

HEALTHWEST

FINANCE COMMITTEE MEETING MINUTES

June 21, 2024

8:00 a.m.

CALL TO ORDER

The regular meeting of the Finance Committee was called to order by Committee Chair Fortenbacher at 8:00a.m.

ROLL CALL

Committee Members Present: Jeff Fortenbacher, Janet Thomas, Thomas Hardy, Commissioner Marcia Hovey-Wright, Remington Sprague, M.D., Commissioner Charles Nash

Also Present: Rich Francisco, Holly Brink, Gina Post, Shannon Morgan, John Weerstra, Melina Barrett, Brittani Duff, Gary Ridley, Suzanne Beckeman, Matt Plaska, Christy LaDronka, Gordon Peterman, Justine Belvitch, Jackie Farrar, Anissa Goodno, Carrie Crummett, Kristi Chittenden, Jason Bates, Urbaine Ndoye, Kayla King

Guests Present: Angela Gasiewski

MINUTES

It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the minutes of the May 17, 2024, meeting as written.

MOTION CARRIED

ITEMS FOR CONSIDERATION

A. Approval of Expenditures for April 2024

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to approve expenditures for the month of April 2024, in the total amount of \$7,188,853.50.

MOTION CARRIED

B. Monthly Report from the Chief Financial Officer

Ms. Belvitch, Director of Finance, presented the April report, noting an overall cash balance of \$6,988,500.47 as of April 30, 2024.

C. Finance Update Memorandum

Ms. Belvitch, Director of Finance, presented the Finance Update Memorandum for the Board review.

D. Authorization to Approve Contract with DBT Institute of Michigan

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright to approve the HealthWest Executive Director to sign a contract with DBT Institute of Michigan effective July 1, 2024, through September 30, 2025 to provide services to eligible HealthWest Consumers. The Funding is within the Specialized Residential budget of \$20,998,125.00

MOTION CARRIED

E. Authorization to Approve Contract with State of Michigan Department of Health and Human Services

It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to sign contract #DFA25-61001 with the State of Michigan Department of Health and Human Services for \$74,900.00. This contract will fund an Eligibility Specialist at the HealthWest building from October 1, 2024, through September 30, 2025.

MOTION CARRIED

F. Authorization to Approve Contract with Community Programs, Inc.

It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to sign a contract with Community Programs, Inc. dba Meridian Health Services, for SUD residential services, sub-acute detox withdrawal management, and methadone dosing services, effective July 1, 2024, through September 30, 2025. The funding is within the SUD budget of \$7,035,144.00.

MOTION CARRIED

G. Authorization to Procure Stockade Fence from Oasis Fence

It was moved by Dr. Sprague, seconded by Commissioner Hovey-Wright to authorize HealthWest to procure and fund a stockade fence inclusive of installation, completed by Oasis Fence up to \$4,540.00 to be completed by September 30, 2024.

MOTION CARRIED

H. Authorization to Contract with Henn Lesperance PLC

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to authorize the HealthWest Executive Director to sign a contract with Henn Lesperance PLC effective June 28, 2024, to provide legal representation to Dr. David Van Winkle.

MOTION CARRIED

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

COMMUNICATIONS

There was no communication.

DIRECTOR'S COMMENTS

Rich Francisco, Executive Director HW

- Kristen Jordan sent out a memo from MDHHS dated 6/13/2024 and referenced the SCA or Standard Cost Allocation, which required the CMHSPs to implement the SCA methodology by December 1, 2021. As of May 2024, 41 of the 46 CMHSPs will not fully

implement FY24 with 2 remaining CMHSPs self-reported not implementing by FY24 and 3 partially implementing by FY24. Kristen Jordan in the memo addressed the initial concerns of CMHSPs and their role in the public mental health system as a sub-contractor and what expenses can be attributed as an incurred claim. The whole question on the dual role of CMHSPs carrying out manage care functions and being a provided and subcontractor. It was a lengthy memo outlining why MDHHS did not agree with CMHAM's stance when they sought out legal advice on the role of CMHSPs.

I just wanted to say that HW is complying with SCA template and following the methodology. I believe the only remaining piece for HW is the payroll system which has now been currently tested and is also implemented with many staff.

- From the LRE, various groups are still discussing the deficit/overspend showing from the N180 budget related to residential and Autism utilization where they cite higher utilization. This has been an ongoing discussion not only at CEO Ops group but also at the LRE Executive Committee and the LRE Board.
- Milliman (Wakely) presented and reviewed again the Entity Specific Factor that went into analysis of the ISF. This was a deeper dive into what the CMHSPs can potentially do to impact getting more revenue for the region. This Wakely presentation will go to the LRE Board next week but just giving you a summary of the presentation: LRE is leaving about \$4 to 5M on the table annually that could be additional revenue for the region when CMHSPs are forecasting deficits in their budgets.
- From a HW operations, I am working with leadership to continue to look at internal costs and cost for services. We recently looked at Autism and our underspending issues and the good news is that we are finding some process issues related to documentation of Autism consumers. The leadership team will be looking at CCBHC cost for service next as we are showing a trend of overspending in this area.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 8:41 a.m.

Respectfully,

Jeff Fortenbacher
Committee Chair

/hb

PRELIMINARY MINUTES
To be approved at the Finance Meeting on
July 19, 2024



FINANCE COMMITTEE

June 21, 2024 – 8:00 a.m.

376 E. Apple Ave. Muskegon, MI 49442

Committee Chair: Jeff Fortenbacher
Committee Vice-Chair: Janet Thomas

REVISED AGENDA

- | | | |
|----|---|-------------|
| 1. | Call to Order | Quorum |
| 2. | Approval of Minutes | |
| | A. Approval of the Minutes of May 17, 2024
(Attachment #1 pg.1-4) | Action |
| 3. | Items for Consideration | |
| | A. Approval of Expenditures for April 2024
(Attachment #2 pg. 5) | Action |
| | B. Monthly Report from the Chief Financial Officer
(Attachment #3 pg. 6-9) | Information |
| | C. Finance Update Memorandum
(Attachment #4 pg. 10-11) | Information |
| | D. Authorization to Approve Contract with DBT Institute of Michigan
(Attachment #5 pg. 12) | Action |
| | E. Authorization to Approve Contract with State of Michigan Department of Health and Human Services
(Attachment #6 pg. 13) | Action |
| | F. Authorization to Approve Contract with Community Programs, Inc.dba Meridian Health Services
(Attachment #7 pg. 14) | Action |
| | G. Authorization to Procure Stockade Fence from Oasis Fence
(Attachment #8 pg. 15-22) | Action |
| | H. Authorization to Contract with Henn Lesperance PLC
(Attachment #9 pg. 23-27) | Action |
| 4. | Old Business | |

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- 5. New Business
- 6. Communication Information
- 7. Director's Comments Information
- 8. Audience Participation
- 9. Adjournment Action

/hb

HEALTHWEST

FINANCE COMMITTEE MEETING MINUTES

***May 17, 2024
8:00 a.m.***

CALL TO ORDER

The regular meeting of the Finance Committee was called to order by Committee Chair Fortenbacher at 8:00a.m.

