



# Tobacco Sales Compliance Regional Analysis

LAKESHORE REGIONAL ENTITY

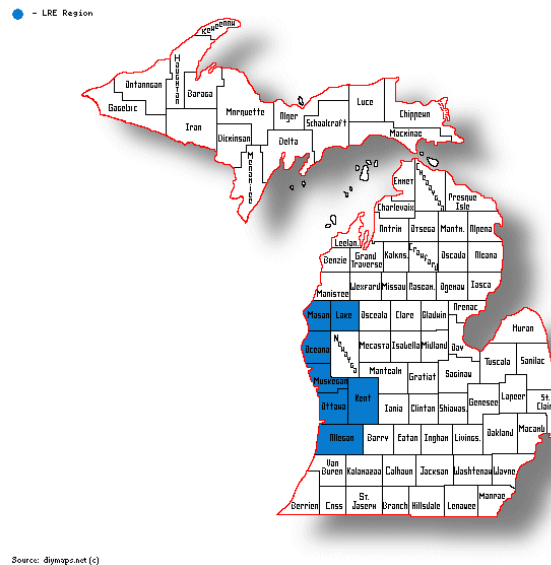
BY REFOCUS, L.L.C.

## Tobacco Compliance Checks Longitudinal Analysis, 2012-2021

The Lakeshore Regional Entity (LRE) manages Medicaid, Michigan General Fund, and Substance Use Treatment Block Grant funding for Behavioral Health services in a seven-county region along the Lake Michigan shoreline in west Michigan. As a part of its mission, LRE supports county level substance abuse prevention coalitions in each of its constituent counties. A part of this support is provided through the “No Cigs For Our Kids” campaign, which focuses on educating tobacco vendors in the region regarding the importance of compliance with the Youth Tobacco Act. Funding enables the substance abuse prevention coalitions in the region to work with local law enforcement agencies to ensure that tobacco sales establishments do not sell tobacco products to minors. These compliance checks have been occurring in several of the region’s counties since 2011 and, over the last five years have occurred in each of the region’s seven counties.

The purpose of this analysis is to utilize the data that each county has collected through the compliance check process to analyze results, find possible trends, make recommendations for improvements to the compliance check process, and ensure compliance with the Synar Amendment of 1992. “In July 1992, Congress enacted the Alcohol, Drug Abuse, and Mental Health Administration Reorganization Act (PL 102-321), which includes an amendment (section 1926) aimed at decreasing youth access to tobacco. This amendment, named for its sponsor, Congressman Mike Synar of Oklahoma, requires states ... to enact and enforce laws prohibiting the sale or distribution of tobacco products to individuals under the age of 18. States must comply with the Synar Amendment in order to receive their full Substance Abuse Prevention and Treatment Block Grant (SABG) awards.”<sup>1</sup> Among other standards, the Synar Regulations require that states conduct annual, unannounced inspections that provide a valid probability sample of tobacco sales outlets accessible to minors. The regulations also require that the non-compliance rate in the state be no more than twenty percent (20%).

This analysis was completed by ReFocus, L.L.C. (referred to in this document as “the evaluators”) under contract with LRE. In 2016 the evaluators gathered all non-Synar (with police involvement) and Synar (without police involvement) compliance check records that could be provided by each county as far into the past as data was available. The evaluators then merged all counties’ data into a single database that will support ongoing evaluation efforts into the future. It should be noted that several counties collected information about the compliance check results in different formats and the scope of the information collected differed significantly. Thus, the evaluators had to painstakingly work with the data on a cell by cell basis to ensure it was reliably brought into a single database. Following this process, LRE

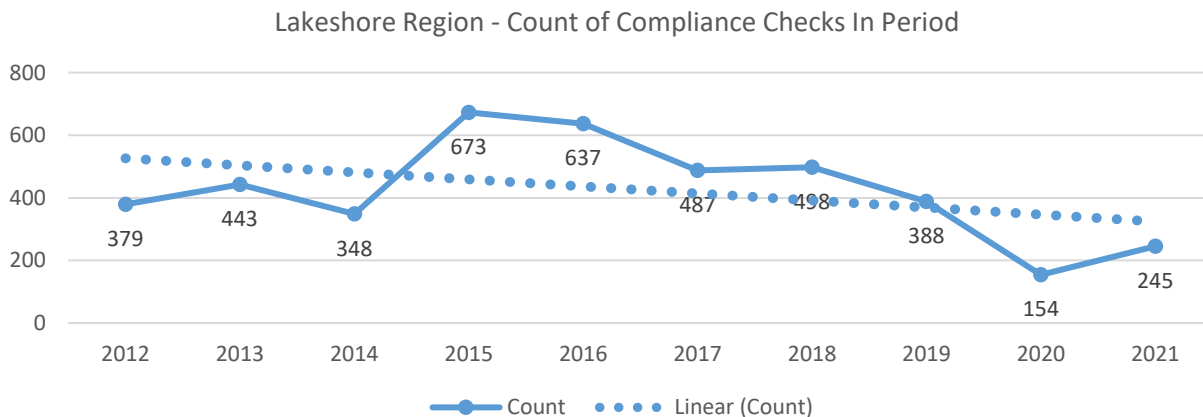


<sup>1</sup> <https://www.samhsa.gov/synar/about>

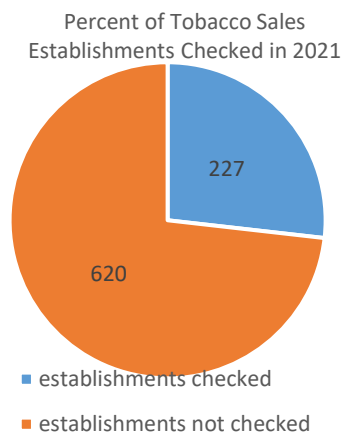
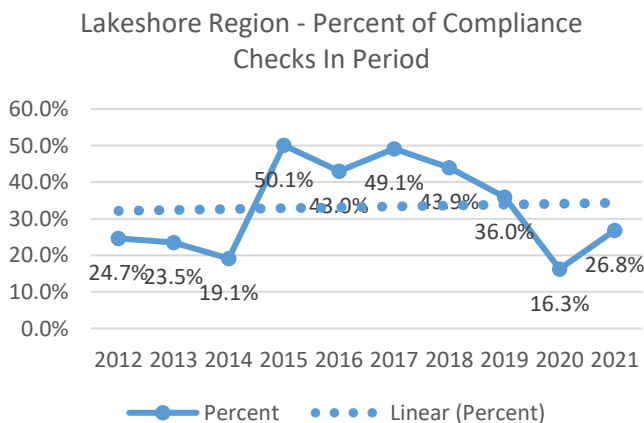
## Tobacco Compliance Checks Longitudinal Analysis, 2012-2021

worked with the evaluators and county coalitions to develop a uniform dataset to be collected at each compliance check.

This analysis includes all **non-Synar** compliance checks reported to the evaluators between fiscal years 2012 and 2021. The graph below displays the total count of non-Synar compliance checks in the region. The solid blue line displays shifts in the actual number of non-Synar compliance checks completed during each fiscal year. The dotted blue line displays the trend across all years reported. It shows a decrease over time. There was a significant decrease in the count of compliance checks completed during fiscal years 2020 and 2021. This was the result of the continued impact of the COVID-19 pandemic. During 2021 four of the seven counties did not complete non-Synar compliance checks.

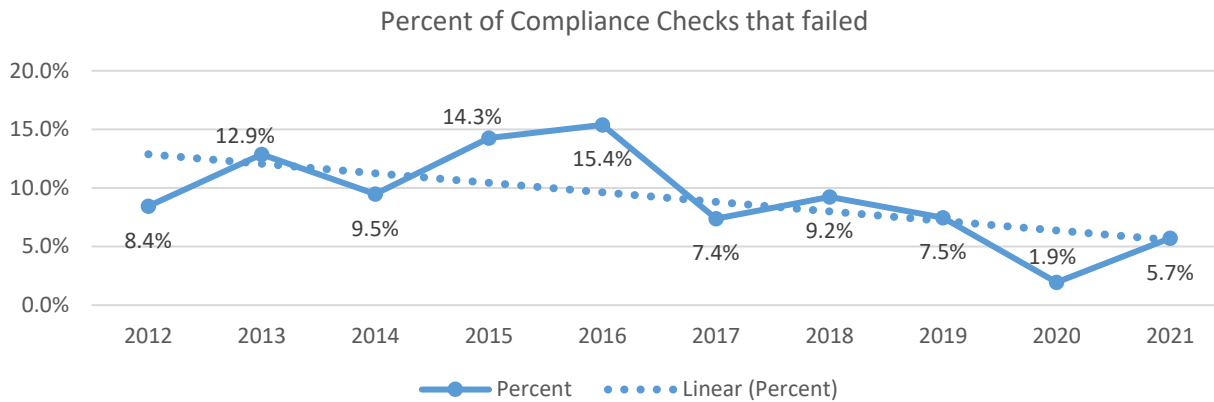


The graphs below display a different picture of the scope of compliance checks (see Attachment A for county and annual detail). It shows, among reporting counties, the percent of tobacco sales establishments that were checked during each year. The percent of tobacco selling establishments checked hit a high of 50.1% in 2015. The percent of compliance checks hit its lowest percentage in 2020 but has rebounded somewhat during 2021. This is due, in part, to an increase in the number of non-Synar checks completed during the year and, in part, due to a decrease in the number of tobacco sales establishments in the region in 2021 (-94 vendors in 2021 from 2020).



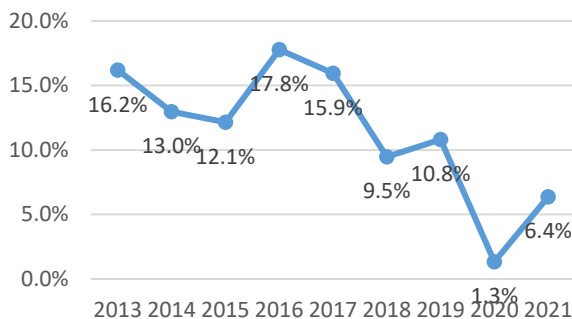
## Tobacco Compliance Checks Longitudinal Analysis, 2012-2021

The graph below displays the percent of compliance checks reported per year in the LRE region that failed. Tobacco sales to minors have remained below the twenty percent (20%) threshold established by the Synar Amendment since 2012, with the current percentage being 5.7%. In 2021 no counties in the LRE region performed at or above that threshold.

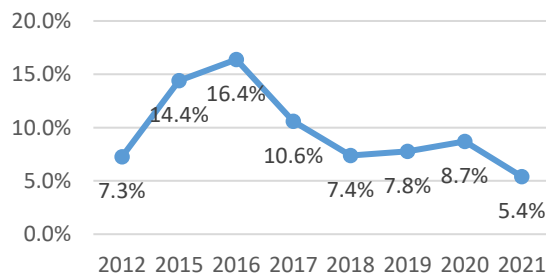


The graphs below display this same information for each county where compliance checks were completed during FY2021.

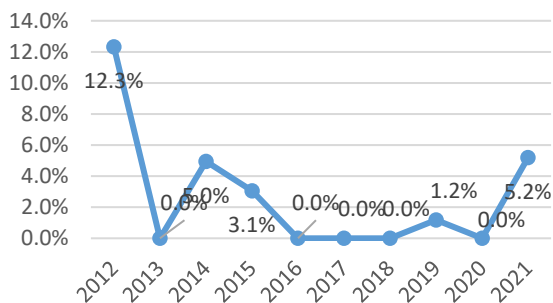
Allegan - Percent of Compliance Checks that failed



Kent - Percent of Compliance Checks that failed



Muskegon - Percent of Compliance Checks that failed



These graphs indicate several key conclusions. First, four of seven counties had no compliance checks during FY2021. Second, Muskegon County has sustained a failure rate of at or near 0% for five years prior to this year, when the rate had a noteworthy increase.



## Tobacco Compliance Checks Longitudinal Analysis, 2012-2021

The chart below displays information regarding the environmental conditions at the tobacco sales establishments that failed compliance checks in the LRE region in 2021 (see Attachment B for county level data by year). This information uses the revised retail categories established by the State of Michigan in 2017. It shows that half (50%) of compliance failures occurred at establishments defined as “other”, which includes convenience stores. Nearly thirty percent (28.6%) occurred at gas stations.

<b>FY2021</b>	Count of Failed Compliance Checks	Of Fails, Percent at Gas Station	Of Fails, Percent at Tobacco Store	Of Fails, Percent at Restaurant	Of Fails, Percent at Hotel	Of Fails, Percent at Grocery Store	Of Fails, Percent at Drug Store	Of Fails, Percent at Other
Allegan	6	33.33%	0.00%	0.00%	0.00%	16.67%	0.00%	50.00%
Kent	4	0.00%	0.00%	0.00%	0.00%	25.00%	0.00%	75.00%
Muskegon	4	50.00%	0.00%	25.00%	0.00%	0.00%	0.00%	25.00%
LRE Region	14	28.57%	0.00%	7.14%	0.00%	14.29%	0.00%	50.00%

**Tobacco Compliance Checks Longitudinal Analysis, 2012-2021**
**ATTACHMENT A:**

<b>FY2021</b>	County Population (2020 Census)	Count of Tobacco sales establishments	Tobacco sales establishments per 10,000 citizens	Count of Tobacco sales establishments checked (Non-Synar)	Percent of Tobacco sales establishments checked	Count of Non-Synar Compliance Checks	Ave Times Establishments were checked	Count of Failed Compliance Checks	Failed compliance checks per 10,000 citizens	Percent of compliance checks that failed
Allegan	120502	98	0.88	94	95.9%	94	1.00	6	0.0539	6.4%
Kent	657974	443	0.74	74	16.7%	74	1.00	4	0.0066	5.4%
Lake	12096	19	1.65	0	0.0%	0	#DIV/0!	0	0.0000	#DIV/0!
Mason	29052	27	0.94	0	0.0%	0	#DIV/0!	0	0.0000	#DIV/0!
Muskegon	175824	64	0.37	59	92.2%	77	1.31	4	0.0232	5.2%
Oceana	26659	33	1.24	0	0.0%	0	#DIV/0!	0	0.0000	#DIV/0!
Ottawa	296200	163	0.62	0	0.0%	0	#DIV/0!	0	0.0000	#DIV/0!
LRE Region	1318307	847	0.70	227	26.8%	245	1.08	14	0.0115	5.7%

<b>FY2020</b>	County Population (2010 Census)	Count of Tobacco sales establishments	Tobacco sales establishments per 10,000 citizens	Count of Tobacco sales establishments checked (Non-Synar)	Percent of Tobacco sales establishments checked	Count of Non-Synar Compliance Checks	Ave Times Establishments were checked	Count of Failed Compliance Checks	Failed compliance checks per 10,000 citizens	Percent of compliance checks that failed
Allegan	111408	92	0.83	75	81.5%	75	1.00	1	0.0090	1.3%
Kent	602622	444	0.74	23	5.2%	23	1.00	2	0.0033	8.7%
Lake	11539	16	1.39	5	31.3%	5	1.00	0	0.0000	0.0%
Mason	28705	34	1.18	5	14.7%	5	1.00	0	0.0000	0.0%
Muskegon	172188	153	0.89	23	15.0%	23	1.00	0	0.0000	0.0%
Oceana	26570	32	1.20	9	28.1%	10	1.11	0	0.0000	0.0%
Ottawa	263801	170	0.64	13	7.6%	13	1.00	0	0.0000	0.0%
LRE Region	1216833	941	0.77	153	16.3%	154	1.01	3	0.0025	1.9%

**Tobacco Compliance Checks Longitudinal Analysis, 2012-2021**

<b>FY2019</b>	County Population (2010 Census)	Count of Tobacco sales establishments	Tobacco sales establishments per 10,000 citizens	Count of Tobacco sales establishments checked (Non-Synar)	Percent of Tobacco sales establishments checked	Count of Non-Synar Compliance Checks	Ave Times Establishments were checked	Count of Failed Compliance Checks	Failed compliance checks per 10,000 citizens	Percent of compliance checks that failed
Allegan	111408	92	0.83	89	96.7%	111	1.25	12	0.11	10.8%
Kent	602622	443	0.74	100	22.6%	103	1.03	8	0.01	7.8%
Lake	11539	16	1.39	9	56.3%	10	1.11	2	0.17	20.0%
Mason	28705	34	1.18	15	44.1%	15	1.00	0	0.00	0.0%
Muskegon	172188	152	0.88	66	43.4%	85	1.29	1	0.01	1.2%
Oceana	26570	32	1.20	14	43.8%	14	1.00	1	0.04	7.1%
Ottawa	263801	168	0.64	44	26.2%	50	1.14	5	0.02	10.0%
LRE Region	1216833	937	0.77	337	36.0%	388	1.15	29	0.02	7.5%

<b>FY2018</b>	County Population (2010 Census)	Count of Tobacco sales establishments	Tobacco sales establishments per 10,000 citizens	Count of Tobacco sales establishments checked (Non-Synar)	Percent of Tobacco sales establishments checked	Count of Non-Synar Compliance Checks	Ave Times Establishments were checked	Count of Failed Compliance Checks	Failed compliance checks per 10,000 citizens	Percent of compliance checks that failed
Allegan	111408	91	0.82	71	78.0%	95	1.34	9	0.08	9.5%
Kent	602622	444	0.74	182	41.0%	230	1.26	17	0.03	7.4%
Lake	11539	16	1.39	15	93.8%	15	1.00	1	0.09	6.7%
Mason	28705	34	1.18	26	76.5%	26	1.00	1	0.03	3.8%
Muskegon	172188	149	0.87	43	28.9%	58	1.35	0	0.00	0.0%
Oceana	26570	32	1.20	22	68.8%	22	1.00	2	0.08	9.1%
Ottawa	263801	167	0.63	51	30.5%	52	1.02	16	0.06	30.8%
LRE Region	1216833	933	0.77	410	43.9%	498	1.21	46	0.04	9.2%

**Tobacco Compliance Checks Longitudinal Analysis, 2012-2021**

<b>FY2017</b>	County Population (2010 Census)	Count of Tobacco sales establishments	Tobacco sales establishments per 10,000 citizens	Count of Tobacco sales establishments checked (Non-Synar)	Percent of Tobacco sales establishments checked	Count of Non-Synar Compliance Checks	Ave Times Establishments were checked	Count of Failed Compliance Checks	Failed compliance checks per 10,000 citizens	Percent of compliance checks that failed
Allegan	111408	90	0.81	68	75.6%	69	1.01	11	0.10	15.9%
Kent	602622	439	0.73	149	33.9%	151	1.01	16	0.03	10.6%
Lake	11539	16	1.39	14	87.5%	15	1.07	1	0.09	6.7%
Mason	28705	34	1.18	33	97.1%	33	1.00	3	0.10	9.1%
Muskegon	172188	151	0.88	73	48.3%	99	1.36	0	0.00	0.0%
Oceana	26570	32	1.20	29	90.6%	29	1.00	2	0.08	6.9%
Ottawa	263801	166	0.63	90	54.2%	91	1.01	3	0.01	3.3%
LRE Region	1216833	928	0.76	456	49.1%	487	1.07	36	0.03	7.4%

<b>FY2016</b>	County Population (2010 Census)	Count of Tobacco sales establishments	Tobacco sales establishments per 10,000 citizens	Count of Tobacco sales establishments checked	Percent of Tobacco sales establishments checked	Count of Compliance Checks	Ave Times Establishments were checked	Count of Failed Compliance Checks	Failed compliance checks per 10,000 citizens	Percent of compliance checks that failed
Allegan	111408	90	0.81	89	98.9%	135	1.52	24	0.22	17.8%
Kent	602622	536	0.89	193	36.0%	238	1.23	39	0.06	16.4%
Lake	11539	16	1.39	16	100.0%	16	1.00	2	0.17	12.5%
Mason	28705	31	1.08	30	96.8%	36	1.20	7	0.24	19.4%
Muskegon	172188	149	0.87	65	43.6%	73	1.12	0	0.00	0.0%
Oceana	26570	32	1.20	29	90.6%	33	1.14	10	0.38	30.3%
Ottawa	263801	362	1.37	101	27.9%	106	1.05	16	0.06	15.1%
LRE Region	1216833	1216	1.00	523	43.0%	637	1.22	98	0.08	15.4%

