,306*
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)*	(8,864,514)	*252,354*
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	-	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)***	**(15,783,554)**	***908,802***

Proposed Spending Plan/Budget	Nov	*Change*	Dec	*Change*	Jan	*Change*	Feb	*Change*	Mar	*Change*	April	*Change*	May	*Change*	June	*Change*	July	*Change*	August	*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	-	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)	-	(14,987,158)	-	
OnPoint	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ottawa	-	-	-	-	-	-	-	-	-	-	(7,133,216)	*(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	-	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)**	**-**	**(18,823,984)**	**-**	

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