ROLL CALL

Committee Members Present: Jeff Fortenbacher, Janet Thomas, Thomas Hardy, Commissioner Marcia Hovey-Wright, Remington Sprague, M.D.

Committee Members Absent: Commissioner Charles Nash

Also Present: Rich Francisco, Holly Brink, Gina Post, Brandy Carlson, Shannon Morgan, Amber Berndt, John Weerstra, Melina Barrett, Brittani Duff, Gary Ridley, Justine Tufts, Jennifer Hoeker, Suzanne Beckeman, Bethany Sebree, Matt Plaska, Kris Redmon, Christy LaDronka, Gordon Peterman, Latesha Johnson

Guests Present: Angela Gasiewski

MINUTES

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to approve the minutes of the April 19, 2024, meeting as written.

MOTION CARRIED

ITEMS FOR CONSIDERATION

A. Approval of Expenditures for March 2024

It was moved by Commissioner Hovey-Wright, seconded by Dr. Sprague, to approve expenditures for the month of March 2024, in the total amount of \$11,722,160.32.

MOTION CARRIED

B. Monthly Report from the Chief Financial Officer

Ms. Carlson presented the February report, noting an overall cash balance of (\$1,058,479.39) as of March 31, 2024.

C. Finance Update Memorandum

Ms. Carlson presented the Finance Update Memorandum for the Board review.

D. Authorization to Approve FY2024 Fee Schedule

It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the FY2024 HealthWest Fee Schedule effective June 1, 2024.

MOTION CARRIED

E. Authorization to Approve Bathroom Remodification

It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize HealthWest to procure and fund a Bathroom Remodification completed by Accessible Home Design, LLC up to \$18,600 to be completed by September 30, 2024.

MOTION CARRIED

F. Authorization to Enter a Grant Funded Project Agreement

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to authorize HealthWest to accept grant from Michigan Public Health Institute (MPHI), on behalf of MDHHS, in the amount of \$30,366, titled "Mobile Crisis/Crisis Stabilization Unit Tracking Module Grant," effective May 1, 2024, through September 30, 2024.

MOTION CARRIED

G. Authorization to Procure Battery Operated Lift

It was moved by Commissioner Hovey-Wright, seconded by Dr. Sprague, to authorize HealthWest to procure and fund a Battery-Operated incline Platform Lift, inclusive of installation, complete by A4 Access up to \$36,435.00 to be completed by September 30, 2024.

MOTION CARRIED

H. Authorization to Increase Purchase Order for Rehmann Robson

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to authorize HealthWest to increase the Rehmann Robson purchase order, not to exceed, \$54,000.00 through September 30, 2024.

MOTION CARRIED

I. Authorization to Approve Behavioral Center of Michigan Reimbursement

It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize HealthWest to reimburse the Behavioral Center of Michigan \$94,600.00 for Community Inpatient Services.

MOTION CARRIED

J. Authorization to Approve Contract with Redi-Rental

It was moved by Dr. Sprague, seconded by Mr. Hardy, to authorize HealthWest to sign a contract with Redi-Rental for the rental of portable restrooms, sinks, tables, chairs, tents and fencing for the Health, Wellness, and Recovery Picnic on August 15th, 2024, at a total cost not to exceed \$12,173.56.

MOTION CARRIED

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

COMMUNICATIONS

Ms. Carlson provided communication from Roslund Prestage & Company.

DIRECTOR'S COMMENTS

Rich Francisco, Executive Director HW

- First, I would like to share with the Finance Board Committee that we have hired a Chief Clinical officer, Christy LaDronka to the position. I have no doubt that Christy, with her background, will provide the leadership needed guide our Clinical programs and service delivery at HW. She is about a week into her new role and already asking the right questions.
- From LRE Ops and Executive Committee meeting: MDHHS has sent N180 Executive Director and the LRE Executive Director a letter that outlines a plan of correction for N180 to address and serve the individuals on their Autism wait list. There is an estimate of about 300 individuals who I believe are at various stages of the wait list such as waiting for initial assessment, waiting for services, or waiting for a different provider. N180 defends that there is a much higher need than is reflected in what the current rate for autism is. This has been one of the reasons that N180 is projecting a deficit. On top of just the autism shortfall in funding, N180 has also projected additional funding shortfall in other areas and will request utilization of the ISF dollars. The LRE executive board meeting will continue to have a discussion on this at the next LRE Board work session and will discuss strategies to address these overspend (higher utilization). The LRE Ops group, which I am a part of, is trying to get together to help brainstorm/resolve the funding issues because it will take a concerted effort from all levels.
- Internal to HW, I will be looking more closely at our service levels for the different programs. We will begin with Autism and expand from there. We are forecasting an underspend in this Autism, and I am trying to understand where we are at with the various stages of service delivery in Autism. We do have a wait list for initial testing based on the data, but I would really like our staff to have access review and monitor it on a regular basis to see where we fall as far as service delivery. By having access to this information, the leaders in the program can pivot and make decisions when they see we are not at normal levels for service delivery.
- I attended a meeting at the state level to discuss some Capitation Rate Structure proposal from Milliman related to CCBHC services for FY2025: Richard Carpenter led the meeting with other PIHPs and CMHSP that are CCBHC to determine the impact of the proposed changes. Again, there are still a lot that is unknown and partners, PIHP and CMHSPS across the state are in the process of a Q and A and producing feedback to the proposed structure. I am sure Brandy will be providing more information on this as it develops. Some of the proposed changes are listed below:
 - One of the proposed changes is to include the CCBHC PPS-1 in the capitation rates.
 - The rate determination will occur on a regionwide basis so Capitation for the region, not statewide like we are used to for all other services. For CCBHC, it will be calculated for the region by Milliman using historical funding inputs.
 - The rate structure for CCBHC program would include Program PPS-1 Medicaid expenditures.
 - The proposed structure would remove the CCBHC Supplemental payments.
 - CCBHC service expenses delivered by non-CCBHC providers would remain in other existing payments.