**Tobacco Compliance Checks Longitudinal Analysis, 2012-2021**

<b>FY2015</b>	County Population (2010 Census)	Count of Tobacco sales establishments	Tobacco sales establishments per 10,000 citizens	Count of Tobacco sales establishments checked	Percent of Tobacco sales establishments checked	Count of Compliance Checks	Ave Times Establishments were checked	Count of Failed Compliance Checks	Failed compliance checks per 10,000 citizens	Percent of compliance checks that failed
Allegan	111408	90	0.81	88	97.8%	107	1.22	13	0.12	12.1%
Kent	602622	536	0.89	262	48.9%	271	1.03	39	0.06	14.4%
Lake	11539	16	1.39	15	93.8%	15	1.00	3	0.26	20.0%
Mason	28705	31	1.08	32	103.2%	32	1.00	10	0.35	31.3%
Muskegon	172188	149	0.87	74	49.7%	98	1.32	3	0.02	3.1%
Oceana	26570	32	1.20	26	81.3%	26	1.00	10	0.38	38.5%
Ottawa	263801	362	1.37	112	30.9%	124	1.11	18	0.07	14.5%
LRE Region	1216833	1216	1.00	609	50.1%	673	1.11	96	0.08	14.3%

**Tobacco Compliance Checks Longitudinal Analysis, 2012-2021**
**ATTACHMENT B:**

<b>FY2021</b>	Count of Failed Compliance Checks	Of Fails, Percent at Gas Station	Of Fails, Percent at Tobacco Store	Of Fails, Percent at Restaurant	Of Fails, Percent at Hotel	Of Fails, Percent at Grocery Store	Of Fails, Percent at Drug Store	Of Fails, Percent at Other
Allegan	6	33.33%	0.00%	0.00%	0.00%	16.67%	0.00%	50.00%
Kent	4	0.00%	0.00%	0.00%	0.00%	25.00%	0.00%	75.00%
Lake	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Mason	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Muskegon	4	50.00%	0.00%	25.00%	0.00%	0.00%	0.00%	25.00%
Oceana	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Ottawa	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
LRE Region	14	28.57%	0.00%	7.14%	0.00%	14.29%	0.00%	50.00%

<b>FY2020</b>	Count of Failed Compliance Checks	Of Fails, Percent at Gas Station	Of Fails, Percent at Tobacco Store	Of Fails, Percent at Restaurant	Of Fails, Percent at Hotel	Of Fails, Percent at Grocery Store	Of Fails, Percent at Drug Store	Of Fails, Percent at Other
Allegan	1	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Kent	2	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%
Lake	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mason	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Muskegon	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Oceana	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ottawa	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LRE Region	2	66.67%	0.00%	0.00%	0.00%	0.00%	0.00%	33.00%

<b>FY2019</b>	Count of Failed Compliance Checks	Of Fails, Percent at Gas Station	Of Fails, Percent at Tobacco Store	Of Fails, Percent at Restaurant	Of Fails, Percent at Hotel	Of Fails, Percent at Grocery Store	Of Fails, Percent at Drug Store	Of Fails, Percent at Other
Allegan	12	25.00%	0.00%	0.00%	0.00%	25.00%	0.00%	50.00%

## Tobacco Compliance Checks Longitudinal Analysis, 2012-2021

Kent	8	25.00%	0.00%	0.00%	0.00%	0.00%	50.00%	25.00%
Lake	2	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%
Mason	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Muskegon	1	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Oceana	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Ottawa	5	40.00%	0.00%	0.00%	0.00%	0.00%	0.00%	60.00%
LRE Region	29	31.03%	0.00%	0.00%	0.00%	10.34%	13.79%	44.83%

FY2018	Count of Failed Compliance Checks	Of Fails, Percent at Grocery Store	Of Fails, Percent at Convenience Store	Of Fails, Percent at Gas Station	Of Fails, Percent at Restaurant	Of Fails, Percent at Bar/Lounge	Of Fails, Percent at Pharmacy	Of Fails, Percent at Bowling Alley	Of Fails, Percent at Liquor Store	Of Fails, Percent at Tobacco Store/Shop	Of Fails, Percent at Retail/Dept. Store
Allegan	9	11.11%	11.11%	66.67%	0.00%	0.00%	66.67%	0.00%	0.00%	0.00%	0.00%
Kent	17	11.76%	47.06%	29.41%	0.00%	0.00%	11.76%	0.00%	0.00%	0.00%	0.00%
Lake	1	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mason	1	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Muskegon	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Oceana	2	0.00%	50.00%	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Ottawa	16	25.00%	37.50%	62.50%	0.00%	0.00%	6.25%	0.00%	6.25%	0.00%	0.00%
LRE Region	46	15.22%	36.96%	50.00%	0.00%	0.00%	19.57%	0.00%	2.17%	0.00%	0.00%

FY2017	Count of Failed Compliance Checks	Of Fails, Percent at Grocery Store	Of Fails, Percent at Convenience Store	Of Fails, Percent at Gas Station	Of Fails, Percent at Restaurant	Of Fails, Percent at Bar/Lounge	Of Fails, Percent at Pharmacy	Of Fails, Percent at Bowling Alley	Of Fails, Percent at Liquor Store	Of Fails, Percent at Tobacco Store/Shop	Of Fails, Percent at Retail/Dept. Store
Allegan	11	27.27%	18.18%	45.45%	9.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



## Tobacco Compliance Checks Longitudinal Analysis, 2012-2021

Kent	16	6.25%	25.00%	62.50%	0.00%	0.00%	0.00%	0.00%	0.00%	6.25%	0.00%
Lake	1	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mason	3	33.33%	66.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Muskegon	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Oceana	2	0.00%	50.00%	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Ottawa	3	0.00%	66.67%	33.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
LRE Region	35	14.29%	34.29%	51.43%	2.86%	0.00%	0.00%	0.00%	0.00%	2.86%	0.00%

FY2016	Count of Failed Compliance Checks	Of Fails, Count where clerk was male	Of Fails, Percent where clerk was male	Of Fails, Percent where clerk was female	Of Fails, Percent at Grocery Store	Of Fails, Percent at Convenience Store	Of Fails, Percent at Gas Station	Of Fails, Percent at Restaurant	Of Fails, Percent at Bar/Lounge	Of Fails, Percent at Pharmacy	Of Fails, Percent at Bowling Alley	Of Fails, Percent at Liquor Store	Of Fails, Percent at Tobacco Store/Shop	Of Fails, Percent at Retail/Dept. Store
Allegan	24	17	70.83%	29.17%	25.00%	20.83%	50.00%	0.00%	0.00%	0.00%	0.00%	4.17%	0.00%	0.00%
Kent	39	4	10.26%	89.74%	2.56%	25.64%	46.15%	0.00%	0.00%	10.26%	0.00%	0.00%	0.00%	0.00%
Lake	2	2	100.00%	0.00%	0.00%	50.00%	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mason	7	6	85.71%	14.29%	14.29%	14.29%	57.14%	0.00%	0.00%	0.00%	0.00%	14.29%	0.00%	0.00%
Muskegon	0		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/a
Oceana	10	8	80.00%	20.00%	20.00%	20.00%	60.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Ottawa	16	7	43.75%	56.25%	0.00%	25.00%	62.50%	0.00%	0.00%	0.00%	0.00%	6.25%	0.00%	6.25%
LRE Region	98	44	44.90%	55.10%	10.20%	23.47%	52.04%	0.00%	0.00%	4.08%	0.00%	3.06%	0.00%	1.02%

FY2015	Count of Failed Compliance Checks	Of Fails, Count where clerk was male	Of Fails, Percent where clerk was male	Of Fails, Percent where clerk was female	Of Fails, Percent at Grocery Store	Of Fails, Percent at Convenience Store	Of Fails, Percent at Gas Station	Of Fails, Percent at Restaurant	Of Fails, Percent at Bar/Lounge	Of Fails, Percent at Pharmacy	Of Fails, Percent at Bowling Alley	Of Fails, Percent at Liquor Store	Of Fails, Percent at Tobacco Store/Shop	Of Fails, Percent at Retail/Dept. Store
Allegan	13	9	69.23%	30.77%	15.38%	23.08%	61.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Kent	39	18	46.15%	53.85%	10.26%	30.77%	51.28%	0.00%	0.00%	5.13%	0.00%	0.00%	0.00%	0.00%
Lake	3		0.00%	100.00%	0.00%	66.67%	33.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Mason	10		0.00%	100.00%	30.00%	40.00%	30.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Tobacco Compliance Checks Longitudinal Analysis, 2012-2021**

Muskegon	3		0.00%	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Oceana	10		0.00%	100.00%	30.00%	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	20.00%
Ottawa	18	6	33.33%	66.67%	11.11%	27.78%	61.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
LRE Region	96	33	34.38%	65.63%	14.58%	32.29%	47.92%	0.00%	0.00%	2.08%	0.00%	0.00%	0.00%	2.08%

<b>FY2014</b>	Count of Failed Compliance Checks	Of Fails, Count where clerk was male	Of Fails, Percent where clerk was male	Of Fails, Percent where clerk was female	Of Fails, Percent at Grocery Store	Of Fails, Percent at Convenience Store	Of Fails, Percent at Gas Station	Of Fails, Percent at Restaurant	Of Fails, Percent at Bar/Lounge	Of Fails, Percent at Pharmacy	Of Fails, Percent at Bowling Alley	Of Fails, Percent at Liquor Store	Of Fails, Percent at Tobacco Store/Shop	Of Fails, Percent at Retail/Dept. Store
Allegan	17	14	82.35%	17.65%	0.00%	17.65%	82.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Muskegon	5		0.00%	100.00%	0.00%	20.00%	80.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Ottawa	11	4	36.36%	63.64%	0.00%	27.27%	72.73%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
LRE Region	33	18	54.55%	45.45%	0.00%	21.21%	78.79%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

<b>FY2013</b>	Count of Failed Compliance Checks	Of Fails, Count where clerk was male	Of Fails, Percent where clerk was male	Of Fails, Percent where clerk was female	Of Fails, Percent at Grocery Store	Of Fails, Percent at Convenience Store	Of Fails, Percent at Gas Station	Of Fails, Percent at Restaurant	Of Fails, Percent at Bar/Lounge	Of Fails, Percent at Pharmacy	Of Fails, Percent at Bowling Alley	Of Fails, Percent at Liquor Store	Of Fails, Percent at Tobacco Store/Shop	Of Fails, Percent at Retail/Dept. Store
Allegan	23	17	73.91%	26.09%	4.35%	34.78%	60.87%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Ottawa	34	19	55.88%	44.12%	2.94%	17.65%	73.53%	0.00%	0.00%	0.00%	0.00%	2.94%	2.94%	0.00%
LRE Region	57	36	63.16%	36.84%	3.51%	24.56%	68.42%	0.00%	0.00%	0.00%	0.00%	1.75%	1.75%	0.00%

<b>FY2012</b>	Count of Failed Compliance Checks	Of Fails, Count where clerk was male	Of Fails, Percent where clerk was male	Of Fails, Percent where clerk was female	Of Fails, Percent at Grocery Store	Of Fails, Percent at Convenience Store	Of Fails, Percent at Gas Station	Of Fails, Percent at Restaurant	Of Fails, Percent at Bar/Lounge	Of Fails, Percent at Pharmacy	Of Fails, Percent at Bowling Alley	Of Fails, Percent at Liquor Store	Of Fails, Percent at Tobacco Store/Shop	Of Fails, Percent at Retail/Dept. Store
Kent	14		0.00%	100.00%	7.14%	35.71%	35.71%	7.14%	0.00%	0.00%	0.00%	14.29%	0.00%	0.00%
Muskegon	9		0.00%	100.00%	0.00%	33.33%	66.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Tobacco Compliance Checks Longitudinal Analysis, 2012-2021**

Ottawa	9	5	55.56%	44.44%	0.00%	22.22%	44.44%	0.00%	0.00%	11.11%	0.00%	22.22%	0.00%	0.00%
LRE Region	32	5	15.63%	84.38%	3.13%	31.25%	46.88%	3.13%	0.00%	3.13%	0.00%	12.50%	0.00%	0.00%



## Information Officer Report – December 2021

---

### Summary:

1. **MCIS Software:**

No updates this period.

2. **Data Analytics and Reporting:**

An initial production “soft launch” of our go-live data analytics environment is planned for late December. A small number of report objects will be published to this proof-of-concept system allowing our first focus to remain primarily on supporting staff and external partner connectivity.

With subsequent releases, in addition to installing additional dashboard and reporting objects for on-line viewing, we will expand information distribution methods to include automated report e-delivery options (where desired and appropriate).

3. **FY21 data reporting to MDHHS:**

**Encounters:** FY21 encounters have been reported in good volume for all CMHSPs across both mental health and SUD service categories. Please see also the attached encounter graphs showing year to year comparisons. The sharp spike in July 2021 SUD encounters from HealthWest (which was reported last period) has been largely corrected – some final updates are still being applied. This was the result of an encounter reporting error within the Cx360 (Core Solutions) software. FY22 Encounter reporting has been somewhat delayed as the system continues to respond to the broad number of MDHHS changes taking effect 10/1/2021.

**BH-TEDS:** BH-TEDS reporting volumes remain strong for our region. The most recent MDHHS FY21 completeness stats are included under “Additional Details” on page 2. We continue to remain above the 95 % MDHHS standard for all 3 measures.

**BHTEDS data Discrepancies:** MDHHS has identified some state-wide data reporting issues in BHTEDS that they are asking for follow-up on. Our teams are engaged with these issues which include:

**Ethnicity reported as “Unknown”:** A larger than usual percentage of served individuals are being reported in the BHTEDS with “Unknown” as their Ethnicity. If not addressed, this can hamper the ability to study clients served along racial and ethnic divisions.

**Medicaid ID numbers** are inconsistent between the BHTEDS admission and the corresponding update/discharge record. This situation can adversely affect the use of BHTEDS for Medicaid rate setting purposes, since Medicaid ID number is used as the primary connection for the actuary when linking BHTEDS to Medicaid eligibility data. Some may be the result of clients who have had their Medicaid ID numbers changed over time, but some could also be data errors. MDHHS will send detailed outlier lists for further analysis and follow-up.

**Additional Details:**

**MDHHS FY21 BHTEDS Completeness Rates – as of 11/30/2021:**

FY21 MH Encounters w/BH-TEDS records				
Encounters: 10/01/2020 - 09/30/2021*		BH-TEDS: 07/01/2019 - 11/30/2021		
Region Name	Submitter ID	Distinct Count of Individuals With		Current Completion Rate
		Non-H0002 & Non-Crisis, Non-OBRA Assessment & Non-Transportation Encounters	Non-H0002, Non-Crisis, Non-Health Home, Non-OBRA Assessment & Non-Transportation Encounters But NO BH-TEDS Record Since 07/01/2019	
CMH Partnership of SE MI	00XT	9,657	225	97.67%
Detroit/Wayne	00XH	58,075	3,840	93.39%
Lakeshore Regional Entity	00ZI	19,481	854	95.62%
Macomb	00GX	11,454	293	97.44%
Mid-State Health Network	0107	40,256	1,963	95.12%
NorthCare Network	0101	5,911	34	99.42%
Northern MI Regional Entity	0108	12,587	312	97.52%
Oakland	0058	17,847	207	98.84%
Region 10	0109	17,258	41	99.76%
Southwest MI Behavioral Health	0102	19,940	763	96.17%
Statewide		212,466	8,532	95.98%
<b>Key</b>				
95.00+ = Compliant		*Encounters = All MH encounters <b>excluding:</b> A0080, A0090, A0100, A0110, A0120, A013, A0140, A0170, A0425, A0427, H0002, H2011, Q3014, S0209, S0215, S0280, S0281, S9484, T1023, T2001-T2005 ,90839, 90840, 99304-99310		
90.00-94.99				
85.00-89.99				
<85.00				

FY21 Crisis Encounters w/BH-TEDS records				
Encounters: 10/01/2020 - 09/30/2021**		BH-TEDS: 07/01/2019 - 11/30/2021		
Distinct Count of Individuals With				
Region Name	Submitter ID	Crisis Encounters	Crisis Encounters But NO BH-TEDS Record Since 07/01/2019	Completion Rate
CMH Partnership of SE MI	00XT	2,396	90	96.24%
Detroit/Wayne	00XH	9,490	2,709	71.45%
Lakeshore Regional Entity	00ZI	6,955	142	97.96%
Macomb	00GX	1,669	16	99.04%
Mid-State Health Network	0107	11,507	457	96.03%
NorthCare Network	0101	1,953	18	99.08%
Northern MI Regional Entity	0108	4,311	161	96.27%
Oakland	0058	3,697	17	99.54%
Region 10	0109	1,959	19	99.03%
Southwest MI Behavioral Health	0102	3,654	70	98.08%
Statewide		47,591	3,699	92.23%
Key				
95.00+ = Compliant		**Encounters include H2011, S9484, T1023, 90839, 90840		
90.00-94.99				
85.00-89.99				
<85.00				

FY21 SUD Encounters w/BH-TEDS records				
SUD Encounters from 10/01/2020-09/30/2021***			Does Not Have Open Admission at Time of Encounter as of 11/30/2021	
Distinct Count of Individuals With				
Region Name	Submitter ID	Non-Health Home Encounters	Non-Health Home Encounters But NO BH-TEDS Record	Completion Rate
CMH Partnership of SE MI	00XT	2,851	10	99.65%
Detroit/Wayne	00XH	8,026	0	100.00%
Lakeshore Regional Entity	00ZI	6,244	57	99.09%
Macomb	00GX	3,934	57	98.55%
Mid-State Health Network	0107	10,705	10	99.91%
NorthCare Network	0101	1,793	2	99.89%
Northern MI Regional Entity	0108	3,988	15	99.62%
Oakland	0058	3,682	0	100.00%
Region 10	0109	5,237	18	99.66%
Salvation Army	002Y	NO FY21 Encounters Submitted Yet at 11/30/2021		
Southwest MI Behavioral Health	0102	6,088	117	98.08%
Statewide		52,548	286	99.46%
Key				
95.00+ = Compliant		***Encounters = All SUD encounters excluding S0280		
90.00-94.99				
85.00-89.99				
<85.00				





**Data Source:** LRE\_DW\_CorporateInfo.LRE\_Encounters

**Purpose:** Show Distinct client counts along with counts of Encounter Lines and Claim Units for both Mental Health and Substance Use Disorder by FY and Service Month.

