

**LAKESHORE REGIONAL ENTITY
OPERATING AGREEMENT
As Amended
August 10, 2022**

PREAMBLE

The five Community Mental Health Services Programs (Members) have joined together to create a jointly governed Regional Entity operating as a Prepaid Inpatient Health Plan (PIHP) for the purpose of supporting and furthering the work of the Members in their roles as local providers of specialty mental health services in the counties served. Inherent in this action is the belief that the local Member is best suited to provide services well matched to the needs of the communities and citizens served. The Lakeshore Regional Entity (the "ENTITY") is established for the purpose of meeting the regulatory and statutory requirements best handled at the PIHP level, and other services as agreed, while not encumbering, but enhancing, the effort of the Members as local service providers. In serving and representing the counties of Allegan, Kent, Lake, Mason, Muskegon, Oceana and Ottawa, the ENTITY is dedicated to ensuring that equality in voice and governance exists, and that the benefit to the person participating in services is uniform, person centered, and locally available.

Members adopted a set of Principles to guide the organization and formation of the ENTITY, and influence future decisions: they are incorporated by reference. The ENTITY is founded on a shared governance structure, using standing committees to create avenues for input. Certain checks and balances are created to ensure that governance remains balanced and equal. The ENTITY exists to serve all Members, and all Members must a work collaboratively to ensure the ENTITY is successful in its core mission to be the State's Region #3 PIHP.

Such important decisions benefit from a thoughtful process that incorporates the voices of Members, stakeholders, and Member leadership, who bring local knowledge and expertise together to inform the plans, policies, and procedures that will create and sustain a healthy ENTITY, healthy Members, and a healthy array of beneficial services.

The Governing Board will be best served by a Chief Executive Officer (CEO) who is an accomplished administrator and facilitator, capable of bringing many and varied voices together to achieve consensus. The CEO must promote compliance, fiscal responsibility, quality programs, meaningful outcomes, and efficiencies that will funnel more resources to direct services. The Governing Board must also be served by an Operations Advisory Council that brings management expertise, local perspectives, local needs, and greater vision to the operation of the PIHP.

This Operating Agreement (the “Agreement”) is revised as of this 10th day of August, 2021 by and between Lakeshore Regional Entity (the “ENTITY”) and Kent County Mental Health Authority d/b/a Network180, West Michigan Community Mental Health System, Community Mental Health of Ottawa County, Community Mental Health Services of Muskegon County, d/b/a HealthWest and Allegan County Community Mental Health Services (collectively the “CMHSP Members”, individually the “CMHSP Member”).

RECITALS

A. The CMHSP Members have formed the ENTITY pursuant to MCL 330.1204b of the Mental Health Code, 1974 PA 258 to serve as the prepaid inpatient health plan (“PIHP”) for the seven (7) counties designated by the Michigan Department of Health and Human Services (“MDHHS”) as Region 3, by filing Bylaws with the Office of the Great Seal and the Clerks of each County in which the CMHSP Members are located.

B. The Bylaws for the ENTITY, set forth how the ENTITY will be governed and managed and incorporated by reference the Operating Agreement which must be entered into by each CMHSP Member to set forth the terms and conditions as to how the ENTITY will be operated.

C. The CMHSP Members desire to enter into this Operating Agreement to set forth the terms and conditions of the operation of the ENTITY.

NOW THEREFORE, in furtherance of the foregoing and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

ARTICLE I DEFINITIONS

1.1 **BOARD OF DIRECTORS.** Means the governing body of the ENTITY, appointed by the CMHSP Members.

1.2 **BYLAWS.** Mean rules and regulations adopted by the ENTITY that govern all ongoing activities.

1.3 **CMHSP MEMBER (MEMBER).** Means a Community Mental Health Service Program within the Lakeshore Regional Entity (The ENTITY is a seven-county region for whom the ENTITY is the acting PIHP).

1.4 **COMMUNITY MENTAL HEALTH SERVICES PROGRAM (CMHSP).** Means a program operated under Chapter 2 of the Michigan Mental Health Code as a county community mental health agency, a community mental health authority, or a community mental health organization.