HW Corrective Action Plan: Dated March 28,2024 received from Michigan Department of Treasury. I believe that Brandy has already brought this to your attention at the last finance committee meeting, but I wanted to reiterate that HW is going to be addressing the findings from the Financial Audit. This is not the first time that HW was cited for this in our financial audit. The audit findings letter request that HW address the findings by improving deficiencies in the area of:

- **Actual expenditures exceeded the amounts authorized in the budget. Please describe actions being taken to prevent budget variances.**

HW responded with the detailed strategies:

Corrective Action – HealthWest has implemented a number of additional financial dashboards and reports that are reviewed by the Board, Leadership members and Finance members on a monthly basis. Monthly meetings are occurring with our Provider Network to discuss service delivery and payment issues. Monthly review of Medicaid revenue and projections to our Medicaid population are monitored monthly. All these actions will improve the process to amend the budget appropriately. Finally, mid-year budget adjustments have been added to our budget cycle.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 8:51 a.m.

Respectfully,

Jeff Fortenbacher
Committee Chair

/hb

PRELIMINARY MINUTES
To be approved at the Finance Meeting on
June 28, 2024

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Administration	REQUEST DATE June 21, 2024	REQUESTOR SIGNATURE Brandy Carlson, Chief Financial Officer	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
<p>Expenditures for the month of April 2024 totaled \$7,188,853.50. Large or unusual expenditures for the month includes:</p> <ol style="list-style-type: none"> 1. Payments to Cherry Street in the amount of \$291,694.08 for SUD Services. 2. Payments to Eastside Outpatient in the amount of \$50,592.06 for SUD Services. 3. Payments to Family Outreach Center in the amount of \$69,000.83 for two months of Jail, MRM and MDISC payments. 4. Payments to Flat Rock Manor in the amount of \$105,419.36 for Residential Services. 5. Payments to Guardian Trac in the amount of \$95,214.38 for Fiscal Intermediary Services. 6. Payments to Ivy Rehab in the amount of \$64,702.40 for autism and therapeutic services. 7. Payments to Mercy Health Partners MHP in the amount of \$230,435.00 for Community Inpatient Services. 8. Payments to MOKA in the amount of \$179,630.86 for Residential Services. 9. Payments to Pine Rest in the amount of \$421,273.17 for Community Inpatient Services. 10. Payments to Pioneer Resources in the amount of \$421,273.17 for Residential, Autism and Skill Building Services. 11. Payments to Samaritas in the amount of \$157,144.97 for Residential services. 			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
I move to approve expenditures for the month of April 2024, in the total amount of \$7,188,853.50.			
COMMITTEE DATE June 21, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE June 28, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

HealthWest



April 2024

Board Report

**COMMUNITY MENTAL HEALTH
INTERIM BALANCE SHEET 2220
MENTAL HEALTH**

April 30, 2024

ASSETS	THIS YEAR	LAST YEAR
Cash in Bank	6,988,500.47	(5,344,212.81)
Imprest (Petty) Cash	2,700.00	2,700.00
Accounts Receivable	164,584.79	87,552.06
Due From Other Funds	2,482,233.25	3,822.63
Prepaid Items	483,246.32	401,529.71
Due from other governments	1,384,680.97	15,502,956.50
Total Assets	<u>\$ 11,505,945.80</u>	<u>\$ 10,654,348.09</u>
LIABILITIES AND EQUITY		
Accounts Payable	\$ 65,388.90	\$ 50,792.69
Undistributed Receipts	14,674.29	943.81
Medicaid Children's Waiver	-	56,129.43
Medicaid SED Waiver	-	7,786.02
Unearned Revenue - Lilac St Donation	-	50,100.00
Total Liabilities and Equity	<u>\$ 80,063.19</u>	<u>\$ 165,751.95</u>
DEFERRED INFLOWS OF RESOURCES		
Deffered Medicaid fee for services and capitation	<u>\$ 8,217.16</u>	<u>\$ 19,566,868.57</u>
Fund Balance at beginning of year	(1,855,032.17)	(17,073,240.73)
Nonspendable FB-Prepays	406,196.22	
**Total Fund Balance	<u>\$ (1,448,835.95)</u>	<u>\$ (17,073,240.73)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
	<u>\$ (1,360,555.60)</u>	<u>\$ 2,659,379.79</u>
NET OF REVENUES VS EXPENDITURES		
	<u>\$ 12,866,501.40</u>	<u>\$ 7,994,968.30</u>
Transferred to HealthWest LRE FY2019 Account for:		
Due to Fund 2220 HealthWest (2221-0000-214.222)	\$2,479,928.03	\$0.00
Fund 2221 Fund Balance	\$2,242.12	\$0.00
Transferred to County Equipment Revolving Account for:		
Mental Health Center Building (6660-0000-349220)	\$2,538,881.81	\$2,607,148.12
Future Equipment Purchases (6660-0000-349222)	\$117,184.04	\$89,534.24

**COMMUNITY MENTAL HEALTH
INTERIM BALANCE SHEET 7930
CMH CLIENT FUNDS**

April 30, 2024

ASSETS	THIS YEAR	LAST YEAR
Cash	\$ 449,731.88	\$ 623,802.25
Imprest Cash	\$ 51,394.09	\$ 33,399.03
Accounts Receivable	\$ 177.00	\$ 177.00
Total Assets	\$ 501,302.97	\$ 657,378.28
LIABILITIES AND EQUITY		
Accounts Payable	\$ -	\$ -
Due to Other Funds	\$ 1,916.79	\$ 3,467.04
Undistributed Receipts	\$ 499,386.18	\$ 653,911.24
	\$ 501,302.97	\$ 657,378.28