**Reports in Dashboard:**

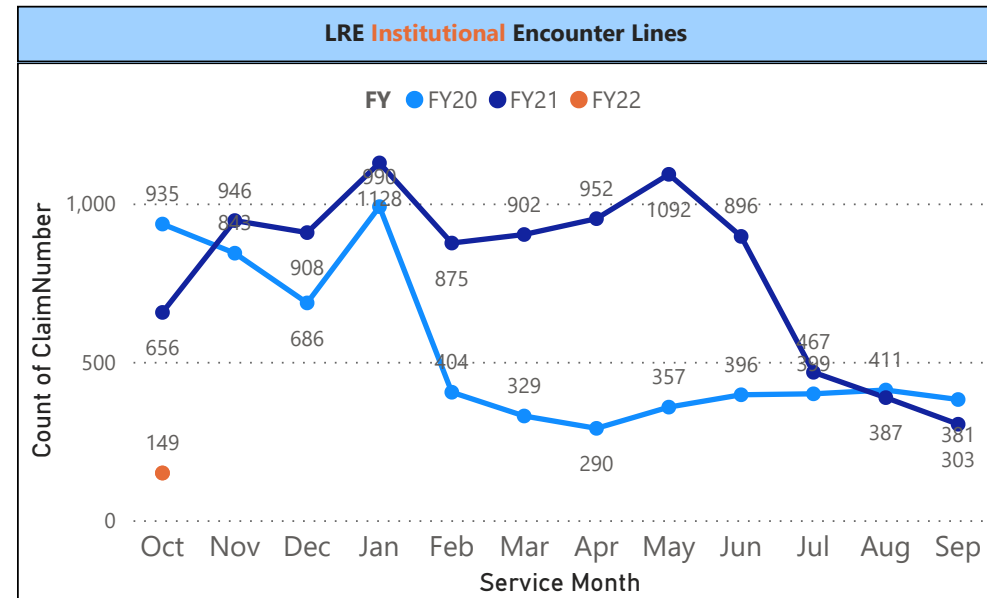
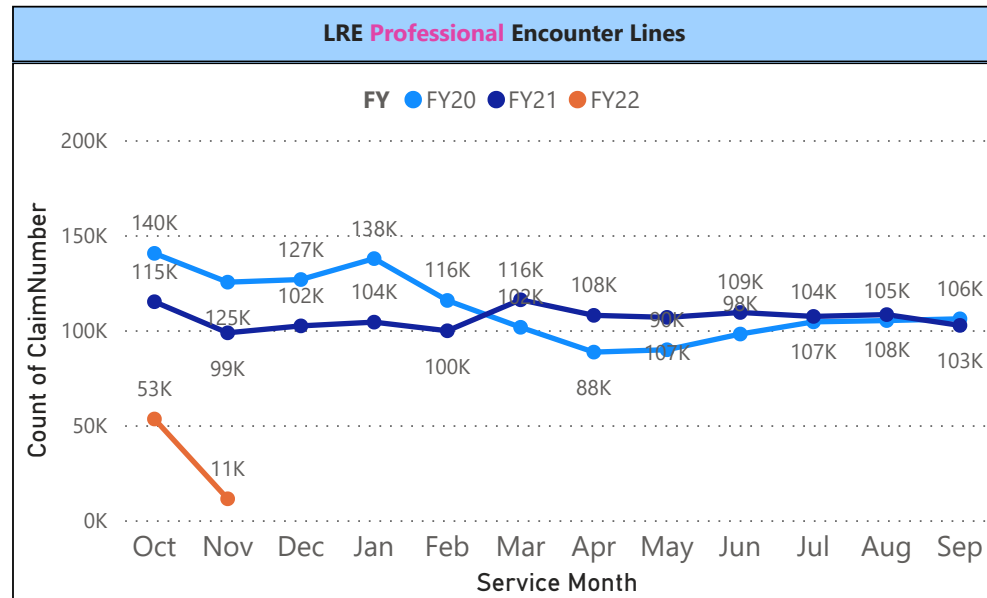
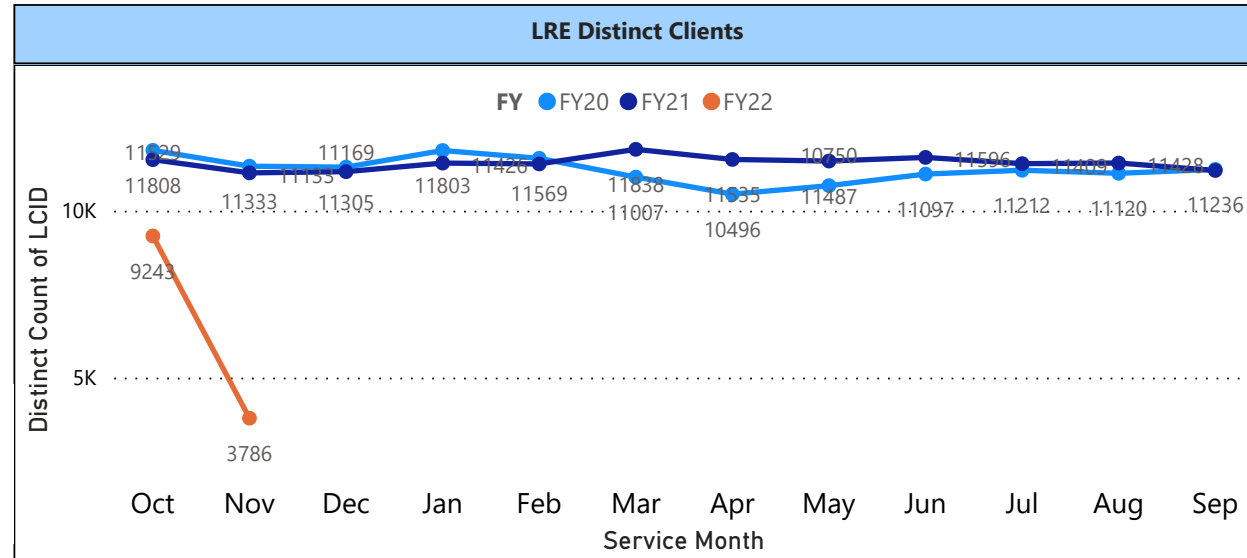
1. **LRE - MH Lines** - Shows distinct client count and mental health encounter line totals for both Professional and Institutional type transactions for the LRE as a whole.
2. **LRE - MH Units** - Shows distinct client count and mental health encounter claim unit totals for both Professional and Institutional type transactions for the LRE as a whole.
3. **LRE - SUD** - Shows distinct client count and both SUD encounter line totals and SUD encounter claim unit totals for the LRE as a whole.
4. **CMHSP - MH Lines** - Shows distinct client count and mental health encounter line totals for both Professional and Institutional type transactions for the individual CMHSP.
5. **CMHSP - MH Units** - Shows distinct client count and mental health encounter claim unit totals for both Professional and Institutional type transactions for the individual CMHSP.
6. **CMHSP - SUD** - Shows distinct client count and both SUD encounter line totals and SUD encounter claim unit totals for the individual CMHSP.

**Notes:** Items 4-6 above are repeated for each individual CMHSP.





## LRE Behavioral Health

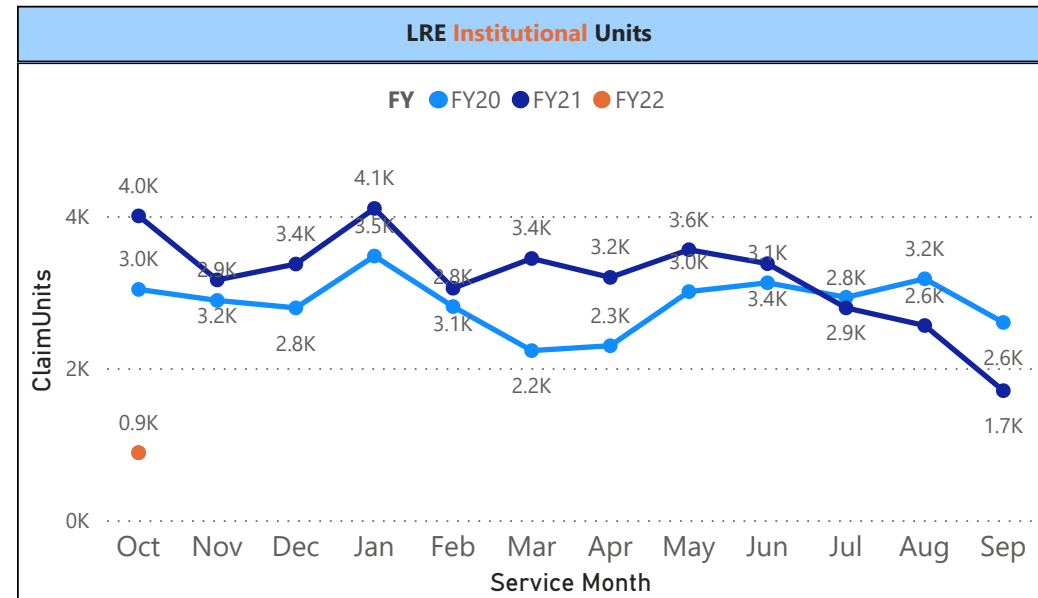
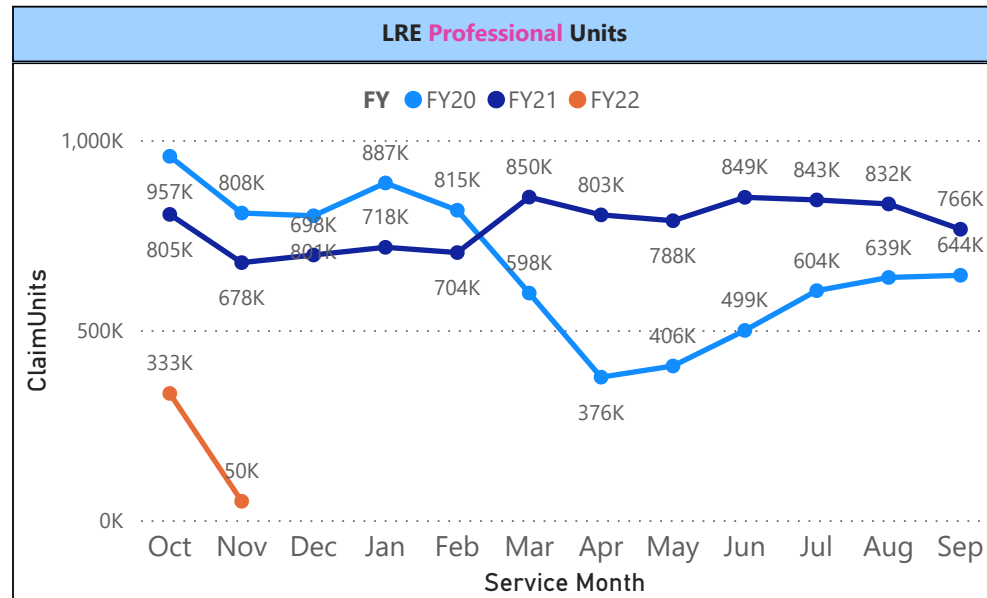
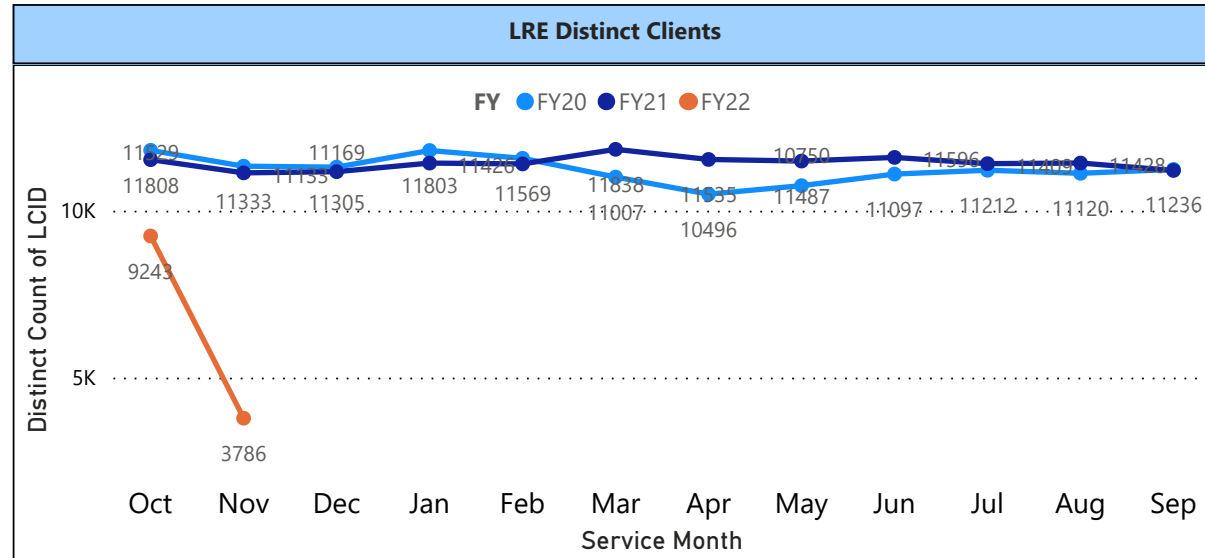


12/8/2021 3:08:46 PM

Latest ProcessDate



## LRE Behavioral Health

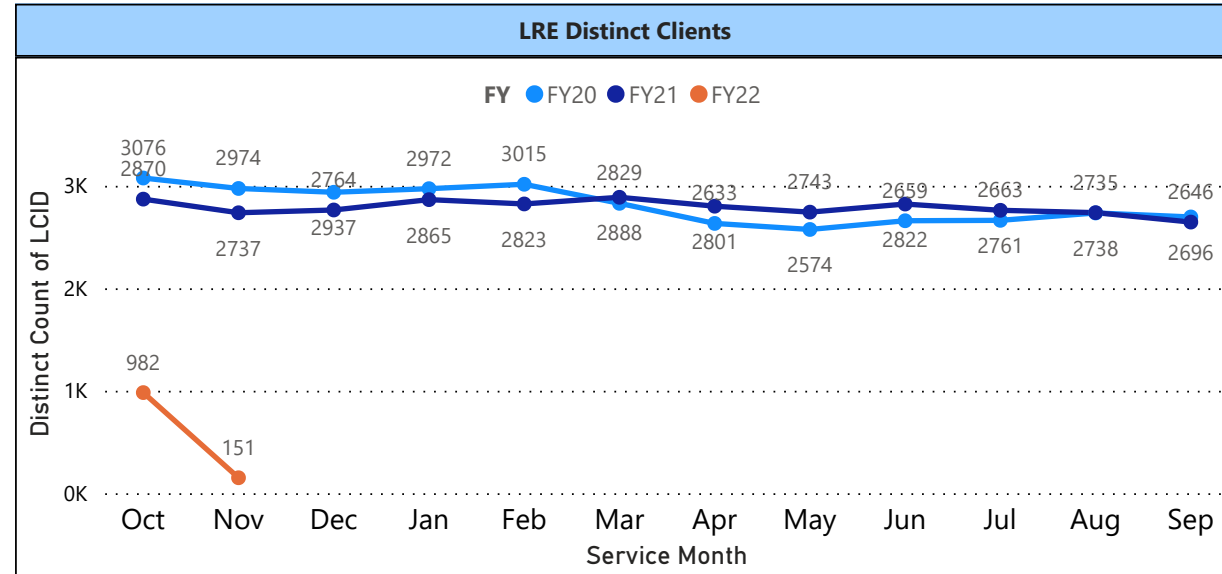


12/8/2021 3:08:46 PM

Latest ProcessDate

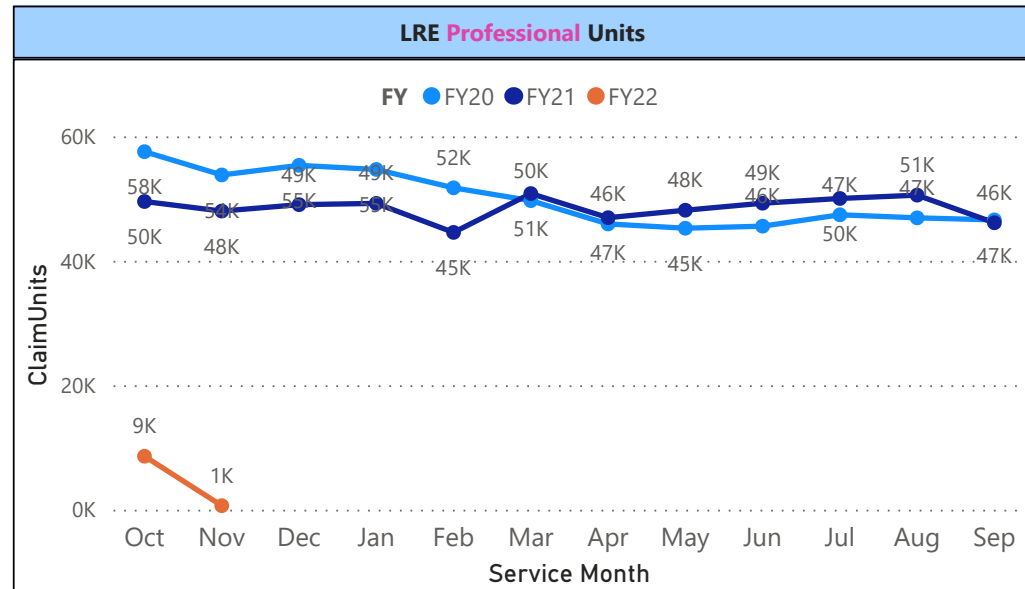
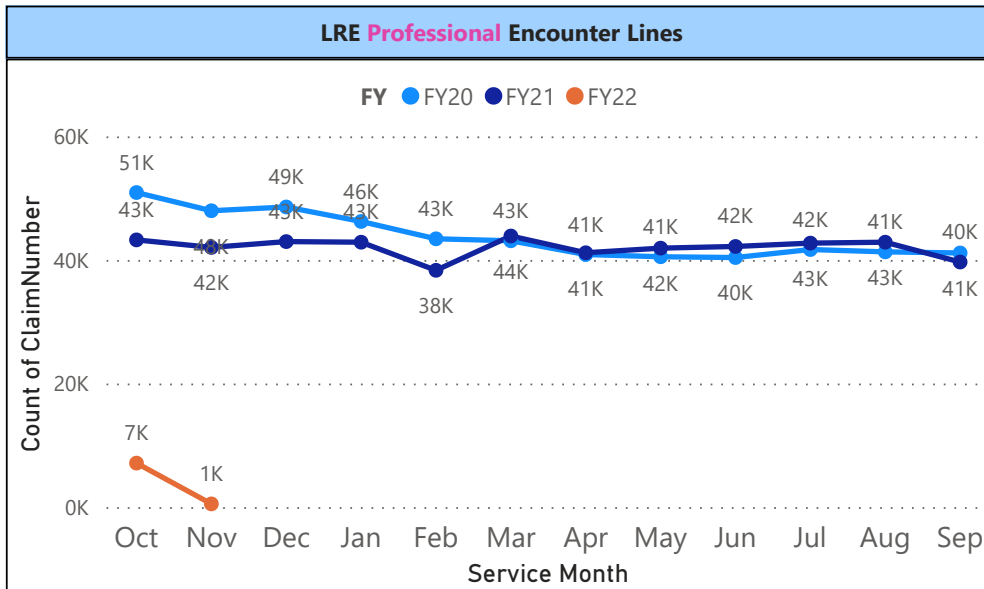