1.5 **ENTITY.** Means the Lakeshore Regional Entity formed pursuant to 1974 P.A. 258, as amended, MCL§330.1204b, a public governmental entity separates from the authority, county or organization that establishes it. (MCL §330.1204b(3)).

1.6 **MDHHS.** Means Michigan Department of Health and Human Services.

1.7 **MENTAL HEALTH CODE.** Means 1974 P.A. 258, as amended.

1.8 **OPERATING AGREEMENT.** Means this written agreement amongst the CMHSP Members and the Entity that describes the terms and conditions of the operation of the ENTITY, as approved by the CMHSP Members respective governing bodies. The ENTITY's Operating Agreement shall be incorporated in the Bylaws by reference.

1.9 **PERSONS SERVED.** Means a person receiving services from a CMHSP Member or a provider contracted with the CMHSP Member, also referred to as Person Served

ARTICLE 2 PURPOSE, OPERATING PHILOSOPHY, GUIDING PRINCIPLES, SCOPE AND AUTHORITY OF THE ENTITY

2.1 **PURPOSE.** The purpose of this Agreement is to provide the terms and conditions for the operation of the ENTITY to serve as the PIHP under contract with MDHHS which has been designated by MDHHS as Region 3.

2.2 **OPERATING PHILOSOPHY.** The ENTITY is dedicated to ensuring that equality in voice and governance exists, and that the benefit to the citizens meets Medicaid standards while being provided in ways that reflect the needs and resources of the communities in which each CMHSP Member operates. The ENTITY will foster each CMHSP Members' integration activities and locally driven work. The organization and operation of the ENTITY is based on a shared operating structure, using a committee-based system that creates many venues, allowing voices from across the region to be heard. It establishes certain checks and balances to ensure that governance remains balanced and equal and that the operation of the ENTITY is for service to the CMHSP Members in achieving high levels of regulatory compliance, quality of service, and fiscal

integrity. In these ways the ENTITY exists to serve in the best interest of and to the benefit of all CMHSP Members and their persons served.

This Operating Agreement sets forth the responsibilities of the ENTITY's Board of Directors, Chief Executive Officer and advisory councils.

2.3 SCOPE AND AUTHORITY. In addition to the authority granted to the ENTITY under the Mental Health Code and the Bylaws, the scope and authority of the ENTITY is to provide a framework for basic decision making, a structure for communicating among and between the ENTITY Board, administration and councils that is inclusive, collegial, equitable, responsive and conducted in the spirit of a collaborative partnership. It directs the inclusion of CMHSP Member representatives, provider representatives, appointed representatives, persons in service and stakeholders, and provides the means to address special needs as they present.

2.4 ASSURANCE OF LOCAL AUTONOMY. In fulfillment of the ENTITY's commitment to local autonomy and control, by the CMHSP Members and their community stakeholders which make up the region, the ENTITY will not mandate, prohibit, nor overturn an action (policy, procedure, or practice) by a CMHSP Member unless that action: violates Medicaid policy, or the requirements of the Medicaid Manual; violates state or federal law; violates the ENTITY's PIHP contract with MDHHS; violates generally accepted accounting principles (GAAP); is projected to cause the ENTITY, as a whole, to over-run its budget; or is projected to cause the ENTITY, as a whole, to leave ENTITY managed funds unspent/lapsed in the region above the level of funds, if any, that were planned to be unspent or lapsed in the most recently Board-approved budget of the ENTITY.

ARTICLE 3 GOVERNANCE, MANAGEMENT, OPERATIONS

3.1 GOVERNANCE/MANAGEMENT. Subject to the powers assigned to the CMHSP Members in the ENTITY Bylaws, the Board of Directors of the ENTITY as set forth in the Bylaws will govern and manage the business, property and affairs of the ENTITY.

3.2 OPERATIONS ADVISORY COUNCIL. The ENTITY Board shall create an Operations Advisory Council to advise the ENTITY's Chief Executive Officer concerning the operations of the ENTITY. It will inform, advise and work with the Chief Executive Officer to bring local perspectives, local needs, and greater vision to the operations of the ENTITY.