HealthWest

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual

For the Period from October 1, 2023 through April 30, 2024

	Original Budget	YTD Budget	YTD Actual	Over (Under) YTD Budget
Revenues				
Medicaid funding:				
Medicaid capitation	\$ 62,472,930	\$ 36,442,543	\$ 42,406,144	\$ 5,963,601
Medicaid - Autism capitation	8,901,598	5,192,599	5,513,795	321,196
Medicaid capitation - settlement	-	-	(13,090,834)	(13,090,834)
Healthy Michigan Plan	7,443,215	4,341,875	4,538,997	197,122
Healthy Michigan Plan - settlement	-	-	1,344,665	1,344,665
CCBHC Supplemental	9,829,312	5,733,765	6,742,349	1,008,584
CCBHC - Settlement	-	-	1,482,104	1,482,104
State General Fund:				
Formula Fundings	2,066,287	1,205,334	1,205,335	1
Settlement	-	-	-	-
Grant Revenue	6,196,098	3,614,391	3,032,806	(581,585)
Local revenue:				
County appropriation	706,819	412,311	412,309	(2)
Client and third party fees	283,778	165,537	360,726	195,189
Performance Based Incentive Program (PBIP)	-	-	-	-
Interest income	138,398	80,732	107,345	26,613
Other revenue	364,845	212,826	65,029	(147,797)
Total revenue	98,403,280	57,401,913	54,120,770	(3,281,143)
Expenditures				
Salaries and wages	30,967,403	18,064,318	16,663,811	(1,400,507)
Fringe benefits	11,540,651	6,732,046	8,925,210	2,193,164
Staff professional development	1,213,316	707,768	185,399	(522,369)
Provider network services:				
Specialized residential	20,998,125	12,248,906	15,802,137	3,553,231
Community Inpatient	6,167,000	3,597,417	3,379,769	(217,648)
SUD Services	7,035,144	4,103,834	2,104,705	(1,999,129)
Outpatient Services	7,558,082	4,408,881	2,863,359	(1,545,522)
Autism Services	1,491,050	869,779	538,183	(331,596)
Contractual expense	6,194,216	3,613,293	3,056,974	(556,319)
Overhead expense	2,365,952	1,380,139	1,394,254	14,115
Supplies	1,264,314	737,517	213,296	(524,221)
Utilities	320,634	187,037	222,174	35,137
Insurance	370,925	216,373	-	(216,373)
Capital outlay	122,253	71,314	3,083	(68,231)
Other expenses	549,636	320,621	564,689	244,068
Transfers	244,579	142,671	174,699	32,028
Total expenditures	98,403,280	57,401,914	56,091,742	(1,310,172)
Net change in fund balance	-	(1)	(1,970,972)	(1,970,971)
Fund balance (deficit), beginning of year	(1,448,836)	(1,448,836)	(1,448,836)	-
Fund balance (deficit), end of year	\$ (1,448,836)	\$ (1,448,837)	\$ (3,419,808)	\$ (1,970,971)

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



MEMORANDUM

Date: June 14, 2024

To: HealthWest Board of Directors
Rich Francisco, Executive Director

CC: Mark Eisenbarth, Muskegon County Administrator
Matt Farrar, Muskegon County Deputy Administrator
Angie Gasiewski, Muskegon County Accounting Manager

From: Brandy Carlson, Chief Financial Officer

Subject: **Finance Update**

During the month of June, HealthWest will bring the following motions to the County Commissioners for approval.

- To award the contract for custodial and cleaning services at the HealthWest Mental Health Center and Clubhouse to West Michigan Janitorial for a five (5) year period pursuant to RFP 24-2522 and authorize the HealthWest Executive Director to execute the agreement. On April 18, 2023, the Board of Commissioners authorized staff to seek proposals for custodial and cleaning services for the HealthWest Mental Health Center and Clubhouse. Eight (8) proposals were received, five (5) of which passed the initial review of Muskego County Procurement staff, were reviewed by staff from HealthWest. Proposals were independently evaluated on the following pre-determined criteria:
 1. Understanding of the HealthWest needs, methodology, and work plan,
 2. Experience and qualifications,
 3. Capacity to perform the work,
 4. References and past performances, and
 5. Cost/Fees for services rendered.
 West Michigan Janitorial had the highest score. Staff recommend awarding the contract for custodial and cleaning services at the HealthWest Mental Health Center and Clubhouse to West Michigan Janitorial. The average annual base cost for the five (5) year proposal submitted by West Michigan Janitorial is \$66,895.11.
- To approve HealthWest to their agreement with CISCO for DUO Advantage, effective May 7, 2024, through May 6, 2025, at a cost not to exceed \$29,700.

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CISCO DUO is a cloud-based access management tool that helps prevent unauthorized access and authenticates every identity. Some key features are:

- Multi-Factor Authentication (MFA): CISCO DUO offers flexible MFA options, including phishing-resistant authentication using FIDO2. This ensures an additional layer of security beyond passwords.
- Adaptive Access Policies: Customize permissions based on roles, location, and devices. With adaptive access, you can define granular permissions to control who gets access to what.
- Device Visibility: Verify the trustworthiness of devices accessing your applications while tracking their health status.
- Single Sign-On (SSO): Streamline access across applications by minimizing authentication resources.

HealthWest is evaluating cost-effectiveness by bundling services with the County of Muskegon and our existing CISCO products.

- Reclassify the Master's Level Behavior Specialist, Position X54108 (Wage Grade HX 00300) to Board Certified Behavior Analyst (Wage Grade HX 00360). The Master's Level Behavior Analyst position (Wage Grade HX 00300, \$29,615 - \$37,439) was created as a stepping stone position for new hires who are working on their Board Certified Behavior Analyst (BCBA) credential. It was intended that employees in this position would earn certification and be reclassified to a BCBA position (Wage Grade HX 00360, \$37,537 - \$47,729) when completed. We are required to have all Master's Level Behavior Analyst achieve BCBA credentials by the end of 2025. This will increase costs by \$13,017.
- Reclassify the Accounting Specialist/HW, Position N02903 (Wage Grade HO 00240) to Mental Health Certified Biller/Coder (Wage Grade HX 00210). HealthWest does not need an Accounting Specialist (Wage Grade HO 00240, \$21,456 - \$27,015) in the Billing Department. Instead, we are in need of a certified biller/coder (Wage Grade HX 00210, \$23,528 - \$29,615). The employee in the position has achieved certification to perform these functions. This will increase costs by \$6,552, which is funded by Medicaid. The HealthWest Finance Team is under budget for the fiscal year in salaries and fringes because of vacancies, which will cover this increase in costs.
- Reclassify the Administrative Assistant, Position N03604 (Wage Grade HO-00240) to Data Analytics Technician (Wage Grade HX-00210), reclassify the Senior Data Analyst, Position X89401 (Wage Grade HX-00320) to Manager of Data Analytics (Wage Grade HX-00390), and eliminate Data Analyst, Position X79803 (Wage Grade HX-00300) and Data Analyst Specialist, Position X80105 (Wage Grade HX-00300). We are requesting you to re-structure the Data Analytics team with a similar structure as our Information Systems department and to align more closely with actual job duties. This has the added benefits of saving money by eliminating two vacant positions, creating easier recruiting in the future with an entry-level data position, and setting the team up for continued staff retention. This will save HealthWest \$118,849 per fiscal year.