## LRE Substance Use Disorder



FY: All

- Select all
- FY20
- FY21
- FY22

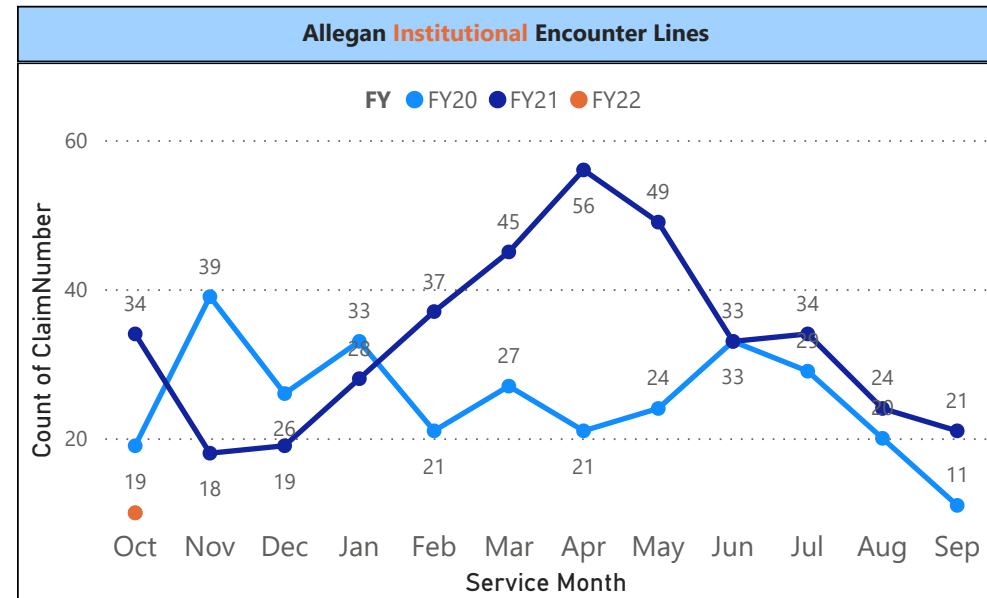
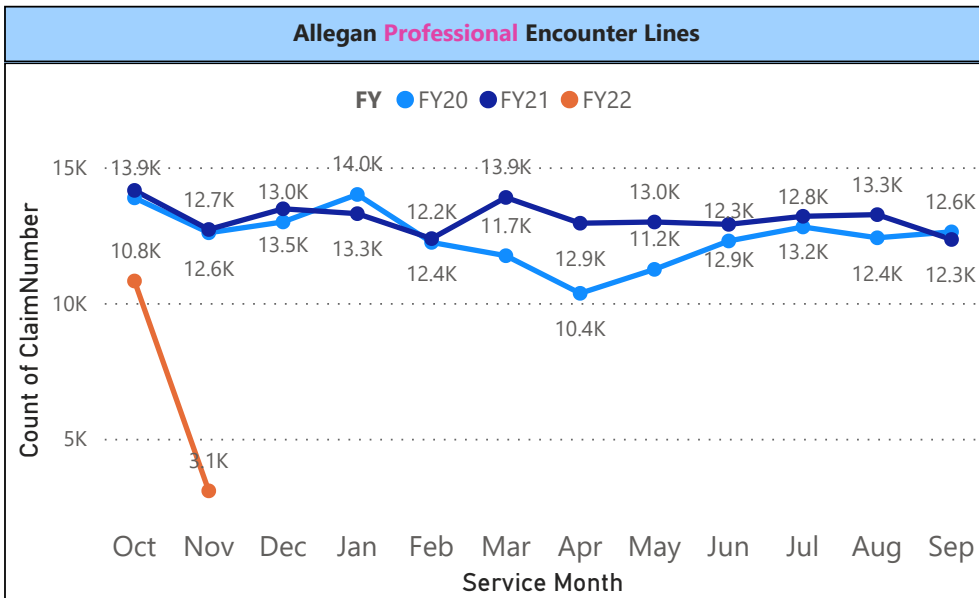
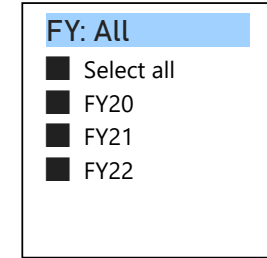
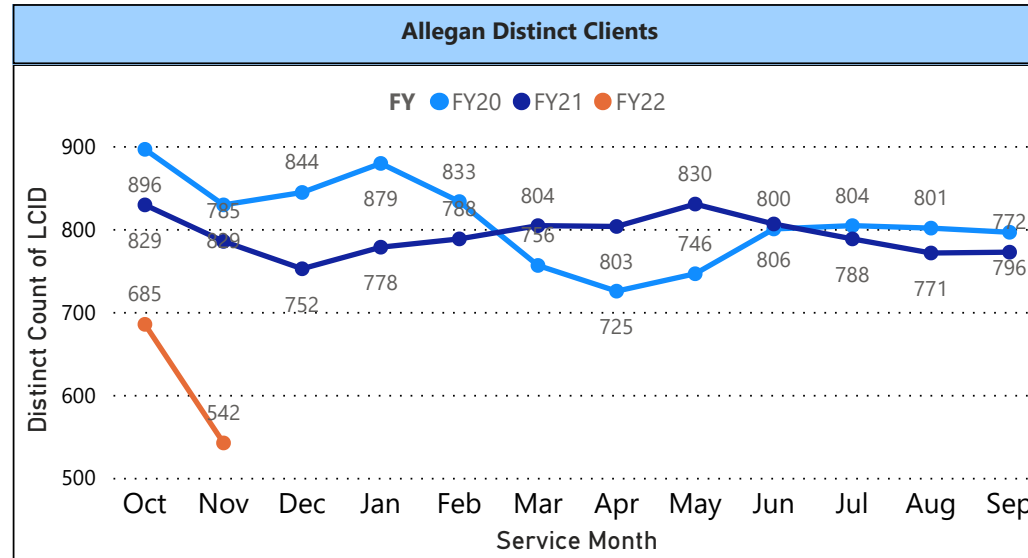


12/8/2021 3:09:55 PM

Latest ProcessDate



## Allegan Behavioral Health

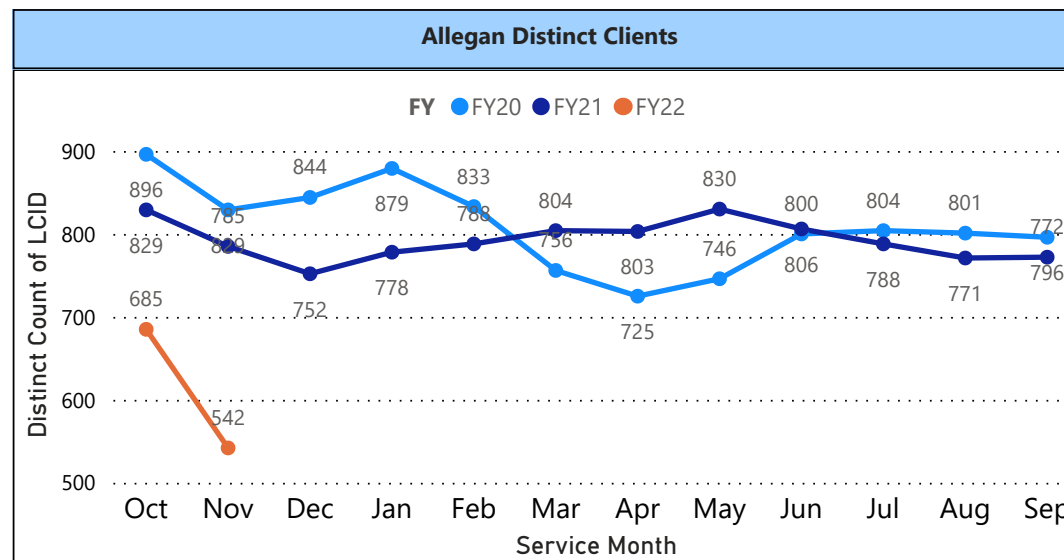


12/8/2021 3:03:27 PM

Latest ProcessDate

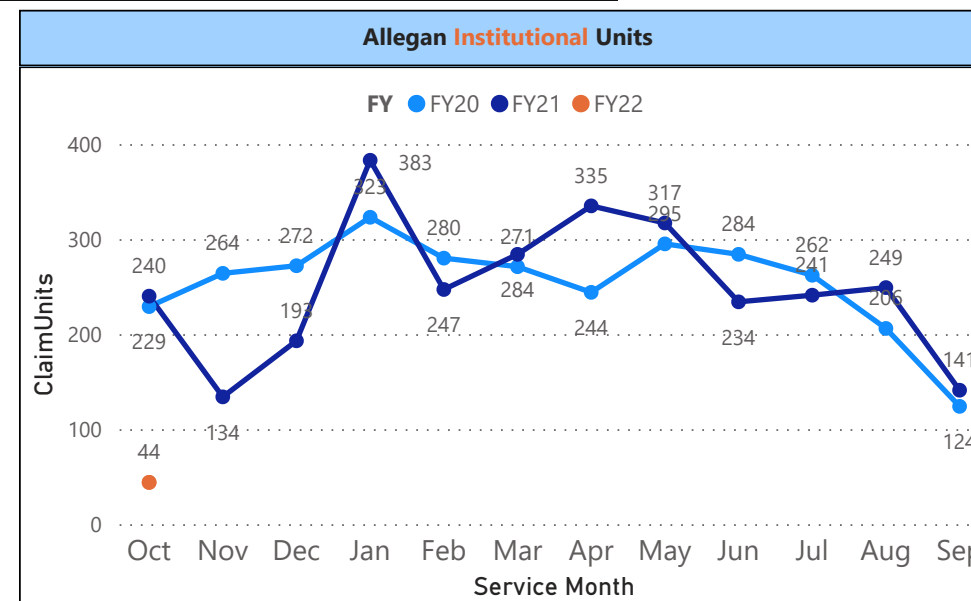
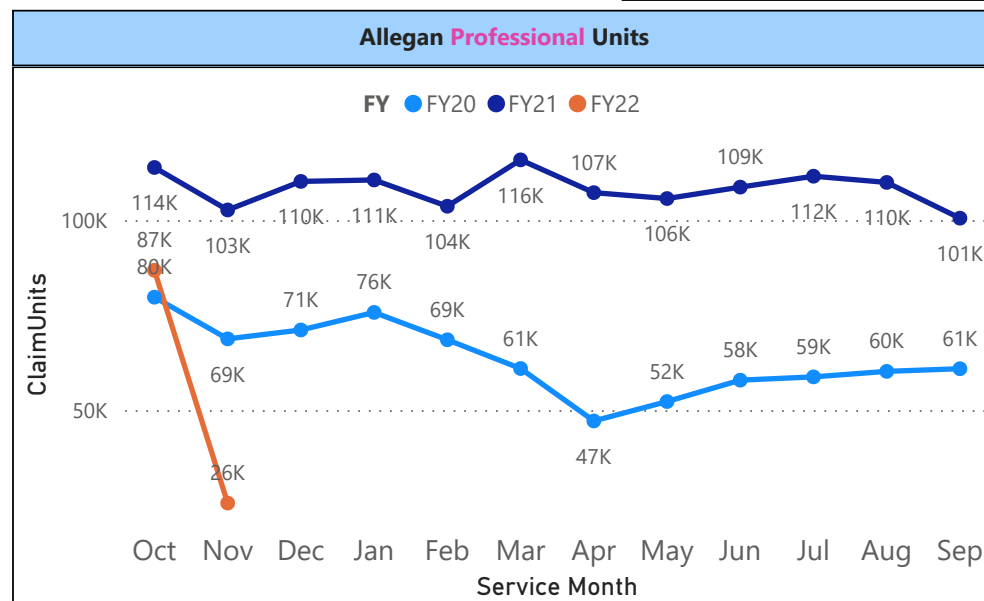


# Allegan Behavioral Health



FY: All

- Select all
- FY20
- FY21
- FY22

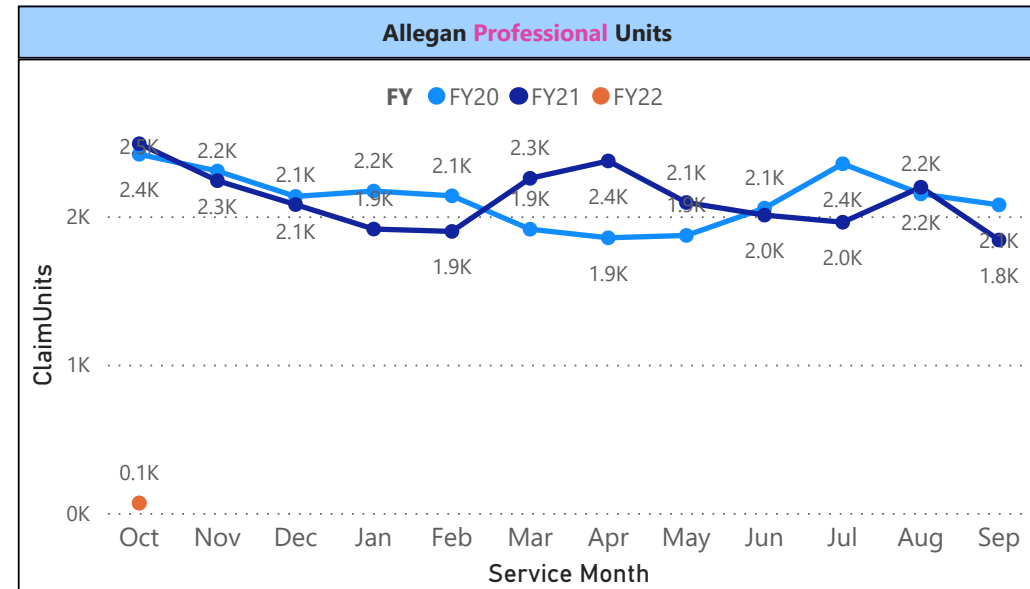
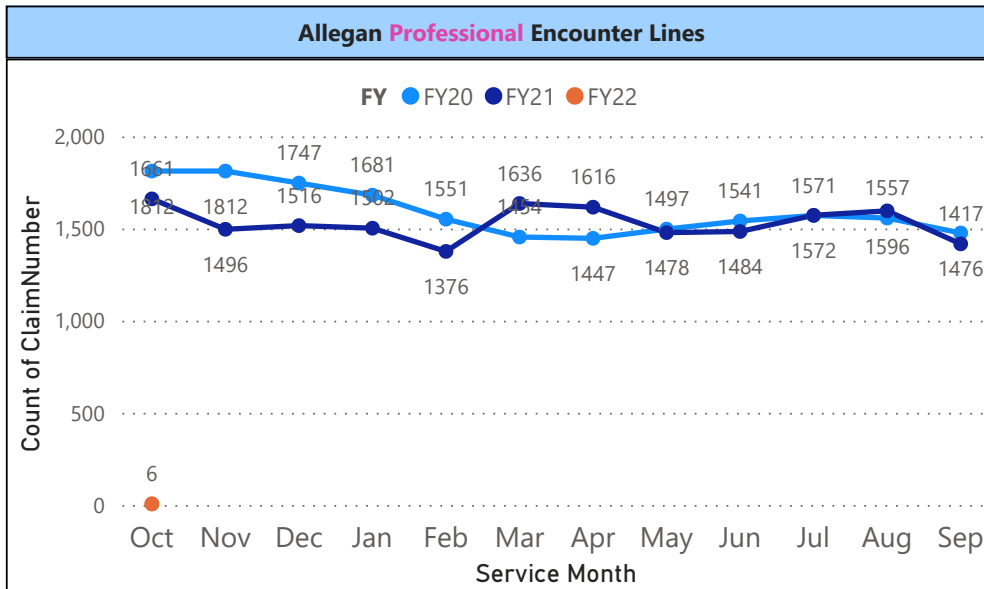
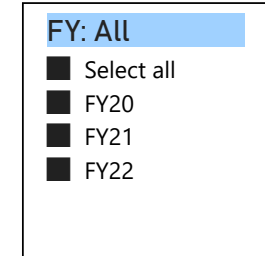
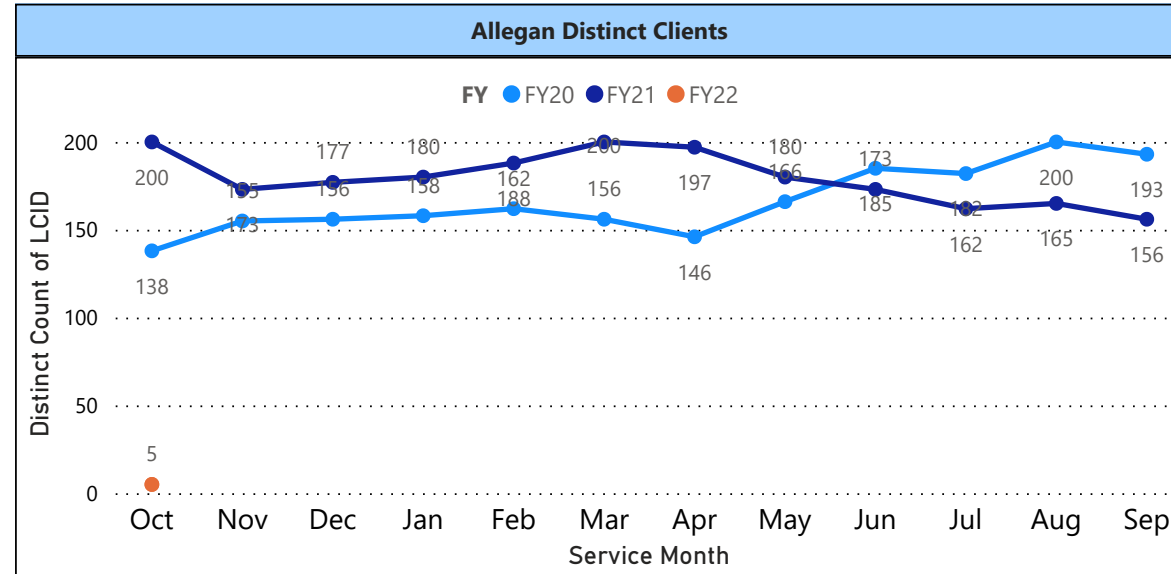


12/8/2021 3:03:27 PM

Latest ProcessDate



## Allegan Substance Use Disorder

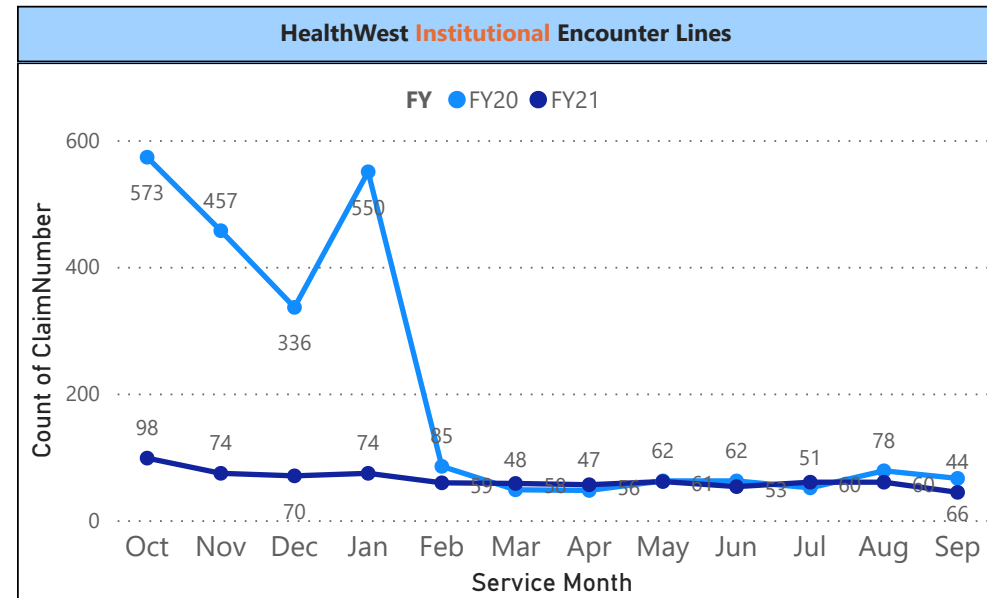
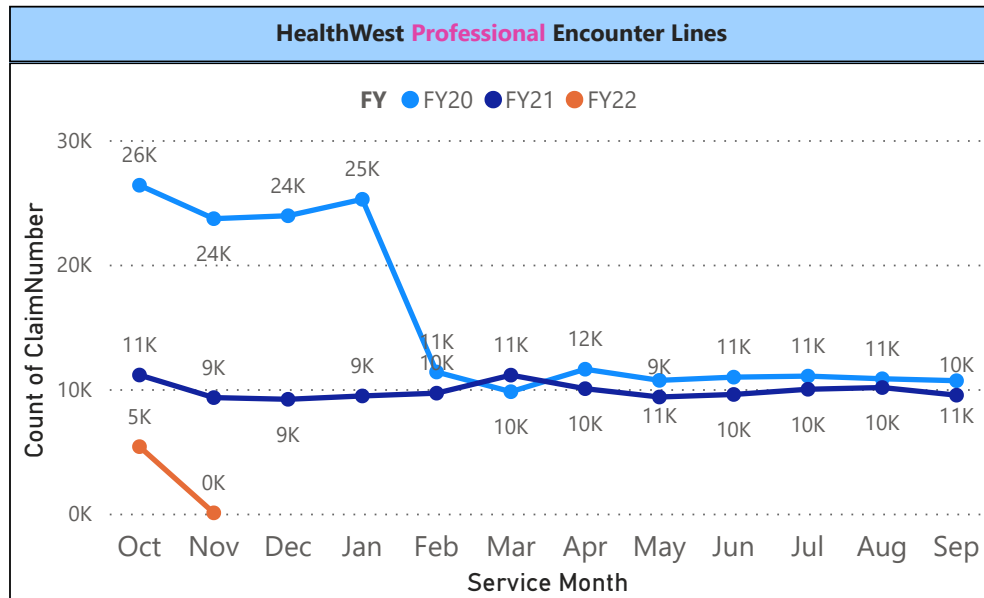
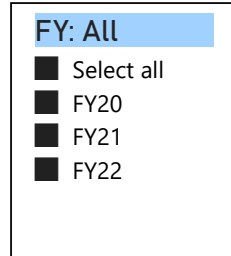
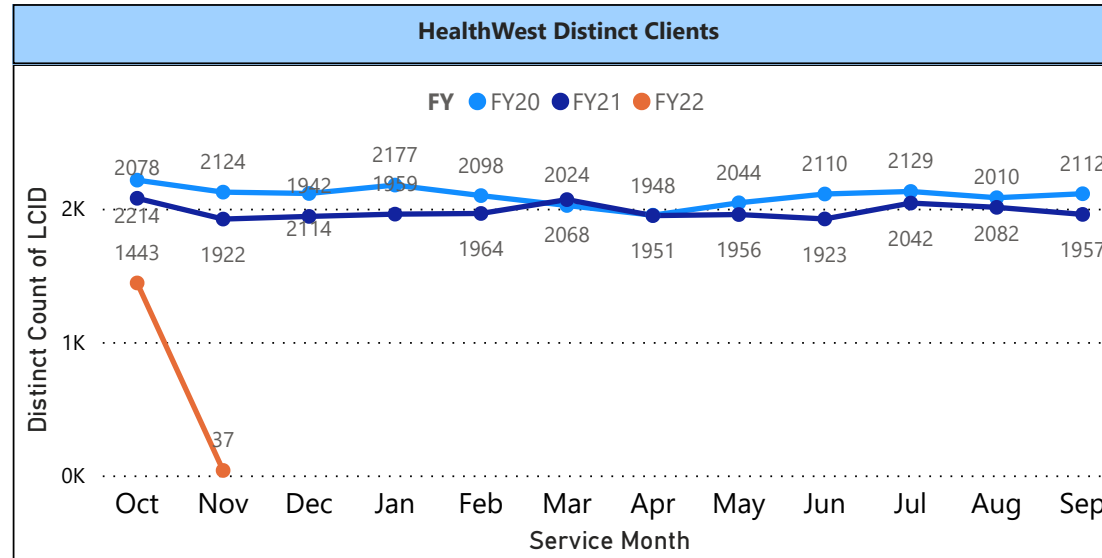