3.2.1 Responsibilities and Duties. The responsibilities and duties of the Operations Advisory Council shall include the following:

3.2.1.1 Advise the Chief Executive Officer in the development of the long-term plans of the ENTITY;

3.2.1.2 Advise the Chief Executive Officer in establishing priorities for the Board's consideration, make recommendations to the Chief Executive Officer on policy and fiscal matters and may make task force recommendations;

3.2.1.3 Review recommendations from Finance, Quality Improvement, and Information Technology Regional Operations Advisory Teams (ROATs);

3.2.1.4 Shall undertake such other duties as may be delegated by the ENTITY Board.

3.2.1.5 Ensure that the ENTITY and all its Members comply with federal and state standards and regulation and assure compliance as described as described below in 3.3.

3.2.1 **COMPOSITION.** The Operations Advisory Council will consist of the Chief Executive Officers/Executive Directors of the ENTITY and the Members. Other staff from the CMHSP or the ENTITY may attend as requested by Operations Advisory Council.

3.2.2 **MEETING FREQUENCY.** The Operations Advisory Council will establish and sustain a regular schedule for standing committee meetings.

3.2.3 **REGIONAL OPERATIONAL ADVISORY TEAMS (ROAT).** The Operations Advisory Council with the concurrence of the Chief Executive Officer of the ENTITY may establish regional operational advisory teams (ROATs) for selected functional areas or specific activities (such as but not limited to IT, Clinical, Network, etc.). The ENTITY and Members will appoint staff to Region 3 operational advisory teams to represent functional areas within their respective organizations. ROATs must have a defined charter to be assembled and convened.

3.2.3.1 ROAT Composition will consist of each Member CEO/Executive Director appointing representatives from the Member area to serve

on committees. There will be equal representation and voting on all committees unless otherwise required by law.

3.3 COMPLIANCE. The ENTITY, the Members, the ENTITY Board of Directors, officers and staff will fully comply with all applicable laws, regulations and rules, including without limitation 1976 P.A. 267 (the "Open Meetings Act") and 1976 P.A. 422 (the "Freedom of Information Act"). The ENTITY Board of Directors will develop policies and procedures to address any noncompliance which will be incorporated herein by reference.

All parties recognize that the ENTITY, as the PIHP, holds different legal responsibilities than the Members. Throughout the implementation of this Operating Agreement, all parties enter into this arrangement in a spirit of good faith and cooperation. All parties recognize that the ENTITY may need to, at the discretion and with the advanced approval of ENTITY CEO and his/her designee conduct random audits and or reviews. Such activity would occur with timely notice to the Member Director to communicate rationale for the review and findings. Members acknowledge that the ENTITY is responsible in part for ensuring that covered services and administrative services furnished by and through Members are furnished and compensated in accordance with applicable laws and regulations. Accordingly, on behalf of itself and its network providers, Members acknowledge that the ENTITY has the right, responsibility and authority:

1. To detect and deter compliance violations by Members and network providers by any lawful means, including monitoring and announced audits.

2. To independently investigate alleged or suspected compliance violations by Members, a network provider, or an employee, owner, or governing body members of either.

Member agrees to cooperate in carrying out the ENTITY's compliance responsibilities.

Members are required to report to the ENTITY any activity found not to be consistent with established the ENTITY's policy and procedure.

Members acknowledge their obligation to submit all requested data and reports with timelines agreed upon.

ARTICLE 4 FINANCIAL

4.1 ALLOCATION. The ENTITY will provide for a funding system that is fair and uniform across Region 3.

4.1.1 REVENUE DISTRIBUTION.

4.1.1.1 MEDICAID. The primary source of the ENTITY's revenue will be Medicaid capitation received on a monthly basis from MDHHS. These payments will be for eligible enrollees covered by benefits or entitlements inclusive of, but not limited to, the Medicaid Contract, Autism Benefit, Substance Use Disorder Benefit and the Healthy Michigan (expanded Medicaid program), if any.