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REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Provider Network Management	REQUEST DATE 6/21/2024	REQUESTOR SIGNATURE Anissa Goodno, Provider Network Specialist	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
<p>HealthWest Board authorization is requested to contract with DBT Institute of Michigan, located at 2950 W. Howell Rd., Mason MI 48854. The Service Agreement will be effective July 1, 2024 through September 30, 2025. DBT Institute of Michigan is a psychiatric residential treatment program specializing in Dialectical Behavior Therapy for female consumers diagnosed with Borderline Personality Disorder who also have a high recidivism rate for inpatient hospitalization. The average length of service is seventy (70) days and will be monitored by the UM Department at HealthWest.</p> <p>This evidence-based therapy focuses on Enhancing Motivation to change through individual and group therapy as well as skills training. DBT Institute of Michigan is in the process of being credentialed with the Lakeshore Regional Entity and will be paid with funding within the approved Specialized Residential budget of \$20,998,125.00.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
<p>I move to authorize the HealthWest Executive Director to sign a contract with DBT Institute of Michigan effective July 1, 2024, through September 30, 2025, to provide services to eligible HealthWest Consumers. The funding is within the Specialized Residential Budget of \$20,998,125.00.</p>			
COMMITTEE DATE June 21, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE June 28, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Provider Network Management	REQUEST DATE June 21, 2024	REQUESTOR SIGNATURE Gina Kim, Provider Network Specialist	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
<p>HealthWest Board approval is requested for HealthWest to contract with the State of Michigan Department of Health and Human Services (MDHHS) for the purpose of placing one MDHHS Eligibility Specialist at HealthWest. The Eligibility Specialist will provide services as outlined in the job description below.</p> <p>Job Description: Employees in this job determine applicants' eligibility for financial assistance programs and maintain ongoing cases. The work involves frequent contact with clients and others to obtain and verify information needed to approve services under various financial assistance programs, Food Assistance, Medical Assistance, and other programs administered by the Michigan Department of Health and Human Services.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
<p>I move to authorize the HealthWest Executive Director to sign contract #DFA25-61001 with the State of Michigan Department of Health and Human Services for \$74,900.00. This contract will fund an Eligibility Specialist at the HealthWest building from October 1, 2024, through September 30, 2025.</p>			
COMMITTEE DATE June 21, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE June 28, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Provider Network Management	REQUEST DATE June 21, 2024	REQUESTOR SIGNATURE Jennifer Stewart, SUD Treatment Quality Assurance Manager	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
<p>HealthWest Board approval is requested to contract with Community Programs, Inc. dba Meridian Health Services effective July 1, 2024, through September 30, 2025. Meridian Health Services, located at 1255 North Oakland Blvd. (men's facility) and 1435 North Oakland Blvd. (women's facility), Waterford, MI 48327, is a residential facility specializing in substance use disorder (SUD) treatment. They offer both detox and residential services and can provide guest dosing for Methadone to clients during their stay.</p> <p>Community Programs, Inc. dba Meridian Health Services is in the process of being re-credentialed with the Lakeshore Regional Entity and will be paid with funding within the approved SUD budget of \$7,035,144.00.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
<p>I move to authorize the HealthWest Executive Director to sign a contract with Community Programs, Inc. dba Meridian Health Services, for SUD residential services, sub-acute detox withdrawal management, and methadone dosing services, effective July 1, 2024, through September 30, 2025. The funding is within the SUD budget of \$7,035,144.00.</p>			
COMMITTEE DATE June 21, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE June 28, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Finance	REQUEST DATE June 21, 2024	REQUESTOR SIGNATURE Brandy Carlson, Chief Financial Officer	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
<p>HealthWest authorization is requested to procure a 200-foot stockade fence at 6 feet high with 1 gate to be purchased from and installed by Oasis Fence in the amount of \$4,540.00 funded under the Children's Waiver Program (CWP).</p> <p>This purchase will be fully funded with CWP dollars and is required to maintain a safe environment for the youth. The youth is very active and loves to play outside. Currently, however, he is pushing down the agricultural wiring and climbing over a 3-foot picket fence to get outside of the backyard. The youth live on a street with a speed limit of 55 miles per hour and there are concerns about him making another escape. A stockade fence is recommended as opposed to a chain link fence due to its climb. His motivation to climb over the fence is by throwing his toys over it. With a chain link fence, he would be able to see the toys and proceed to make the climb over to retrieve the items, however, with the stockade fence the toys would not be visible and he wouldn't be able to see anything on the other side that would motivate him to even attempt to climb a taller and more flat fencing.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
I move to authorize HealthWest to procure and fund a stockade fence inclusive of installation, completed by Oasis Fence up to \$4,540.00 to completed by September 30, 2024.			
COMMITTEE DATE June 21, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE June 28, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

HWB 102-F

Oasis Fence

5855 Pontaluna Rd
 Fruitport, MI 49415 US
 oasis.fence.co@gmail.com

ADDRESS

HEALTH WEST



ESTIMATE# **DATE**
 1023 05/16/2024

SALES REP
 DANIEL VALLIER

DATE	SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
	INSTALL 6' PRE ASSEMBLED STOCKADE PRIVACY FENCE	INSTALL APPROX 190' OF PRE ASSEMBLEDSTOCAKDE PRIVACY. WITH 1 4' WALK GATE. REMOVEANDHAULOFFSITE EXISTING FENCE	1	0.00	0.00
	Services	4X4 POST	27	15.00	405.00
	Services	6X8 PANELS	241	60.00	1,440.00
	Services	2X4 SUPPORT	31	10.00	30.00
	Services	3.5' SCREWS	1	45.00	45.00
	Services	GATE KIT	1	100.00	100.00
	Services	TRIP	1	100.00	100.00
	Services	TEAR OUT		380.00	380.00
	Services	INSTALL		2,040.00	2,040.00
		TOTAL			\$4,540.00

Accepted By

Accepted Date

From: Oasis Fence <oasis.fence.co@gmail.com>
Sent: Thursday, May 16, 2024 1:21 PM
To: Kayla.King
Subject: Re: [EXTERNAL]Fence quote 108 N. Weber

CAUTION: This email was received from a sender outside of HealthWest. Please consider the risks before clicking any links or opening attachments.