12/8/2021 3:09:55 PM

Latest ProcessDate



## HealthWest Behavioral Health



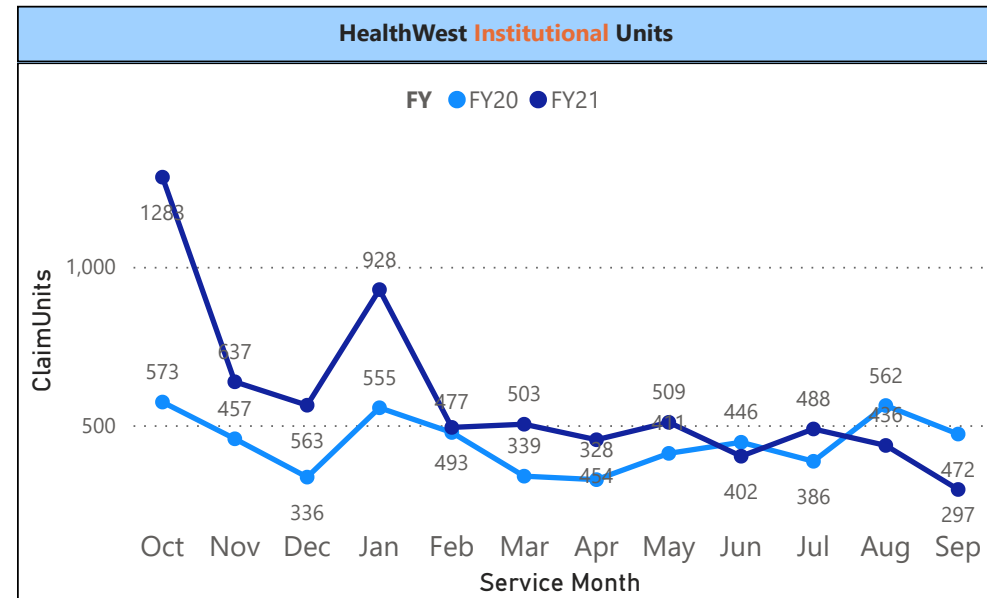
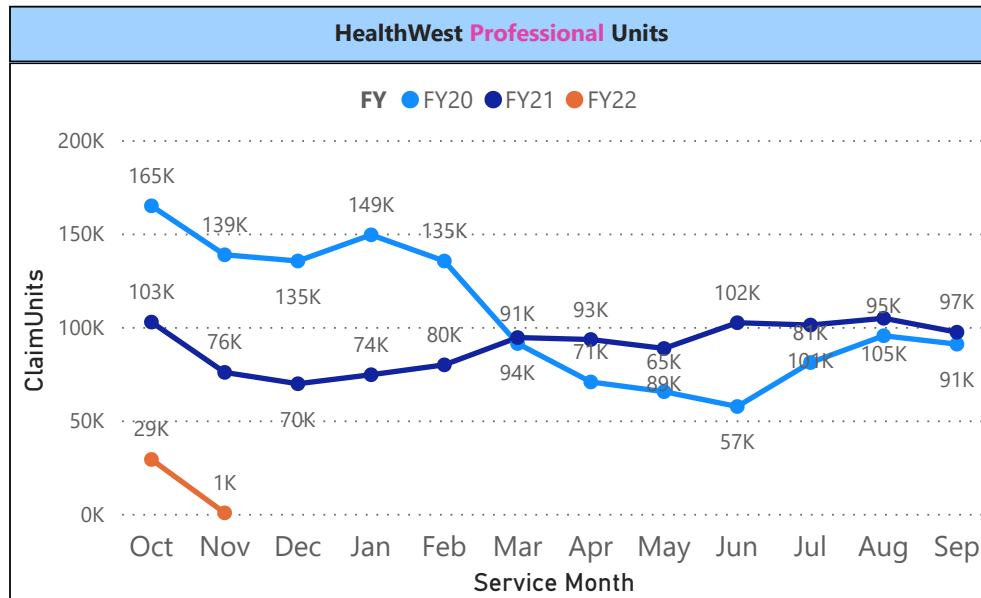
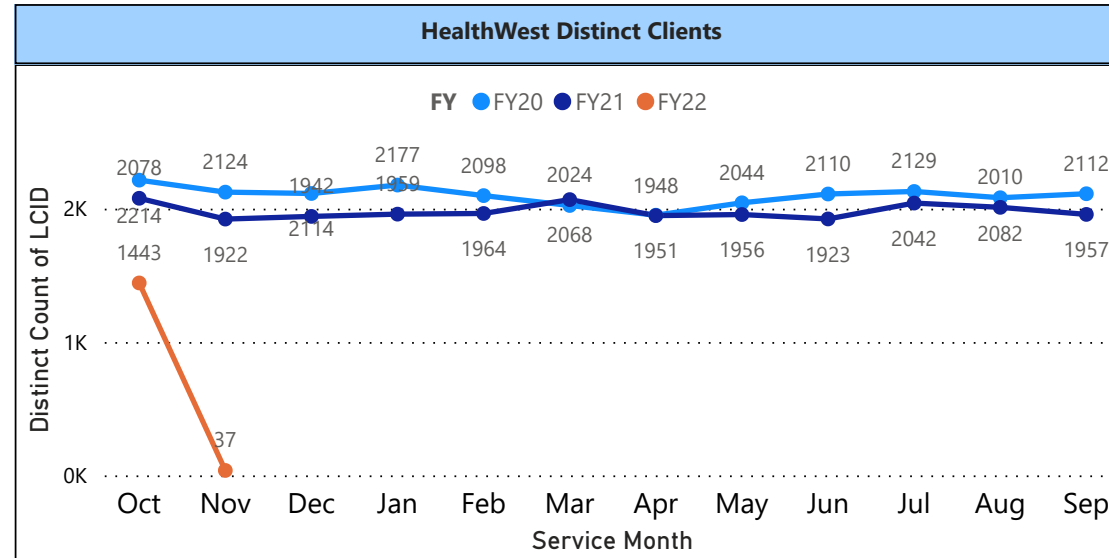
12/8/2021 3:04:33 PM

Latest ProcessDate





## HealthWest Behavioral Health

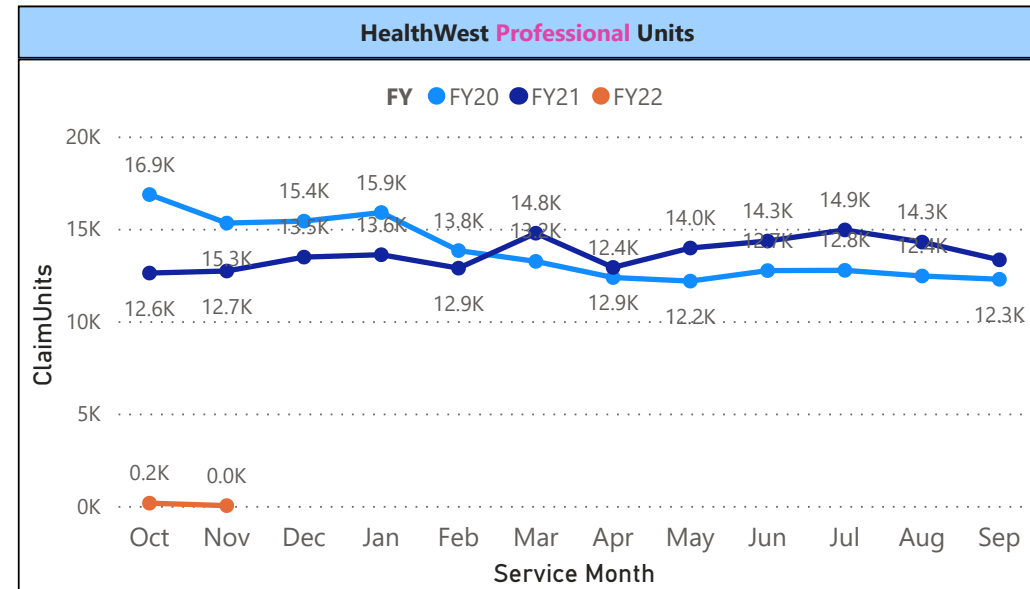
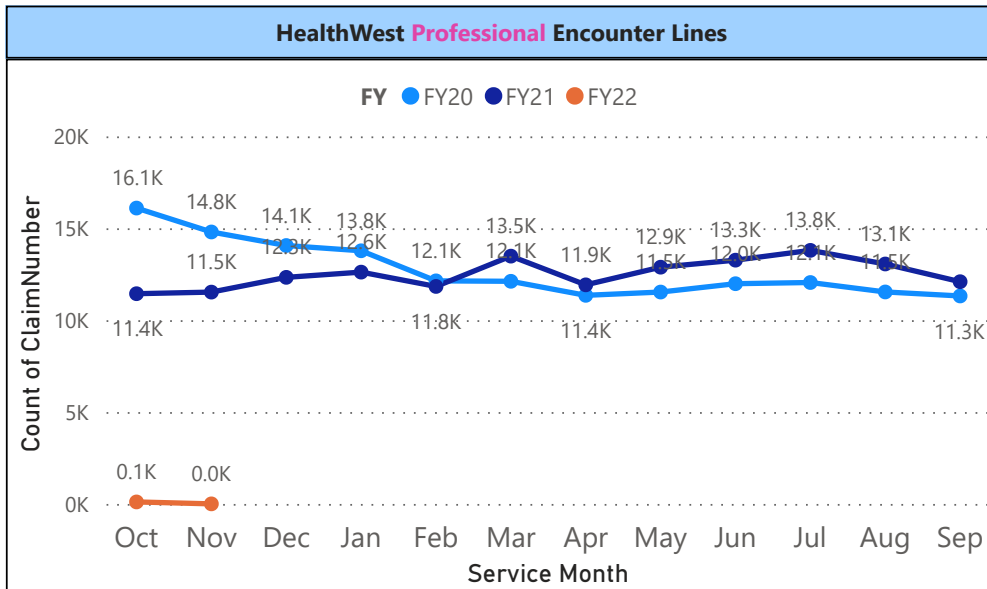
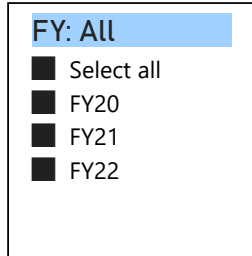
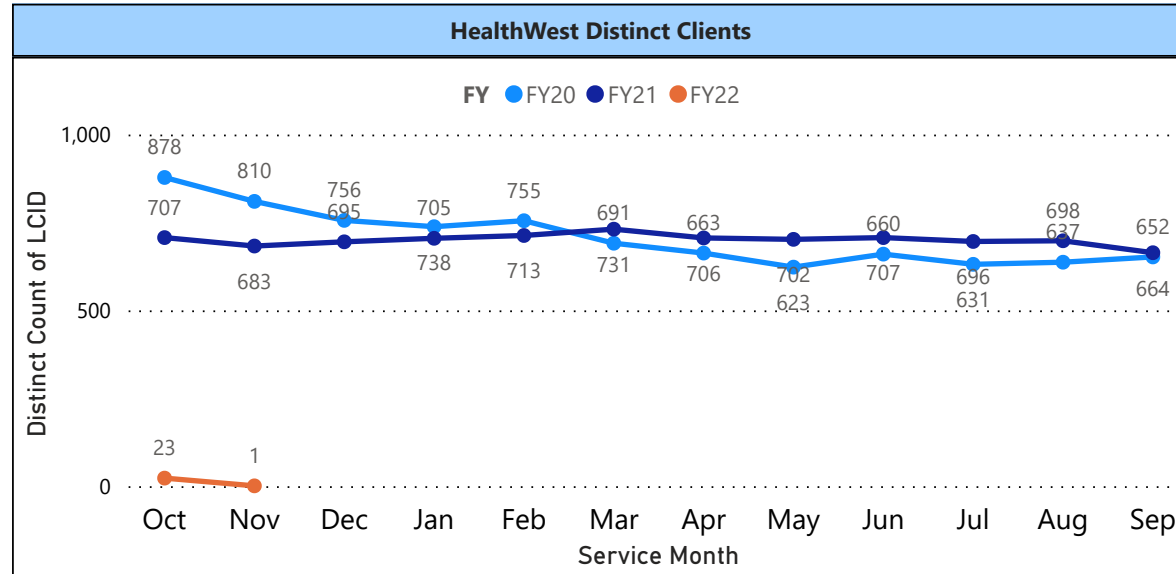


12/8/2021 3:04:33 PM

Latest ProcessDate



## HealthWest Substance Use Disorder

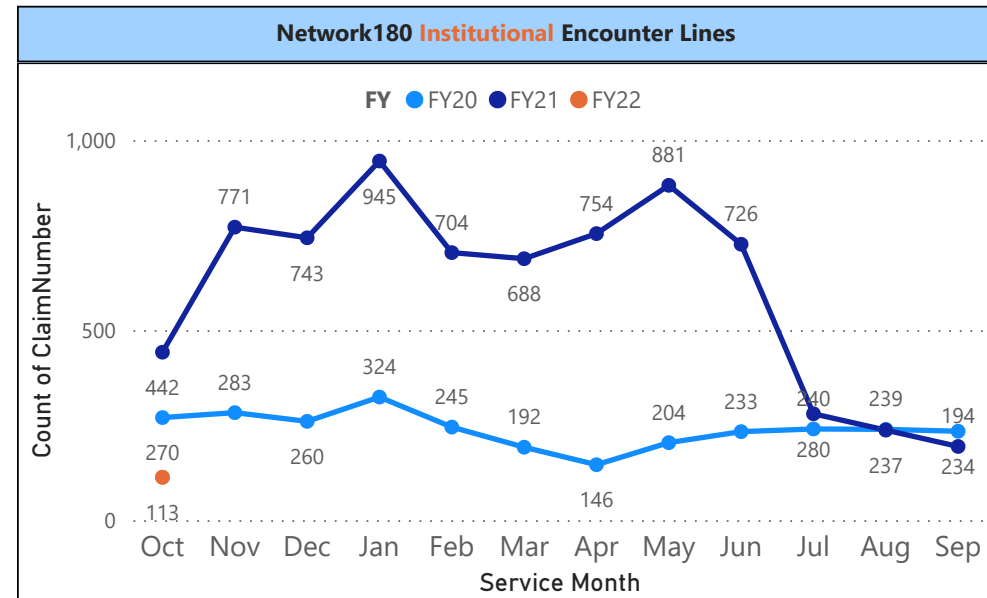
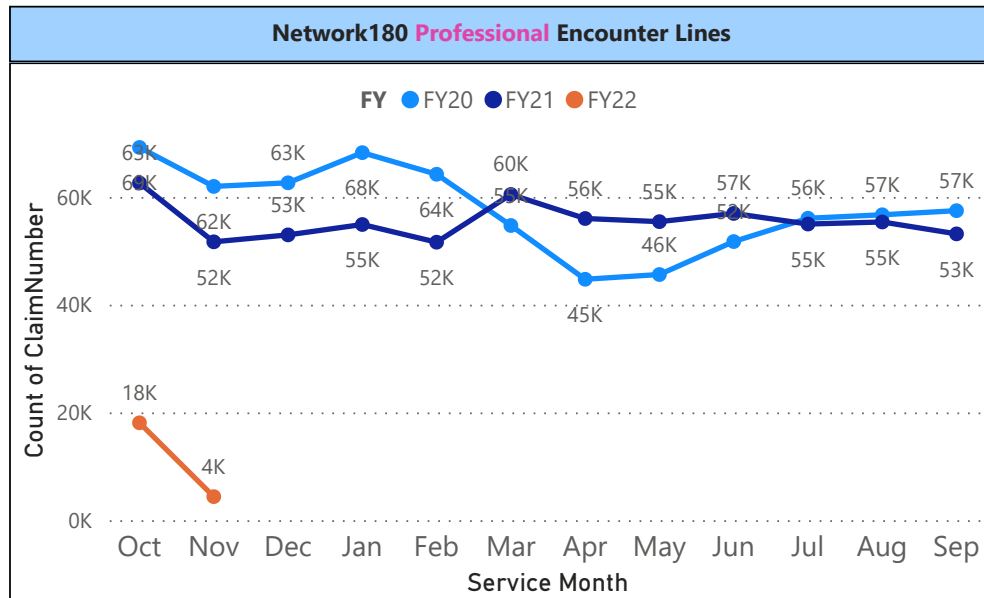
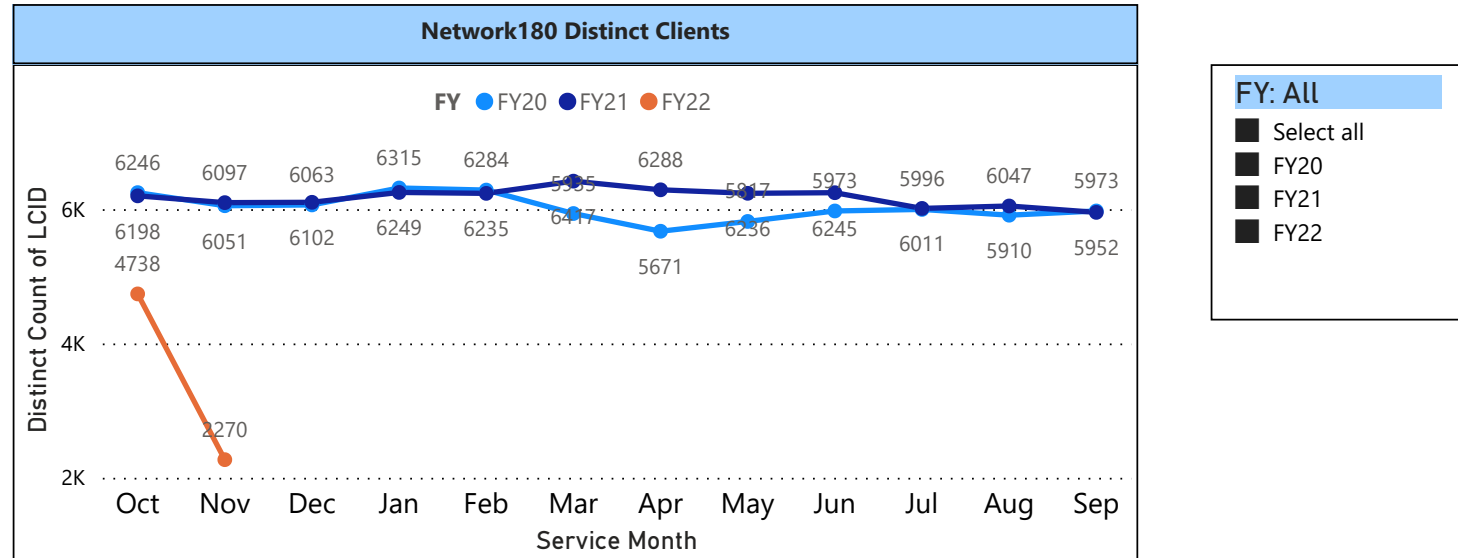