Effective June 1, 2022, the ENTITY will distribute Medicaid dollars, if any, to the Members using the same methodology as MDHHS allocates the dollars to the ENTITY, or as contractually required. The gross funding will be adjusted by required withholds and ENTITY administrative costs as defined in Section 4.1.3.1 and by Planned Funding Adjustments, which are defined as increases or decreases to a Member's Medicaid funding as approved in a plan as agreed upon by the Members and as determined in the ENTITY's policy and/or procedure. This will determine the net funding level.

4.1.1.2 BLOCK GRANTS. The ENTITY Chief Executive Officer will receive the notification of Block Grants. Notification of receipt will be forwarded to all Members of the ENTITY Board of Directors. Funding will be distributed based on the award.

4.1.1.3 SUBSTANCE USE DISORDER (SUD). Separate policies and/or procedures for SUD prevention and treatment services (block grant and Public Act (PA2) Liquor Tax funding) will be created in accordance with State requirements to ensure proper distribution, accounting and reporting related to these funds.

4.1.1.4 OTHER REVENUE SOURCES. In addition to the revenue sources identified above, the ENTITY may receive other revenue. Upon receipt, the ENTITY will distribute these funds to the appropriate Members, as contractually required, if applicable, or according to policy and/or procedure.

4.1.2 RISK MANAGEMENT/TRANSITION FUNDING/SURPLUS FUNDS. The ENTITY will establish policies and procedures to address Financial Risk Management, Transition Funding, and Surplus Funds

4.1.3 CAPITAL AND OPERATING COSTS.

4.1.3.1 FINANCIAL SUPPORT FOR THE ENTITY. Revenues for ENTITY expenses will come from current year regional revenues and approved by the ENTITY's Board of Directors.

- 4.1.3.2 **CAPTIAL.** As detailed in the Budget Section 4.5, the ENTITY can purchase and account for capital assets based on the approved budget.
 - 4.1.3.3 **ENTITY ADMINISTRATIVE SURPLUS FUNDS.** Unspent ENTITY administrative funds (difference between the approved ENTITY administrative budgeted funds which have been withheld monthly by the ENTITY and actual funds spent) will become part of the overall Medicaid funds usable across the Region 3 for current operations. If the funds are not needed for operations, then they would be added to either the Medicaid Savings pooled funds or the ISF.
- 4.2 **ACCOUNTABILITY OF FUNDS.** The ENTITY Chief Financial Officer, with the assistance of the Chief Executive Officer, will provide the ENTITY Board with regular, detailed reports accounting for all the ENTITY's operations in accordance with ENTITY Board policy.
- 4.2.1 **CONTRACT RECONCILIATION.** Upon conclusion of each fiscal year of this Operating Agreement, final contract reconciliation shall be completed as a net cost settlement wherein the Medicaid funding prepaid by the ENTITY to each Member, and the total of the Member's expenditures pursuant to this Operating Agreement, will be reviewed and reconciled in direct accordance with the service and financial provisions hereunder. The contract reconciliation of this Operating Agreement will be completed in full compliance with MDHHS requirements and in accordance with the revenue and expenditure reconciliation process and requirements of the ENTITY's contract with MDHHS. The contract reconciliation for each fiscal year under this Operating Agreement will be completed in accordance with the timelines that have been established by ENTITY policy and/or procedure or contractual requirements.
 - 4.2.2 **UNALLOWABLE COSTS/PAYBACKS.** Should a Member fail to fulfill its obligations as required under this Operating Agreement, resulting in unallowable Medicaid services and/or claims cost, it will not be reimbursed by the ENTITY for any such services and/or cost claims. The Member agrees to repay to the ENTITY any and all Medicaid payments made by the ENTITY to the Member for such unallowable services and/or cost claims. This reimbursement requirement will survive the dissolution of this Operating Agreement and repayment will be made by the Member to the ENTITY within sixty (60) days of the ENTITY's notification to the Member. In the event that the ENTITY, MDHHS, the State of Michigan, or the Federal

government ever determines in any final revenue and expenditure reconciliation and/or any final finance or service audit that a Member has been paid inappropriately per the ENTITY's expenditures of Medicaid funds pursuant to this Operating Agreement for services claims and/or cost claims of a Member which are later disallowed, the Member will repay the ENTITY for such disallowed payments within sixty (60) days of the ENTITY's final notification.