Yes, I agree to waive the permit if needed :)

On Thu, May 16, 2024 at 1:03 PM Kayla.King <Kayla.King@healthwest.net> wrote:

Perfect thank you!! And you agree to waive the permit if needed?

Kayla King, MS, OTR/L

HealthWest

Occupational Therapy Department

Cell: 231-683-9596

From: Oasis Fence <oasis.fence.co@gmail.com>
Sent: Thursday, May 16, 2024 1:01 PM
To: Kayla.King
Subject: Re: [EXTERNAL]Fence quote 108 N. Weber

CAUTION: This email was received from a sender outside of HealthWest. Please consider the risks before clicking any links or opening attachments.

Yes I have liability insurance. I am exempt form workman's comp:)

On Wed, May 15, 2024 at 3:53 PM Kayla.King <Kayla.King@healthwest.net> wrote:

Good afternoon again,

I just met with my supervisor and was informed to reach out and ask for the quote to have the parts and labor separated with amount listed. Additionally, please include you permit on the quote somewhere.

Please reply to this question: Do you have liability insurance and workman's comp. insurance?

I am trying to finalize all this for a decision to be made in June by all board committees. Please be patient with us on this process.

Thank you so much in advance

Kayla King, MS, OTR/L

HealthWest

Occupational Therapy Department

Cell: 231-683-9596

CUSTOMER QUOTE IS VALID FOR 14 DAYS
 50% downpayment needed to secure place on calendar
 Balance due on Completion

3% discount for payment by cash or check paid on day or completion.



231.865.7711
 Sales & Service
 Sales@familyfencefactory.com
 On Facebook@familyfencefactory.com

Name:	HealthWest
Phone:	231-683-9596 (Kayla King)
Address:	[Redacted]
Email:	Kayla.king@healthwest.net brown@healthwest.net nick.
Date:	5-4-2024

Item	Description/Quantity	Cost
1st Fence Type:	6ft Wood Privacy	
1st Fence Linear Feet:	90ft	
2nd Fence Type:		
2nd Fence Linear Feet:		
Gate:	1x 5ft	
Material/Installation		\$6,169.00
Other Merchandise	Permit	\$50.00
Install Total Cost		\$6,219.70
Tearout and Haul Away	190ft	\$772.50
Total Cost		\$6,992.20
Total Cost after 3% Cash/Check Discount		\$6,788.54
Need Twp. Approval?	Yes	(Total Balance must be paid in cash or check for discount to apply)
Down Payment Required:	\$3,496.10	Balance Due on Completion: \$3,496.10

Full payment is due upon completion. Late payments are subject interest charges of the rate of 2% per month on unpaid balance. Customer is to pay all actual and reasonable attorney fees for contractor's attorney and cost of collections in the event of a contractual disputer that ultimately results in judgement of any amount being taken by the contractor against customer. Family Fence Factory will contact Miss Dig to locate any utilities, and the customer is responsible to apply for the permit if required by your municipality. Price quoted is an estimate. I have read and understand this contract. The price, specifications, and conditions are satisfactory and I hereby accept. Family Fence Factory is authorized to do the work as specified.

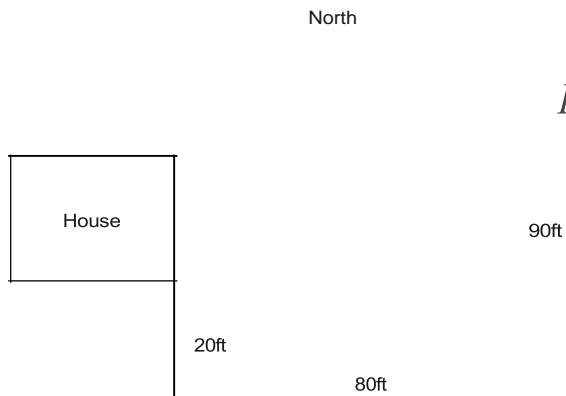
Customer Signature _____

Date _____

Please make checks payable to **FAMILY FENCE FACTORY**

Special Instructions:

Quote is to remove current welded wire/T post fence, and install new wood fence square to the house.
 Labor cost \$4044, Material cost \$2696, additional card fee of \$202.20 if paid by credit/debit card
 Family Fence Factory is an insured company with **Workers Comp and Liability insurance**



Are these available at install location?	YES	NO
Electricity		<input type="checkbox"/>
Water Faucet		<input type="checkbox"/>
Things we need to watch out for:		
PlanUFlower need preserved?	<input type="checkbox"/>	<input type="checkbox"/>
Pets that need containment?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Poison Ivy? <small>(If poison ivy is not cleared from job site additional fees will be assessed and job may be delayed)</small>	<input type="checkbox"/>	<input type="checkbox"/>
Irrigation lines?	<input type="checkbox"/>	<input type="checkbox"/>
Trailer able to access to build site?		<input type="checkbox"/>
Fence Type: <small>(if wood)</small>		Privacy
Pickets on: <small>(some municipalities require pickets/finished side to be on the outside)</small>		Outside

Affordable Fence Company

REMIT TO: 2979 Industrial Pkwy
Muskegon, MI 49445 US
231-780-4444
Jeremy@affordablefenceandmailbox.com
www.affordablefenceandmailbox.com



Estimate

ADDRESS

Kayla King
Health West
376 EAppleAve
Muskegon, Mi 49440

ESTIMATE

2300

DATE

05/08/2024

DESCRIPTION

196' Of 6' Stockade panels
Treated 4x4x8 posts
Screws
Cement
Permit
Materials\$ 3,396.00

Tear out old fencing and haul away
Install all posts with cement
Install 196' Of 6' stockade panels
Labor\$ 3,716.00

We require a 50% down payment on all projects before we start work.