12/8/2021 3:09:55 PM

Latest ProcessDate



## Network180 Behavioral Health

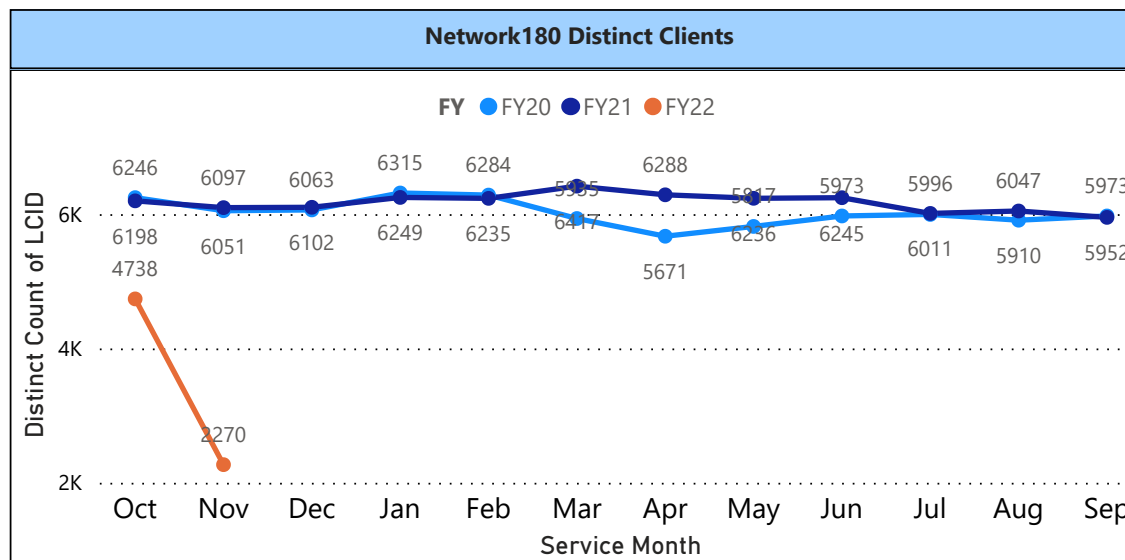


12/8/2021 3:07:15 PM

Latest ProcessDate

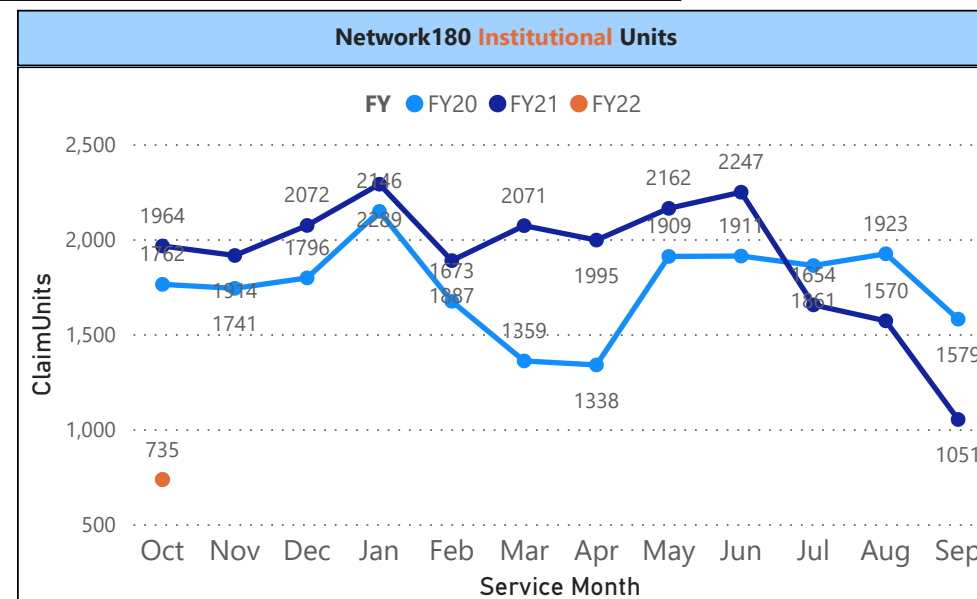
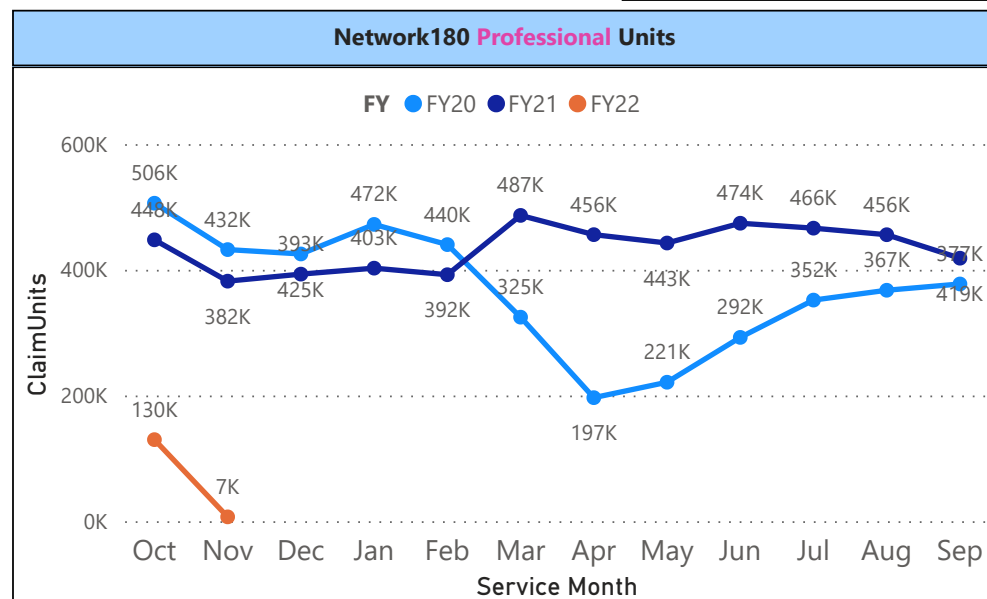


## Network180 Behavioral Health



**FY: All**

- Select all
- FY20
- FY21
- FY22

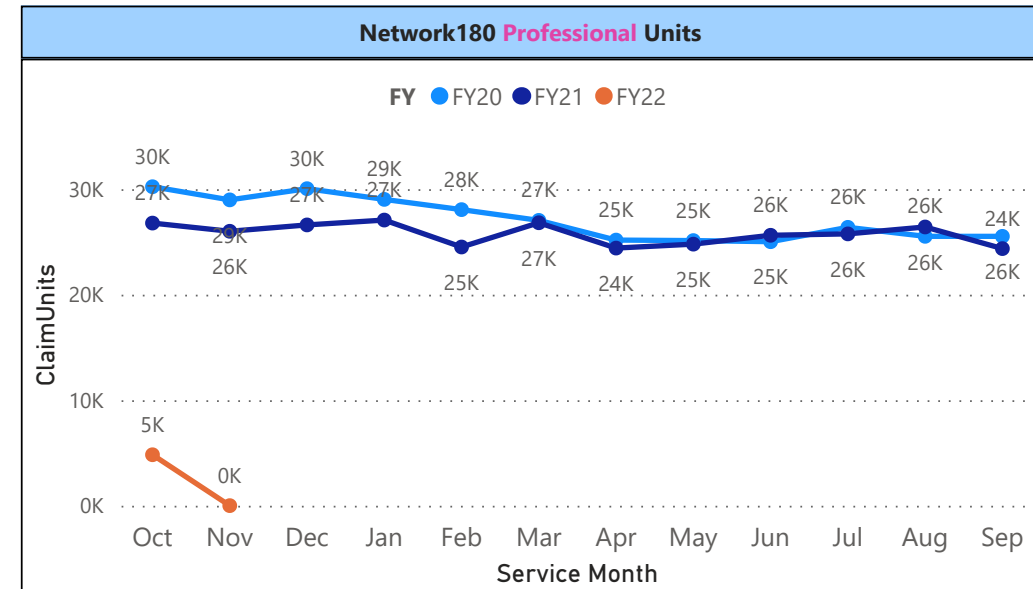
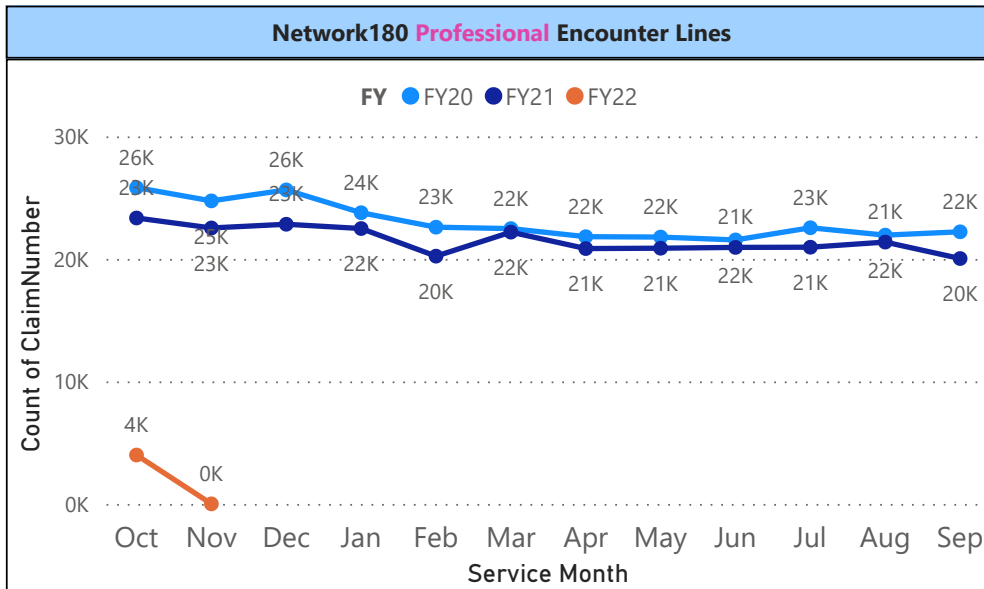
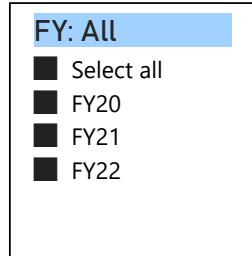
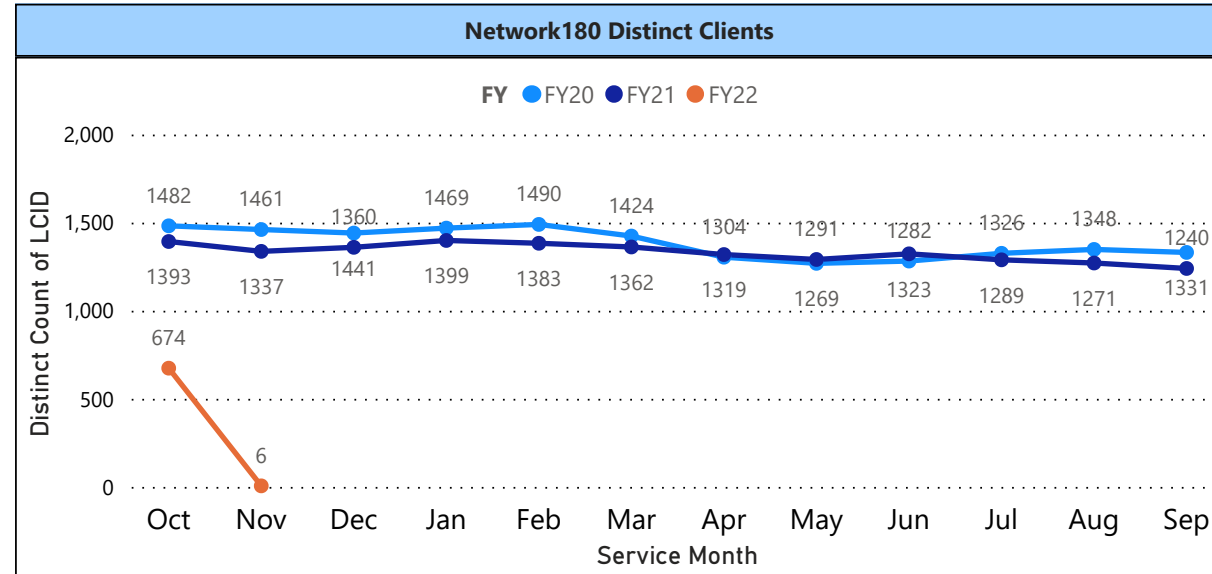


12/8/2021 3:07:15 PM

Latest ProcessDate



## Network180 Substance Use Disorder

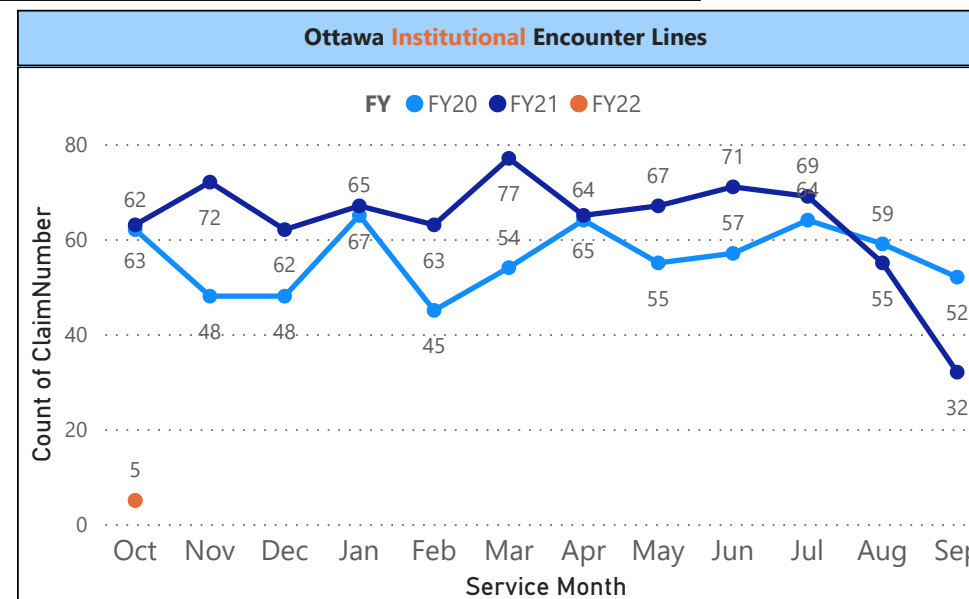
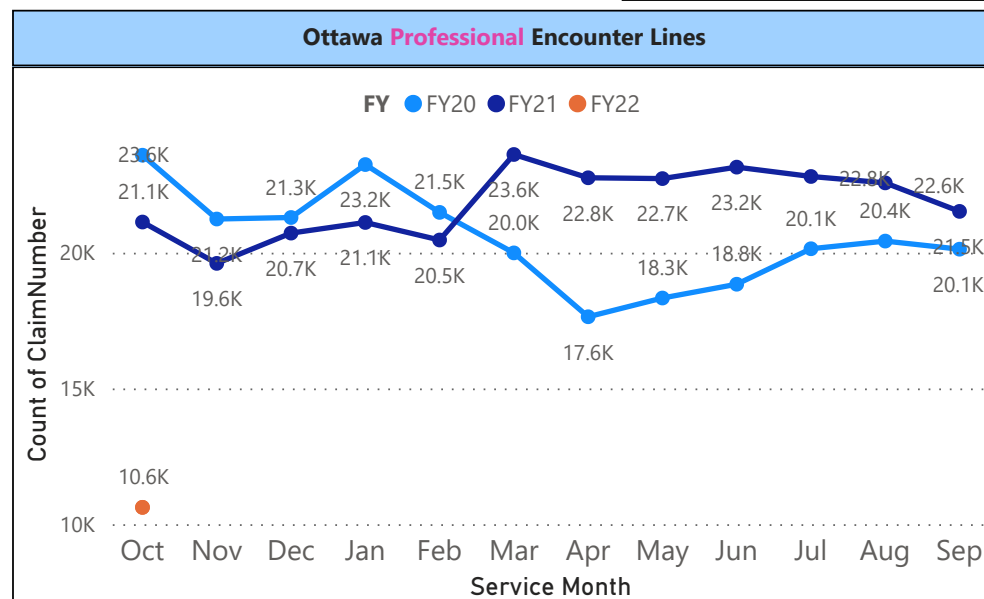
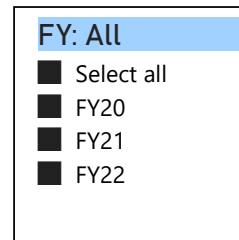
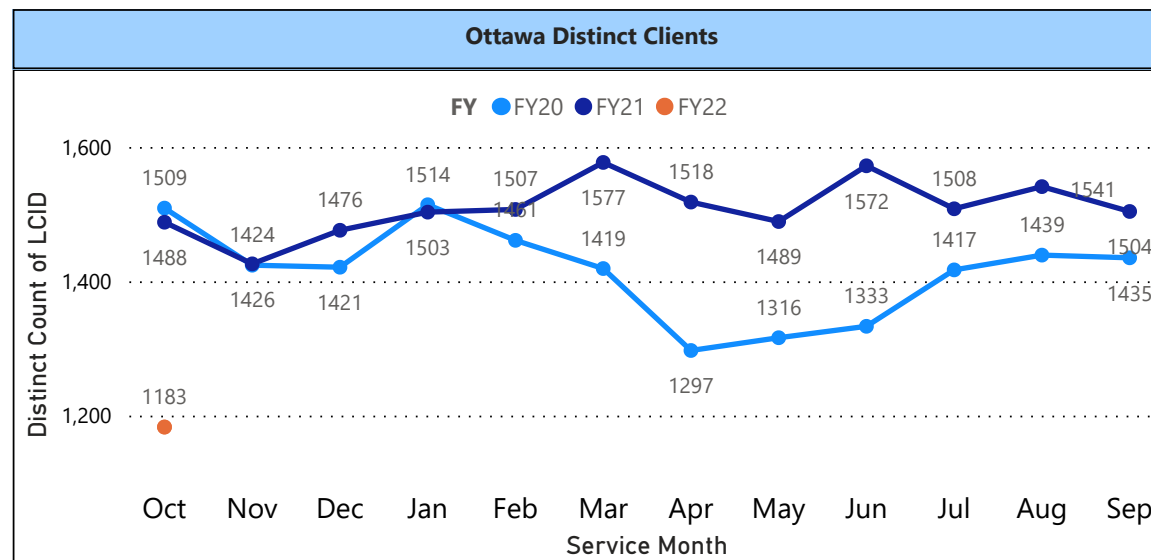