- 4.3 **PURCHASED CENTRALIZED SERVICES.** The ENTITY will be the manager of any centralized PIHP managed care services as provided in this Operating Agreement. The ENTITY may directly provide these services or arrange for provision by an outside vendor. The ENTITY may also choose to purchase its centralized services from a Member.
- 4.4 **RISK OBLIGATIONS (INSURANCE, REINSURANCE, INTERNAL SERVICE FUND).** The ENTITY will establish and maintain an Internal Service Fund (ISF) to manage its primary risk exposure under the Medicaid Contract. The Internal Service Fund will be developed, used and maintained in a manner to comply with applicable MDHHS Contract requirements. The Internal Service Fund will be sufficient to manage the Region 3 Medicaid risk and will not exceed the amount of the shared risk corridor financing in the Medicaid Contract.
- 4.5 **BUDGETS.** Establishing Budget for the ENTITY: Consistent with Michigan Compiled Law (MCL) Section 141.412, the ENTITY shall hold a public hearing on its proposed budget. Notice of the hearing shall be by publication in newspapers of general circulation within the regional unit at least six (6) days before the hearing. The notice shall include the time and place of the hearing and shall state the place where a copy of the budget is available for public inspection. The annual budget must be presented to the Board of Directors for approval prior to the beginning of the fiscal year. Amendments to the budget must be prepared by ENTITY staff and presented to the Board of Directors for approval prior to expenditures being made and prior to year-end. The Annual Budget shall include a capital equipment budget.
- 4.6 **LOCAL MATCH OBLIGATIONS.** State Law permits a contribution from internal resources. Local funds will be used as a bona fide part of the State match required under the Medicaid program in order to increase capitation payments.
- 4.6.1 **LOCAL MATCH SUBMISSION.** Members will submit local funds as a bona fide source of match for Medicaid to the ENTITY on a quarterly basis. These

payments will be made in a reasonable timeframe to allow the ENTITY to process the local match payment to the State in accordance with the MDHHS payment schedule.

4.6.2 **LOCAL MATCH MONITORING.** The ENTITY and its Members will establish mechanisms to assure that the local match of each Member is funded and monitored no less than quarterly to assure adequacy of funding.

4.6.3 **RESPONSIBILITY TO NOTIFY.** Any Member that projects a problem or issue with local match funding will immediately notify the ENTITY Chief Financial Officer. A plan of correction will be completed and sent to the ENTITY Chief Financial Officer within ten (10) business days of the identification of the problem.

4.7 **ACCESS TO ACCOUNTING RECORDS.** The ENTITY shall maintain all pertinent financial and accounting records and evidence pertaining to this Operating Agreement based on financial and statistical records that can be verified by the Member and/or its auditors. Financial reporting shall be in accordance with generally accepted accounting principles and 2 CFR 200 (Cost Principles for State, Local and Indian Tribal Governments), as applicable to state and local governments, and as promulgated by the Governmental Accounting Standards Board (GASB).

The Members, the ENTITY Board, the Federal government, the State of Michigan, or their designated representatives shall be allowed to inspect, review, copy, and/or audit all financial records pertaining to this Operating Agreement.

4.8 **DEBT/THRESHHOLDS.** Unanimous vote of the Members shall be obtained prior to the ENTITY incurring a debt in excess of \$150,000.

ARTICLE 5 DISPUTE

5.1 **DISPUTE RESOLUTION PROCESS.** Occasionally disputes may arise that cannot be resolved through amiable discussion. Any dispute between the Members and the ENTITY related to the interpretation or application of the Bylaws of the ENTITY or this Operating Agreement will be referred to Members for consideration pursuant to the procedures set forth in Section 5.1.1 thru 5.1.4. The resolution of said dispute will be final upon Majority vote of the ENTITY Board of Directors. Disputes between Members or Member/s and the ENTITY will be resolved as provided below. Dispute resolution procedures shall be conducted in accordance with the Conflict of Interest Policy.