We are licensed and insured. Please ask for proof of insurance any time.
Our contractors license is #242000886.

This is an estimate. Total invoice amount may change due to changes by customer or unforeseen work done above and beyond the scope of the estimate. Please sign and return a copy of this estimate upon your approval.

Payment for all work is due upon completion of the job. We can not be responsible for cracks, scrapes or breaks in concrete or pavement during mobilization or construction. We can not be responsible for damage to un-marked private utility lines. We accept cash, check or credit card only. Thank you!

TOTAL

\$7,112.00

Accepted By

Accepted Date

Kayla.King

From: Jeremy Kennedy <jeremy@affordablefenceandmailbox.com>
Sent: Wednesday, May 15, 2024 6:46 PM
To: Kayla.King
Subject: Re: [EXTERNAL]Estimate 2300 from Affordable Fence Company

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Yes we have both.

Thank you
Jeremy Kennedy

On May 15, 2024, at 3:49 PM, Kayla.King <Kayla.King@healthwest.net> wrote:

Hello Jeremy,

I am inquiring if you have liability insurance and workman's comp. insurance?

Please reply with the answer as soon as possible. Also, thank you so much for having the quote broken up into labor and parts as requested and including your permit on there.

We will be in touch when a decision is made thank you,

Kayla King, MS, OTR/L
HealthWest
Occupational Therapy Department
Cell: 231-683-9596
<image001.png>
<image002.png>

From: Affordable Fence Company <quickbooks@notification.intuit.com>
Sent: Wednesday, May 8, 2024 9:59 AM
To: Kayla.King <Kayla.King@healthwest.net>
Cc: nick.brown@heathwest.net
Subject: [EXTERNAL]Estimate 2300 from Affordable Fence Company

CAUTION: This email was received from a sender outside of HealthWest. Please consider the risks before clicking any links or opening attachments.

Dear Kayla,

Please find your estimate details here. Feel free to contact us if you have any questions. We look forward to working with you.

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Provider Network Management	REQUEST DATE 6/21/2024	REQUESTOR SIGNATURE Rich Francisco, Executive Director	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
<p>HealthWest Board authorization is requested to enter a contract providing defense legal counsel representing Dr. David Van Winkle. Legal Counsel, Henn Lesperance PLC, will represent Dr. David Van Winkle for the time he was contracted with HealthWest.</p> <p>Henn Lesperance PLC will provide representation for a pending lawsuit filed in the United States District Court for the Western District of Michigan – Southern Division under case number 1:24-cv-144 and titled: <i>Tunisia Lark, as Personal Representative of the Estate of Marleon Johnson v Sharne Thomas, David Van Winkle, Zachary Defouw, Jessica Varao, Gabriel Nevins, Justin Wall, Kendrick Foster, Selina Hunter in their individual capacities, Muskegon County, and Health West, LLC.</i></p> <p>This cost will be covered under the savings of our current legal counsel budget.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
<p>I move to authorize the HealthWest Executive Director to sign a contract with Henn Lesperance PLC effective June 28, 2024, to provide legal representation to Dr. David Van Winkle.</p>			
COMMITTEE DATE June 21, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE June 28, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

KEVIN M. LESPERANCE | WILLIAM L. HENN | ANDREW A. CASCINI | DAVID J. BUSSCHER
ANDREA S. NESTER | BRAD R. PERO | ANDREW J. SPICA | NIKITA V. ARTAEV | ROBERT W. BACKUS
CLAYTON J. PRICKETT | WILLIAM R. FRUSH, JR. | STEVEN C. BERRY, OF COUNSELKEVIN M. LESPERANCE
kml@hennlesperance.com
(616) 551-1723

June 19, 2024

Michael D. Homier
Foster Swift Collins & Smith PC
1700 E Beltline Ave NE, Suite 200
Grand Rapids, MI 49525**VIA EMAIL ONLY****RE: Engagement Agreement for Representation of David Van Winkle MD**

Dear Mr. Homier:

Thank you for asking me and my law firm, on behalf of your client, HealthWest, an agency of Muskegon County, to provide legal representation to David Van Winkle MD (the “Client”), a former employee of HealthWest, in a lawsuit file in the United States District Court for the Western District of Michigan – Southern Division by Tunisia Lark, as Personal Representative of the Estate of Marleon Johnson. We agree to represent Dr. Van Winkle in this matter subject to the terms of this engagement letter. At the end (page 4), we ask Rich Francisco, executive director of HealthWest, and Dr. Van Winkle (carbon copied), to carefully review this letter and, if in agreement with its terms after an opportunity to consult with counsel of their choosing, sign and date below where indicated. We welcome each of them, or you, to reach out to us with any questions about this letter and any of its terms.

SCOPE OF REPRESENTATION

My law firm, Henn Lesperance PLC (“the Firm”) has agreed to represent the Client, i.e., David Van Winkle MD, in a pending lawsuit filed in the United States District Court for the Western District of Michigan – Southern Division under case number 1:24-cv-144 and titled: *Tunisia Lark, as Personal Representative of the Estate of Marleon Johnson v Sharne Thomas, David Van Winkle, Zachary Defouw, Jessica Varao, Gabriel Nevins, Justin Wall, Kendrick Foster, Selina Hunter in their individual capacities, Muskegon County, and Health West, LLC*. The Firm has not been requested to represent any other named parties in the case and is not agreeing to do so.

RELATIONSHIP BETWEEN THE FIRM, CLIENT, AND HEALTHWEST

Our firm represents many other companies and individuals. Based on our conflict check, we have found no conflict of interest in our representation of the Client. If we become aware of a conflict in the future, we will notify you immediately and take appropriate action. We reserve the right to withdraw from representation if we believe that we cannot properly represent the interests of the Client in a manner consistent with the applicable ethical rules, or if we are asked to do anything that we believe is unethical, imprudent, or improper.

This purpose of this engagement letter is to outline the terms upon which HealthWest has retained our Firm to represent Dr. Van Winkle. We will do our best to provide effective and efficient representation. As we have already informed Dr. Van Winkle, however, we are not able to provide any guarantee or promise about the result or ultimate disposition of any legal dispute. We agree to keep you/HealthWest and Dr. Van Winkle informed about the status and progress of the work being performed as well as

HENN LESPERANCE PLC

Johnson v Van Winkle, et al.