12/8/2021 3:09:55 PM

Latest ProcessDate



# Ottawa Behavioral Health

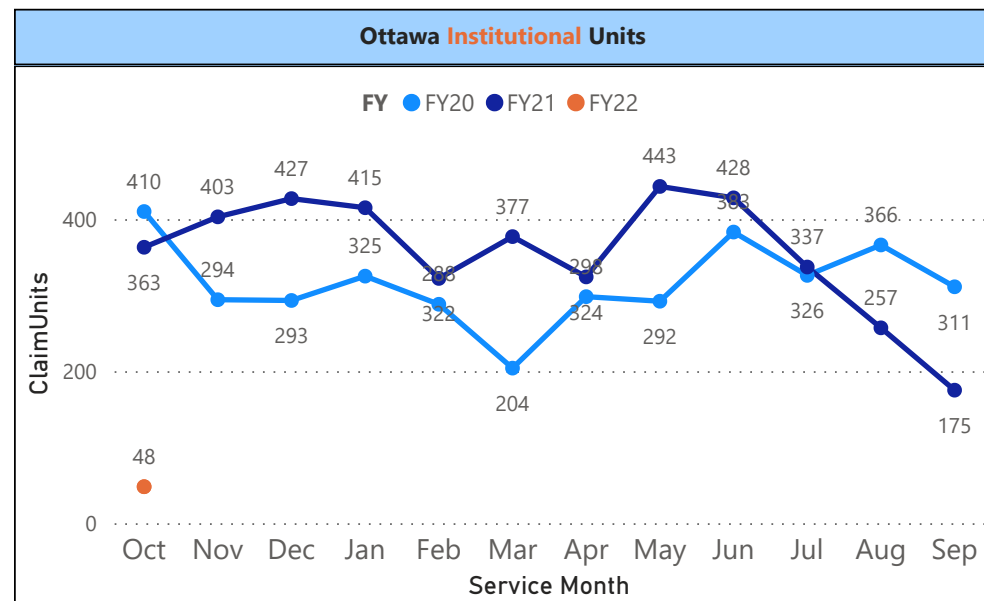
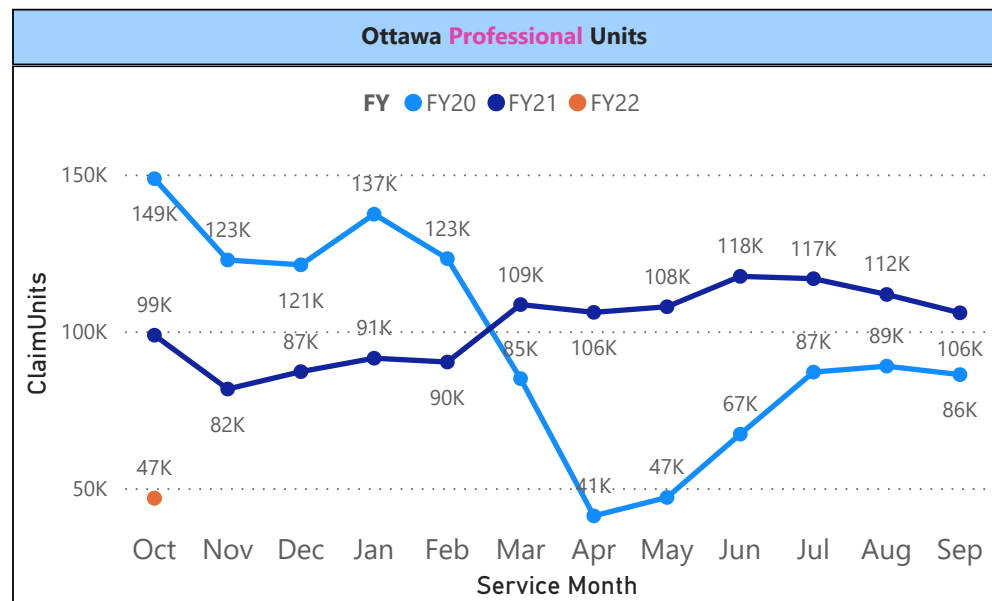
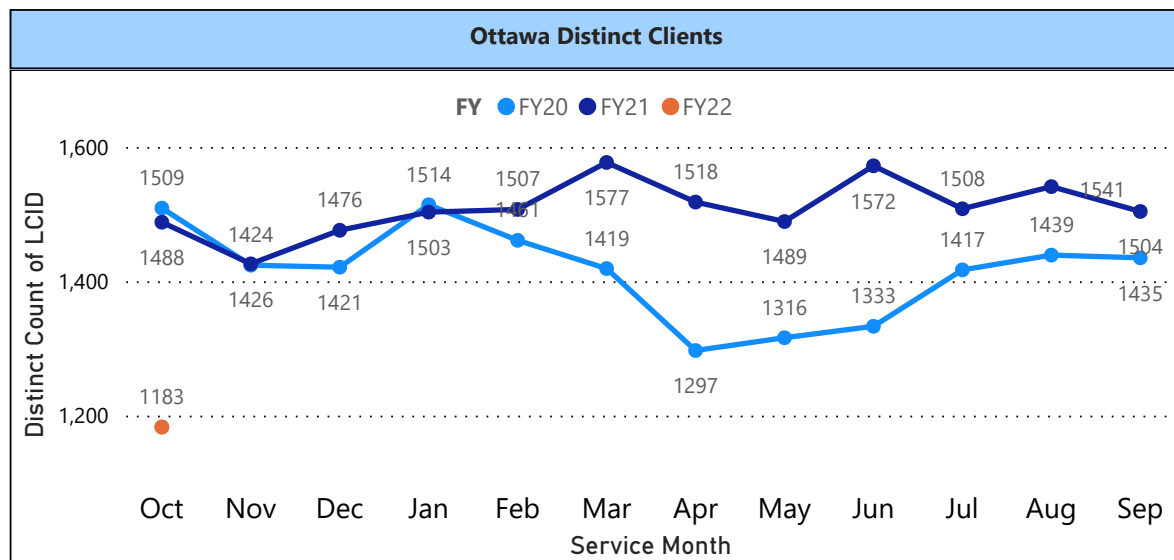


11/24/2021 2:08:58 PM

Latest ProcessDate



## Ottawa Behavioral Health



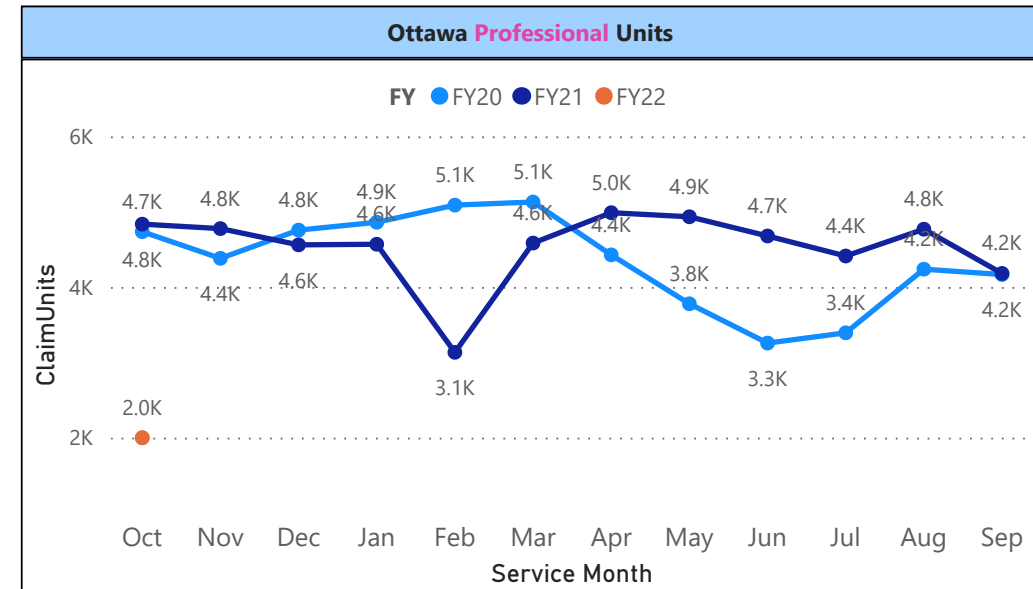
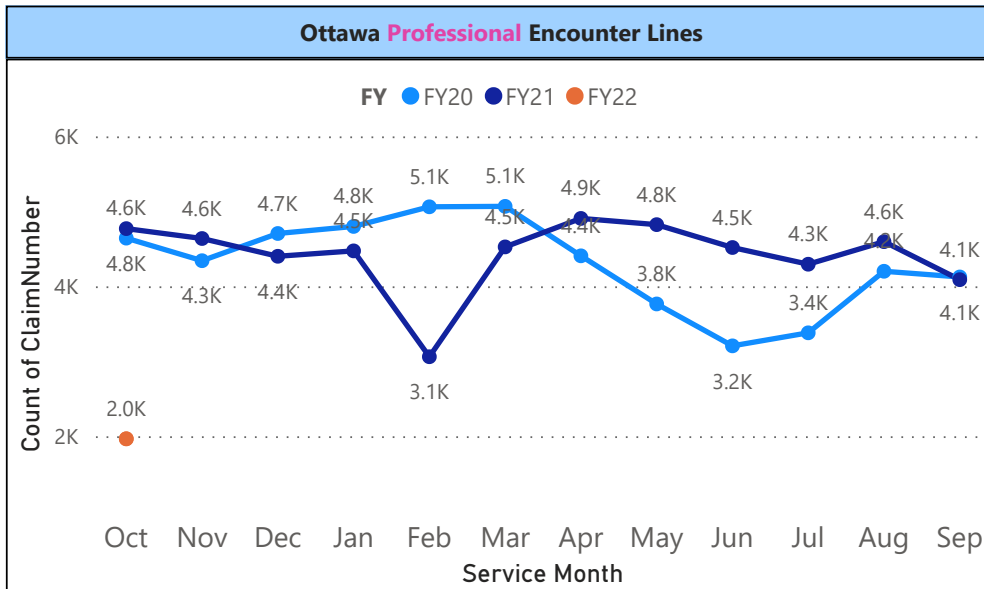
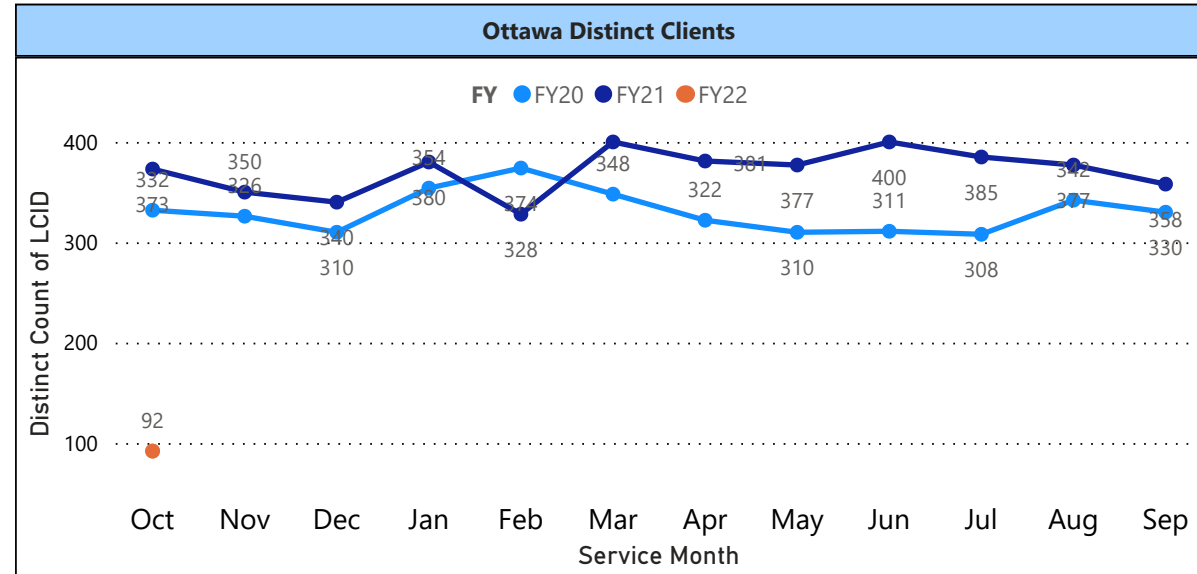
11/24/2021 2:08:58 PM

Latest ProcessDate





## Ottawa Substance Use Disorder

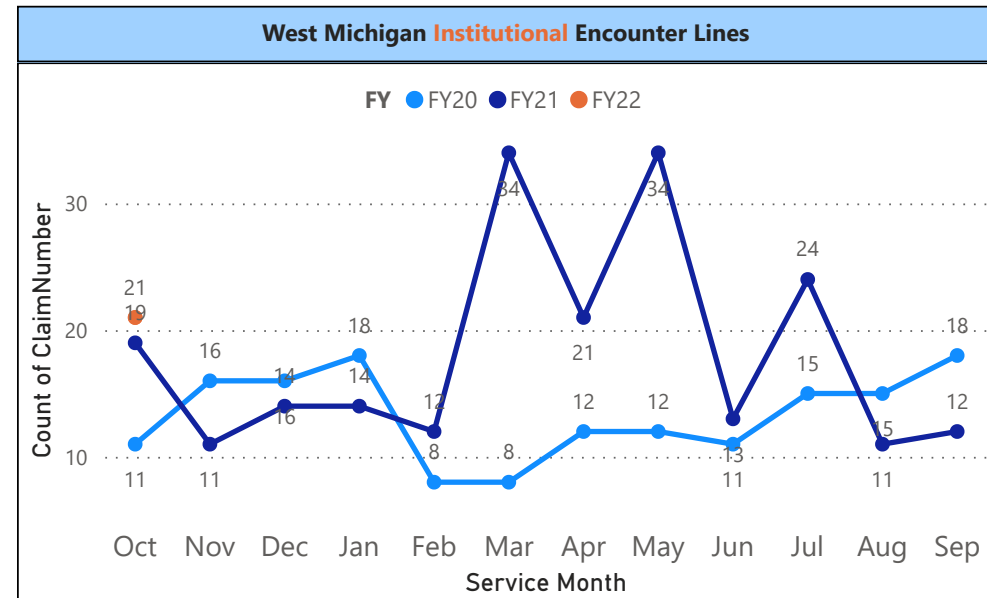
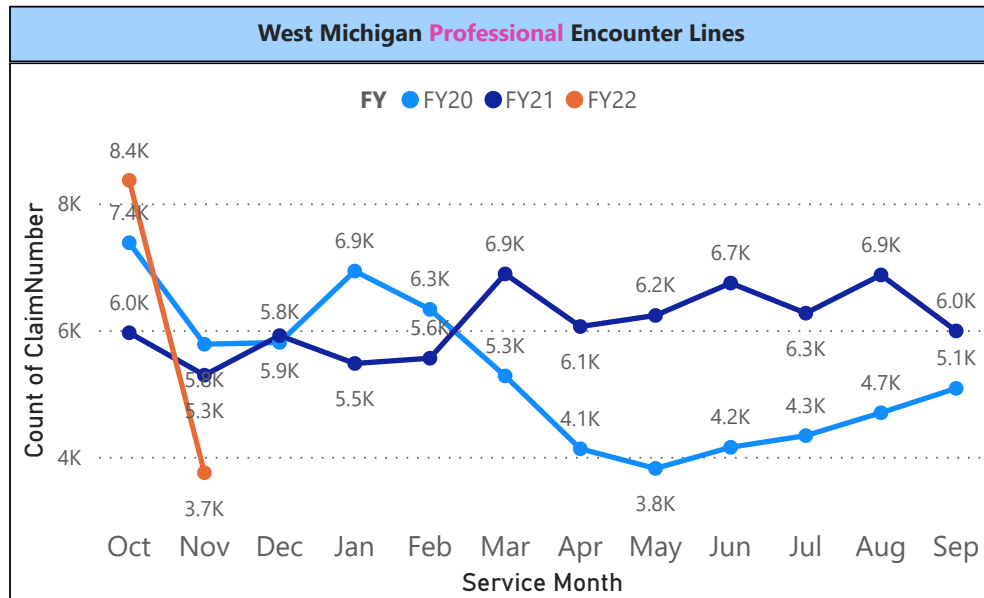
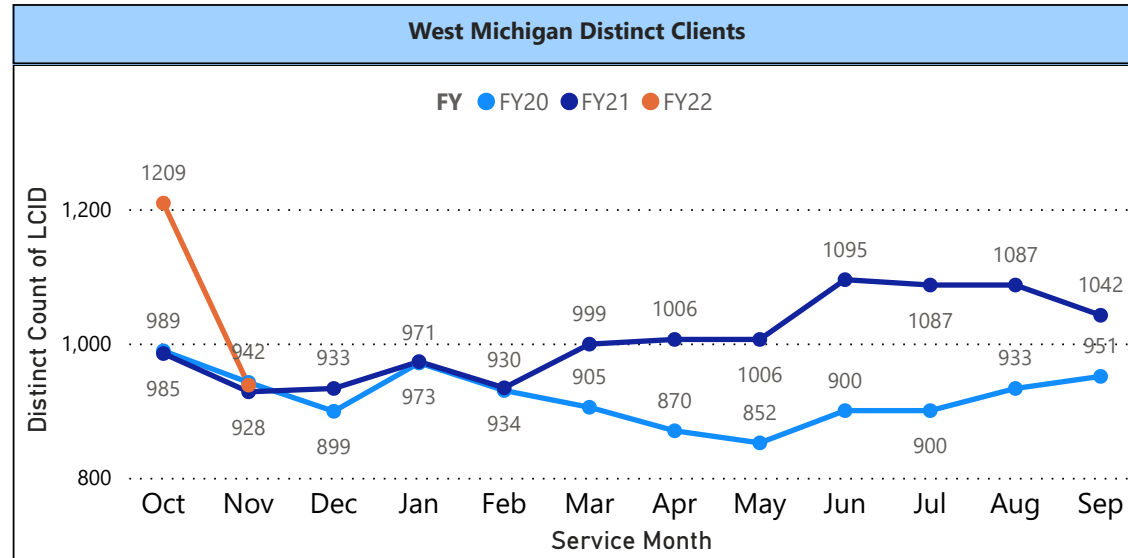


