

EXECUTIVE COMMITTEE SUMMARY

Wednesday September 11, 2020, 9:30 AM

WELCOME

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

CEO

Mr. Hofman had disclosed that he will retire but intended to stay through his contract. There are personal reasons that he decided on February 12 as his set date which is a sooner than the March date on his contract. Mr. Hofman has offered to stay on during the transition or for the amount of time that the Board requests.

The group agrees to move forward rapidly in finding a replacement. This is due to the number of items that need immediate attention in the region.

There were preliminary discussions during the regularly scheduled Executive Committee to put an interim CEO in place while the LRE searches for a permanent replacement. It is suggested that Mr. Hofman stay on while an interim is vetted and transitioned.

There are areas such as HW lawsuit, MDHHS Settlement and PA2 that continue and will need attention. The situation with the state is tenuous along with the systemic changes that are being discussed for all PIHPs.

Question: Is there an internal person that has had experience during these issues?

Mr. Stek recommends speaking with Bill Riley. He knows the region and has experience. At this point he is finishing up his contract with HW. Mr. Snider and Ms. Verduin agree that because of his experience and the relationships that he has, he would be a good candidate. Mr. Riley was the interim at Network 180 and Mr. Stek comments that he did very well and understood his role as the Interim CEO and would come with high recommendations from the staff that he worked with.

Question: What would Mr. Hofman's role be?

Mr. Hofman could stay on in a COO position to help Mr. Riley with the transition or possibly as a consultant. Ms. Verduin asks if there are functions that Mr. Hofman had done previously as the COO that he could continue while helping Mr. Riley acclimate to the position? Mr. Stek suggests that the Interim CEO make this decision or have input on Mr. Hofman's role and the amount of time that he would be continue before transitioning out of the LRE. The group agrees with this assessment and would leave that to the Interim.

If the Board approves the process and recommended Interim CEO, Mr. Riley, could possibly be in a position to begin by October 1. Mr. Riley has suggested that he may be interested and would prefer to take a contract paid on an hourly basis, he would not need expenses or insurance, but we would have to work out the remote working atmosphere. Currently LRE staff are working from home through the beginning of the year and meetings at the State are remaining virtual more than likely through the beginning of the year.

The prior CEO search took about 6 months and we used Todd Surline for the logistics of the search. Allegan also used his company for their CEO search.

Recommendation to the LRE Board:

- Put Interim CEO in place as soon as possible. If agreed by Board approach Mr. Bill Riley for the position (Mr. Stek has had preliminary discussions with him).
- Board to nominate and approve a CEO search committee with the following participants recommended: 1 CMH CEO, Board members, Provider, Advocate Group member, Consumer (possibly from LRE CAP).
- Retaining Todd Surline to handle the logistics of the CEO search.
- Mr. Hofman will keep a position at the LRE as COO or consultant to Interim CEO at the discretion of the Interim regarding his capacity and time before transitioning out of the LRE.

OTHER

PA2- Ms. Verduin asks if the PA2 reserve funds could be used to address the lack of opioid facility capacity. Mr. Stek comments that other funding sources are used before PA2 because we want that reserves built up.

UPCOMING MEETINGS

- October 8, 2020 – Consumer Advisory Panel, 1:00 PM
- October 14, 2020 – Executive Committee, 3:00 PM
- October 15, 2020 – LRE Executive Board Meeting, 1:00 PM

ADJOURN