- 5.1.1 **Step 1.** The Chief Executive Officer/Executive Director of the Members will attempt to resolve the dispute through discussion with each other or, as the case may be, and the ENTITY Chief Executive Officer.
- 5.1.2 **Step 2.** If the dispute remains unresolved, the Chief Executive Officer/Executive Director of the Member/s or the Chief Executive Officer of the ENTITY, as the case may be, will bring the matter to the Operations Advisory Council who will discuss the matter and render a written decision. The matter will be brought to the next scheduled Operations Committee who will discuss and render a decision within 15 calendar days
- 5.1.3 **Step 3.** If the dispute continues to be unresolved to the satisfaction of the Member/s or the ENTITY, the parties will provide a written description of the issue in dispute and propose a solution to the next scheduled ENTITY Board of Directors meeting. The ENTITY Board of Directors will have thirty (30) calendar days to provide a written decision.
- 5.1.4 **Step 4.** If the Member(s) or the ENTITY remain dissatisfied, the Member(s) or the ENTITY may seek mediation, arbitration or legal recourse as provided by law.

ARTICLE 6 PLANNING AND POLICY DEVELOPMENT

The ENTITY staff will lead the strategic planning efforts for the ENTITY and the ENTITY Board of Directors. Emphasis will be on a facilitative approach, engaging Board of Directors, Members, the Operations Committee, Persons Served, and Stakeholders in the process. ENTITY staff will be responsible for making final recommendations to the ENTITY Board of Directors.

Policies will be adopted as necessary by the ENTITY Board of Directors. The ENTITY staff will be responsible for oversight and implementation of policies. Policies will be developed in conjunction with the relevant operational advisory teams and relevant committees, including the Operations Committee. Recommendations on policies will be presented by the ENTITY staff to the ENTITY Board of Directors for consideration.

ARTICLE 7 HUMAN RESOURCES

7.1. **HUMAN RESOURCES.** With the exception of any limitations noted in the Bylaws, the ENTITY, where practical, shall directly employ the ENTITY staff. By exception, the Operations Committee may advise the Chief Executive Officer regarding

the use of a contract or lease arrangement to secure professional services for established positions.

The Governing Board has sole responsibility for all hiring and retention decisions regarding the ENTITY CEO. The Operations Committee shall assist the Governing Board in this process as requested.

ARTICLE 8 TERM, TERMINATION

8.1 **TERM.** The term of this Operating Agreement will commence on the last date upon which all parties hereto have executed this Operating Agreement and will continue until terminated as provided in Section 8.2.

8.2 **TERMINATION.** This Operating Agreement will terminate upon the written agreement of unanimous vote of the Members pursuant to the procedures set forth in Section 3.3.2 of the ENTITY Bylaws; provided that all outstanding indebtedness of the ENTITY will be paid, and no contract of the ENTITY will be impaired by said dissolution. As soon as possible after dissolution of this Operating Agreement, the ENTITY will close out its affairs as provided in the Bylaws.

ARTICLE 9 AMENDMENTS

Any modifications, amendments, or waivers of any provision of this Operating Agreement may be made by the written consent of an unanimous vote CMHSP Members..

ARTICLE 10 MISCELLANEOUS

10.1 **ASSIGNMENT.** No party may assign its respective rights, duties or obligations under this Operating Agreement.

10.2 **NOTICES.** All notices or other communications authorized or required under this Operating Agreement will be given in writing, either by personal delivery or certified mail (return receipt requested) or electronically.

10.3 **ENTIRE AGREEMENT.** This Operating Agreement, including the Exhibits attached hereto and the documents referred to herein, embody the entire agreement

and understanding between the parties hereto with respect to the subject matter hereof. Except for the ENTITY's Bylaws, there are no other agreements or understandings, oral or written, between the parties with respect to the subject matter hereof and this Operating Agreement supersedes all previous negotiations, commitments and writings with respect to the subject matter hereof.

10.4 GOVERNING LAW. This Operating Agreement is made pursuant to, and will be governed by, and construed, enforced and interpreted in accordance with, the laws and decisions of the State of Michigan.