June 19, 2024

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meaningful decisions about the handling of any matter, subject to the ethical parameters of the Michigan Rules of Professional Conduct. For reference, I am specifically referring to:

Rule 1.9 Conflict of Interest: Prohibited Transactions

* * *

(f) A lawyer shall not accept compensation for representing a client [e.g., Dr. Van Winkle] from one other than the client [e.g., HealthWest] unless:

- (1) the client consents after consultation;
- (2) there is no interference with the lawyer's independence of professional judgment or with the client-lawyer relationship; and
- (3) information relation to the representation of a client is protected as required by Rule 1.6.

Rule 1.6 titled **Confidentiality of Information** provides:

(a) "Confidence" refers to information protected by the client-lawyer privilege under applicable law, and "secret" refers to other information gained in the professional relationship that the client has requested be held inviolate or the disclosure of which would be embarrassing or would be likely to be detrimental to the client.

(b) Except when permitted under paragraph (c), a lawyer shall not knowingly:

- (1) reveal a confidence or secret of a client;
- (2) use a confidence or secret of a client to the disadvantage of the client; or
- (3) use a confidence or secret of a client for the advantage of the lawyer or of a third person, unless the client consents after full disclosure.

(c) A lawyer may reveal:

- (1) confidences or secrets with the consent of the client or clients affected, but only after full disclosure to them;
- (2) confidences or secrets when permitted or required by these rules, or when required by law or by court order;
- (3) confidences and secrets to the extent reasonably necessary to rectify the consequences of a client's illegal or fraudulent act in the furtherance of which the lawyer's services have been used;
- (4) the intention of a client to commit a crime and the information necessary to prevent the crime; and
- (5) confidences or secrets necessary to establish or collect a fee, or to defend the lawyer or the lawyer's employees or associates against an accusation of wrongful conduct.

(d) A lawyer shall exercise reasonable care to prevent employees, associates, and others whose services are utilized by the lawyer from disclosing or using confidences or secrets of a client, except that a lawyer may reveal the information allowed by paragraph (c) through an employee.

CLIENT DUTIES

By carbon copy, we are re-confirming with Dr. Van Winkle that by agreeing to our Firm's continued representation of him, an attorney-client relationship has been established. In order for this relationship to work effectively, we require him to provide us with information that is truthful, even when

HENN LESPERANCE PLC

Johnson v Van Winkle, et al.

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there is reason to believe that such information may be harmful to his legal position or case. By signing below, Dr. Van Winkle also agrees to keep us informed of any fact or development which may be material to our representation, to respond with reasonable diligence to our requests for information or records related to the representation, and to participate as necessary in meetings or decisions related to the representation.

HEATHWEST'S OBLIGATIONS TO THE FIRM

By signing below, HealthWest agrees to be responsible for paying our invoices on a timely basis. Our Firm charges fees for our services based primarily upon the time recorded working in representation of the Client by each attorney or paralegal spent working on matters covered by this engagement letter, and the hourly billing rates for each of the legal professionals devoting time and attention to the Client. As we have discussed, our hourly rates for this case will be \$300/hour (partners), \$275/hour (associates), and \$175/hour (paralegals – nurses). Where possible we may utilize the assistance of associate attorneys or paralegals when we believe in our sole discretion that the use of such other attorneys or paralegals would materially advance the Client's interests.

Our invoicing for this matter will start from Dr. Van Winkle's original retention of the Firm in May 2024, and our work on this case since then, e.g., answering the Complaint.

We may also be requested on occasion to respond to subpoenas, auditors, or other authorized requests for information about Dr. Van Winkle or the work we are doing for him. Time spent responding to these requests will be included in your bill.

Unless otherwise directed, our monthly invoices will be emailed to your attention. Invoices will contain a detailed account of the tasks performed in representation of the Client, the professional who performed the tasks, and the amount of time taken to complete those tasks.

The Firm will charge interest at 1% per month or the maximum rate allowed by law for any invoice that remains outstanding after 30 days.

Payments to third-parties and other charges incurred during our representation (e.g., retained expert witnesses) will be passed along at our cost. The Firm may charge a reasonable amount for photocopies, telephone charges, mail, package delivery, and special administrative support not including ordinary secretarial services incidental to our delivery of legal services. We charge our exact cost when known, and an approximation of true cost when the exact cost is not known. Otherwise, incidental charges will be included in our monthly invoices. In other situations, we may pay a third-party on the Client's behalf for fees or charges such as filing or recording fees, witness fees, mediator fees, title company charges, consultant costs, court reporter charges and other fees, charges and travel expenses. In these circumstances we will pass through the exact cost. If a third-party cost is substantial, we may request advance payment, or we may require HealthWest to pay the third-party invoice directly.

TERMINATION OF SERVICES

We reserve the right to terminate our services for good cause, including but not limited to the failure to pay our bills when rendered, a failure by Dr. Van Winkle to provide us with information necessary for our effective representation of him, or the emergence of a conflict of interest. Termination of services will not affect HealthWest's responsibility to pay for the legal services rendered and any costs incurred up to the date of termination.

DOCUMENT RETENTION

HENN LESPERANCE PLC

Johnson v Van Winkle, et al.

June 19, 2024

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Upon completion of our representation, or from time to time during the course of our representation if it continues for an extended period of time, it will be necessary that we dispose of documents and files. We intend to destroy contents of old files after a period of time which is appropriate under the circumstances. If you, representatives of HealthWest, or Dr. Van Winkle would like our firm to return any part of a file to you, please notify us of this request on a timely basis.

CONCLUSION

Thank you again for asking us to assist Dr. Van Winkle in this matter on behalf of his former employer, HealthWest. Again, we kindly ask Rich Francisco, executive director of HealthWest, and Dr. Van Winkle, to carefully review this letter and, if in agreement with its terms then to sign and date it below where indicated. Counterpart signatures are welcomed and encouraged. In closing, we encourage you, HealthWest, or Dr. Van Winkle to reach out to us with any questions about this letter or any of its terms.

Sincerely,

HENN LESPERANCE PLC



Kevin Lesperance

Dated: _____

David Van Winkle MD (the "Client")

Dated: _____

Rich Francisco, executive director of HealthWest