12/8/2021 3:09:55 PM

Latest ProcessDate



## West Michigan Behavioral Health

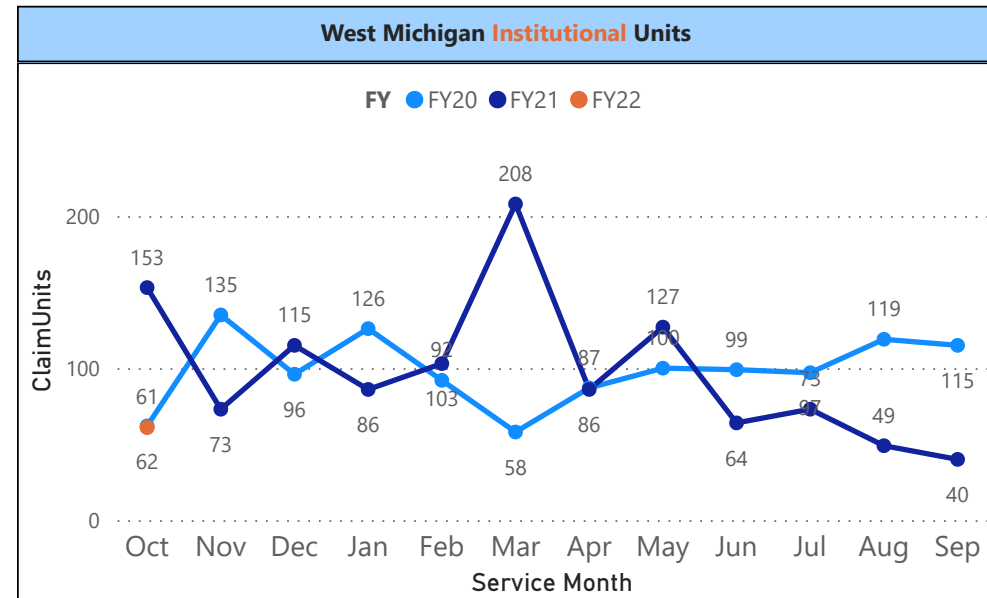
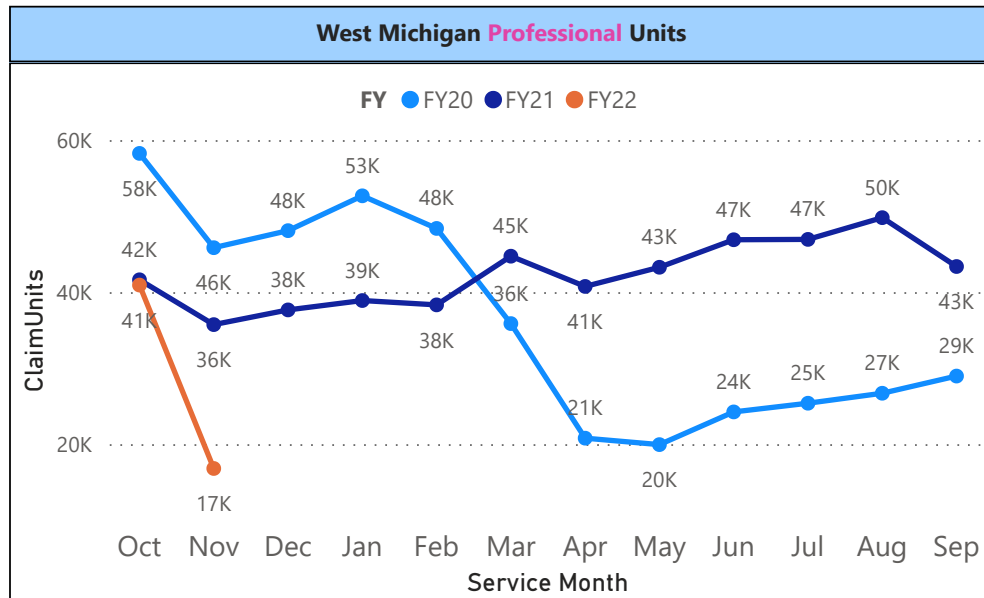
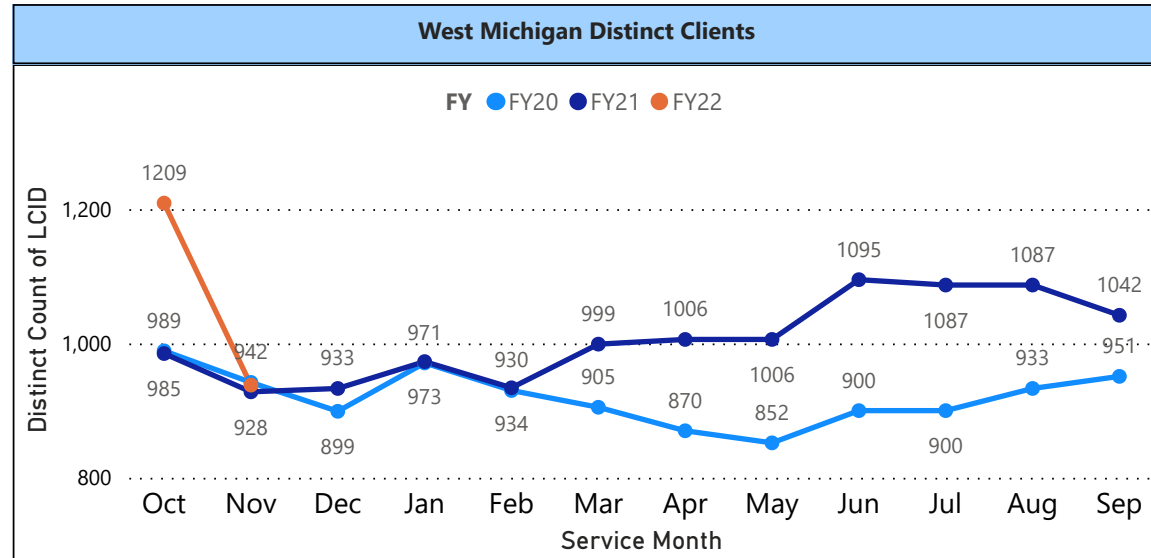


12/8/2021 3:08:46 PM

Latest ProcessDate



## West Michigan Behavioral Health

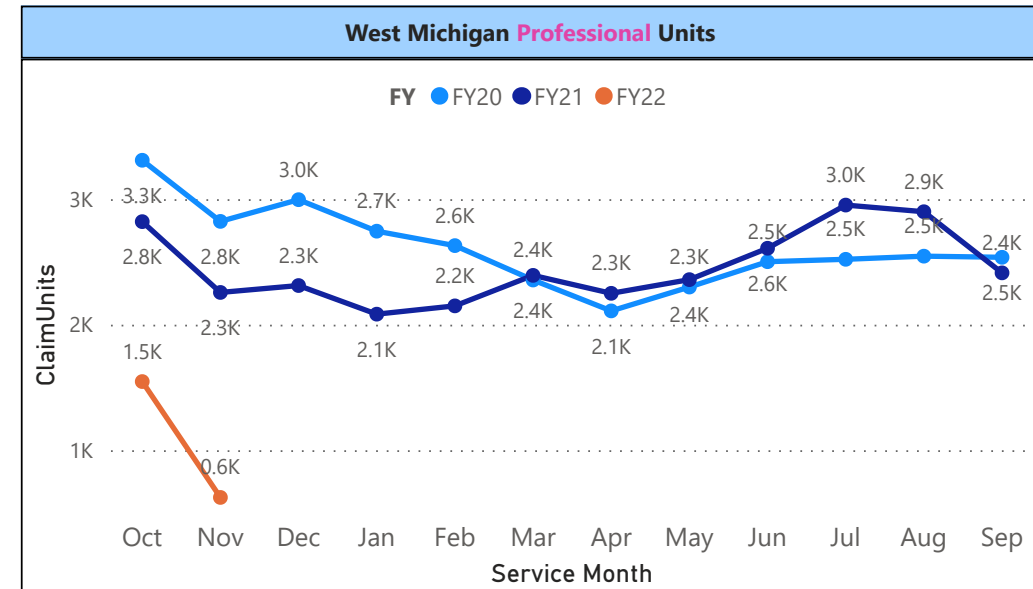
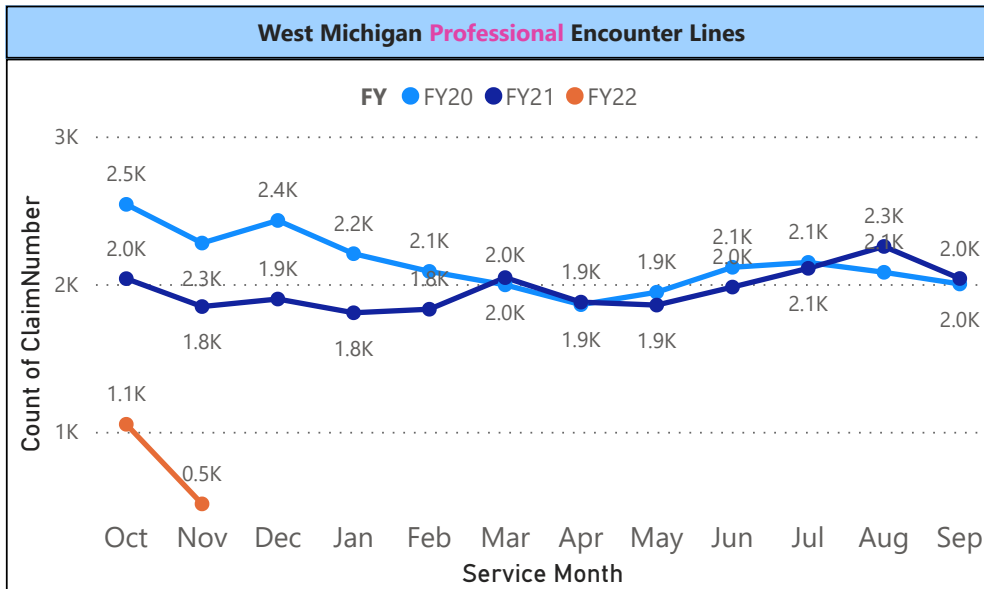
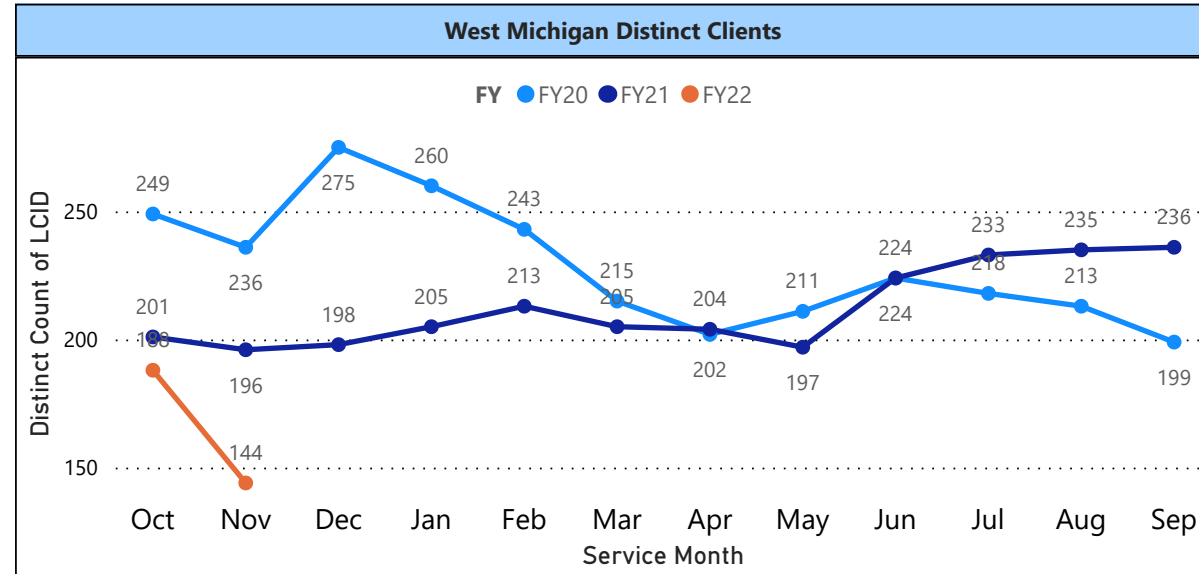


12/8/2021 3:08:46 PM

Latest ProcessDate



## West Michigan Substance Use Disorder



12/8/2021 3:09:55 PM

Latest ProcessDate



# Data Sources and Definitions

## **Data Source**

LRE\_DW\_CorporateInfo.LRE\_Encounters

## **Definitions**

***Distinct Clients:*** Distinct Count of LCID (Unique Regional Consumer ID)

***Service Month:*** MMM (ex. Oct) pulled from ServiceFromFullDate

***Encounter Lines:*** Count of ClaimNumber

***Units:*** Sum of ClaimUnits

***CMHSP:*** LRE visuals are using ALL MemberCodeCombined  
Individual CMHSP visuals using Individual MemberCodeCombed (ALGN, MKG, N180, OTT, WMCH)

***Division:*** Behavioral Health (MH) using Mental Health Division  
Substance Use Disorder using Substance Abuse Division

***Professional Lines and Units:*** TransactionType = Professional

***Institutional Lines and Units:*** TransactionType = Institutional

***Fiscal Year:*** FY

**EXECUTIVE COMMITTEE SUMMARY**

Wednesday, December 8, 2021, 3:00 PM

Present: Mark DeYoung, Peg Driesenga, Stan Stek, John Snider, Jane Verduin

**WELCOME**

- i. December 8, 2021, Meeting Agenda
- ii. November 10, 2021, Meeting Minutes

The December 8, 2021, meeting agenda and the November 10, 2021, meeting minutes were accepted as presented.

**BEACON CONTRACT TRANSITION UPDATE**

- All staff that will transition from Beacon to LRE have done so.
- LRE met with Beacon on 12/7/21 and went through their annual report. There were some points of disagreement regarding the report that were discussed with Beacon and will not be brought to the Board as is. The LRE is putting together a FY2021 annual report that will be disbursed when it is complete.
- LRE will continue to review the Beacon contract for further consideration and will keep the Board updated.

**MDHHS SETTLEMENT UPDATE**

- Ms. Marlatt-Dumas had a conversation with Chris Ryan and Greg Moore (LRE legal) after they spoke with the AG. MDHHS would like all historical deficit language out of the agreement. The AG is planning to have this resolved and sanctions lifted by December 29<sup>th</sup>.
- It has become clear that MDHHS will not contribute any funds to the deficit. At this point the LRE has the funds to pay 100% of the deficit. Mr. Moore has asked the Department to produce the regulations that state we are not allowed to use surplus funds to pay the historical deficit. Jeff Wieferich commented that in the contract it states that the ISF is for “future” costs and the MC savings states that the first dollar is used for the next year spending.
- Legal is reviewing a declaratory action.

**OPERATING AGREEMENT/BYLAWS REVISIONS**

- A grid has been developed that shows the changes and the reasons for the change in the Operating Agreement and Bylaws.
- During the next Board meeting we will have the 6-foot spread between the Board members and masks will be required.
- Mr. Stek would recommend that if COVID numbers continue to grow and LRE Board meetings do not have a quorum that we could hold votes over to the following meeting.

## EXECUTIVE COMMITTEE 2022 MEETING SCHEDULE

Motion: To approve the 2022 Executive Committee meeting schedule

Moved: John Snider  
MOTION CARRIED

Support: Peg Driesenga

## BOARD MEETING AGENDA ITEMS

1. 2021 Board Meeting Schedule
2. LRE/CMH Contract Amendment #2 – Extension – September 30, 2022
3. Co Staff Contract Agreement – will cost less than having HR staff internally.
4. Insurance Recommendation to move to a hardcap. This would make LRE more competitive. Regionally we have 3 CMHs that are hardcap, 1 that is 80/20 and another is on a waiver. Ms. Chick will have more information at the Board meeting.
5. CMHAM Advocacy

## BOARD WORK SESSION AGENDA

1. Risk Plan
2. QAPIP
3. LRE Policies

## OTHER

## UPCOMING MEETINGS

- December 9, 2021 – Consumer Advisory Panel, 1:00 PM
  - December 16, 2021 – LRE Executive Board Meeting, 1:00 PM
  - January 12, 2022 – LRE Executive Committee, 3:00 PM
  - January 20, 2022 – LRE Executive Board Meeting, 1:00 PM
- GVSU, Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440**

## ADJOURN



## 2022 EXECUTIVE BOARD MEETING SCHEDULE

Unless otherwise noted, all Lakeshore Regional Entity Board of Directors meetings are scheduled for the third Thursday of each month 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 20, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
February 17, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
March 17, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
April 21, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
May 19, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
June 16, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
July 21, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
August 18, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
September 15, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
October 20, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
November 17, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440
December 15, 2022	Muskegon Innovation Hub	200 Viridian Dr., Muskegon, MI 49440



**AMENDMENT #2 TO FY 2020/2021  
MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES  
1115 DEMONSTRATION WAIVER, 1915 (c)/(i) WAIVER PROGRAM(S),  
THE HEALTHY MICHIGAN PROGRAM, FLINT 1115 DEMONSTRATION WAIVER  
SUBSTANCE USE DISORDER COMMUNITY GRANT PROGRAMS SUBCONTRACT  
AGREEMENT**

MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES 1115 DEMONSTRATION WAIVER, 1915 (c)/(i) WAIVER PROGRAM(S), THE HEALTHY MICHIGAN PROGRAM, FLINT 1115 DEMONSTRATION WAIVER SUBSTANCE USE DISORDER COMMUNITY GRANT PROGRAMS SUBCONTRACT AGREEMENT (the “Agreement”) is effective OCTOBER 1, 2020 between LAKESHORE REGIONAL ENTITY, (the “Payor), whose administrative offices are located at 5000 Hakes Drive, Muskegon Michigan, 49441 and CMHSP (the “Provider”), whose administrative offices are located CMHSP ADDRESS (collectively “the Parties).

**RECITALS**

WHEREAS, the Agreement between the parties became effective October 1, 2020 and expires on September 30, 2021; and

WHEREAS, pursuant to the terms of Article VI of the agreement, the Parties amended the Agreement in order to extend the Term until December 31, 2021.

WHEREAS, pursuant to the terms of Article VI of the agreement, the Parties desire to amend the Agreement in order to extend the Term until September 30, 2022.

NOW, THEREFORE, the parties agree as follows:

1. Effective as of the effective date, and in accordance with the terms of Article VI of the Agreement, the first sentence of Article VI shall be revised to read as follows:

The term of this Agreement shall be from October 1, 2020 thru September 30, 2022.

2. Effective October 1, 2020 Exhibit E-Subrecipient Award shall be revised to reflect approved budgets for services provided in FY2021/2022.

IN WITNESS WHEREOF, the parties have executed this Amendment to Medicaid Managed Specialty Supports and Services Concurrent 1915 (b)/(c) Waiver Program Demonstration Subcontract Agreement on the date first written above.

LAKESHORE REGIONAL ENTITY

CMHSP

By: \_\_\_\_\_  
G. Mary Marlatt-Dumas

By: \_\_\_\_\_

Its: Chief Executive Officer

Its: Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Publicly Funded Health Insurance Contribution Act  
Public Act 152**

December 16, 2021

Lakeshore Regional Entity  
Board of Directors

Public Act 152 of 2011 created a new law that limits the amount that public employers pay toward employee medical benefit plans, beginning January 1, 2012. Under the Publicly Funded Health Insurance Contribution Act a public employer that offers or contributes to a medical benefit plan for its employees has three options.

The three options are as follows:

- (1) Section 3 - **“Hard Caps” Option** - limits a public employer’s total annual health care costs for employees based on coverage levels, as defined in the Act;
- (2) Section 4 - **“80%/20%” Option** - limits a public employer’s share of total annual health care costs to not more than 80%. This option requires an annual majority vote of the governing body;
- (3) Section 8 - **“Exemption” Option** - a local unit of government, as defined in the Act, may exempt itself from the requirements of the Act by an annual 2/3 vote of the governing body;

Since its formation, the LRE and its Board of Directors have elected to adopt the 80%/20% option as its choice of compliance under the Act.

Based on the attached analysis, the change in the LRE's financial condition, and the desire to position the LRE to be more competitive in the job market, **it is our recommendation the LRE Board of Directors rescind its February 18, 2021 motion approving section 4 as the LRE's health care costs sharing option and adopt the Section 3 option** that caps the LRE's annual health care costs for employees up to amounts based on coverage levels, as annually defined in the Act beginning January 1, 2022.

Benefit Plan	2021 Hard Cap (HC)	Per Pay Period	80%/20%	80% ER	Per Pay Period	20% EE	Per Pay Period
		Premium			Premium		Premium
Single	\$ 7,043.89	\$ 270.92	\$ 5,907.61	\$ 4,284.02	\$ 164.77	\$ 1,623.59	\$ 62.45
Individual & Spouse or Individual + 1 Coverage	\$ 14,730.93	\$ 566.57	\$13,240.09	\$10,592.07	\$ 407.39	\$ 2,648.02	\$ 101.85
Family Coverage	\$ 19,210.66	\$ 738.87	\$18,196.30	\$14,557.04	\$ 559.89	\$ 3,639.26	\$ 139.97

<b>Total Current Annual Cost to EE using 80%/20% option</b>	\$ 56,071.67
<b>Total Annual Cost to 8 EE using Hard Cap (Must be paid by EE)</b>	\$ (10,932.51)
<b>Total Increase in Expenses to LRE Using Hard Cap</b> (12 Employee's Annual Cost will decrease under HC and they will no longer pay a share of their premium)	\$ 45,139.16
<b>8 - Employees' Cost exceed the Hard Cap allowance (Must be paid by EE)</b>	\$ 10,932.51
If 3 of the 8 Employees switch to the H.S.A. plan, their costs will not exceed HC and this amount would be fully covered by the LRE	\$ 744.79
<b>12 - Employee's Annual Cost will decrease under HC. This cost moves over to the LRE. (These EE would no longer pay a share of their premium)</b>	\$ (45,018.22)
<b>2 - Employee's Annual Cost will increase under Hard Cap</b>	\$ (504.39)
<b>3 - Employees Not on the LRE's plan</b>	\$ -