10.5 BENEFIT OF THE AGREEMENT. The provisions of this Operating Agreement will not inure to the benefit of, or be enforceable by, any person or ENTITY other than the parties and any permitted successor or assign. No other person will have the right to enforce any of the provisions contained in this Operating Agreement including, without limitation, any employees, contractors or their representatives.

10.6 ENFORCEABILITY AND SEVERABILITY. In the event any provision of this Operating Agreement or portion thereof is found to be wholly or partially invalid, illegal or unenforceable in any judicial proceeding, then such provision will be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or will be deemed excised from this Operating Agreement, as the case may require, and this Operating Agreement will be construed and enforced to the maximum extent permitted by law, as if such provision had been originally incorporated herein as so modified or restricted, or as if such provision had not been originally incorporated herein, as the case may be.

10.7 CONSTRUCTION. The headings of the sections and paragraphs contained in this Operating Agreement are for convenience and reference purposes only and will not be used in the construction or interpretation of this Operating Agreement.

10.8 COUNTERPARTS. This Operating Agreement may be executed in one or more counterparts, each of which will be considered an original, but together will, constitute one and the same agreement.

10.9 EXPENSES. Except as is set forth herein or otherwise agreed upon by the parties, each party will pay its own costs, fees and expenses of negotiating and consummating this Operating Agreement, the actions and agreements contemplated herein and all prior negotiations, including legal and other professional fees.

10.10 REMEDIES CUMULATIVE. All rights, remedies and benefits provided to the parties hereunder will be cumulative, and shall not be exclusive of any such rights, remedies and benefits or of any other rights, remedies and benefits provided by law. All

such rights and remedies may be exercised singly or concurrently on one or more occasions.

10.11 **BINDING EFFECT.** This Operating Agreement will be binding upon the successors and permitted assigns of the parties.

10.12 **RELATIONSHIP OF THE PARTIES.** The parties agree that no party will be responsible for the acts of the ENTITY or of the employees, agents and servants of any other party, whether acting separately or in conjunction with the implementation of this Operating Agreement. The parties will only be bound and obligated under this Operating Agreement as expressly agreed to by each party and no party may otherwise obligate any other party.

10.13 **NO WAIVER OF GOVERNMENTAL IMMUNITY.** The parties agree that no provision of this Operating Agreement is intended, nor will it be construed, as a waiver by any party of any governmental immunity or exemption provided under the Mental Health Code or other applicable law.

**ARTICLE 11
CERTIFICATION OF AUTHORITY TO SIGN THIS OPERATING AGREEMENT**

The persons signing this Operating Agreement on behalf of the parties hereto certify by said signatures that they are duly authorized to sign this Operating Agreement on behalf of said parties, and that this Operating Agreement has been authorized by said parties pursuant to formal resolution(s) of the appropriate governing body(ies).

IN WITNESS WHEREOF, the parties hereto have entered into, executed and delivered this Operating Agreement as of the dates noted below.

LAKESHORE REGIONAL ENTITY

By: DocuSigned by:
Mary Marlatt-Dumas
B6F47866FD484C4... _____ Date: 2/1/2023 | 11:58:50 AM EST

Its: CEO

KENT COUNTY CMH AUTHORITY D/B/A NETWORK 180

By: _____ Date: _____

Its: _____

WEST MICHIGAN COMMUNITY MENTAL HEALTH SYSTEM

DocuSigned by:
By: *Lisa K. Williams* Date: 2/1/2023 | 11:37:48 AM EST
CE5D688963BE422...

Its: Chief Executive Officer

COMMUNITY MENTAL HEALTH OF OTTAWA COUNTY

DocuSigned by:
By: *Lynne Doyle* Date: 2/1/2023 | 10:28:35 AM EST
7BB32BC6E1CB438...

Its: Executive Director

**COMMUNITY MENTAL HEALTH SERVICES OF MUSKEGON COUNTY
D/B/A HEALTHWEST**

DocuSigned by:
By: *Julia Rupp* Date: 2/1/2023 | 10:58:55 AM EST
3D3252DBD5F940E...

Its: CEO

ONPOINT

DocuSigned by:
By: *Mark Witte* Date: 2/1/2023 | 11:38:11 AM EST
4E83D7DEC9034D3...

Its: Executive Director