

HEALTHWEST

FINANCE COMMITTEE MEETING MINUTES

July 19, 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

Committee Members Absent: Remington Sprague, M.D., Commissioner Charles Nash

Also Present: Rich Francisco, Holly Brink, Gina Post, Brandy Carlson, Shannon Morgan, John Weerstra, Melina Barrett, Brittani Duff, Christy LaDronka, Gordon Peterman, Jackie Farrar, Anissa Goodno, Kristi Chittenden, Jason Bates, Linda Wagner, Kim Davis, Gina Kim

Guests Present: Angela Gasiewski

MINUTES

It was moved by Commissioner Hovey-Wright, seconded by Mr. Hardy, to approve the minutes of the June 21, 2024, meeting as written.

MOTION CARRIED

ITEMS FOR CONSIDERATION

A. Approval of Expenditures for May 2024

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to approve expenditures for the month of May 2024, in the total amount of \$8,561,698.85.

MOTION CARRIED

B. Monthly Report from the Chief Financial Officer

Ms. Carlson, Chief Financial Officer, presented the May report, noting an overall cash balance of \$7,122,940.99 as of May 31, 2024.

C. Finance Update Memorandum

Ms. Carlson, Chief Financial Officer, presented the Finance Update Memorandum for the Board review.

D. Authorization to Amend Provider Network Category Budgets

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright to approve the HealthWest Executive Director to amend the budgets for the three Provider Network categories with a zero net dollar effect, effective July 29, 2024.

MOTION CARRIED

E. Authorization to Approve Contract with Lazarusman Consulting, PLLC

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to authorize the HealthWest Executive Director to sign a contract with Lazarusman Consulting, PLLC effective August 1, 2024, through September 30, 2025, to provide services eligible to HealthWest Consumers. The funding is within the Outpatient Budget of \$7,558,082.00.

MOTION CARRIED

F. Authorization to Approve Contract with Pendogani GL LLC

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to authorize the HealthWest Executive Director to sign a contract with Pendogani GL LLC effective August 1, 2024 through September 30, 2025, to provide specialized residential services to eligible HealthWest consumers. The funding is within the HealthWest AFC Specialized Residential Budget of \$20,998,125.00.

MOTION CARRIED

G. Authorization to Approve Increase of Board Motion HWB 81-F

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright to authorize HealthWest increasing the approved motion HWB 81-F to procure and fund a Bathroom Remodification completed by Accessible Home Design, LLC up to \$19,400 to be completed by September 30, 2024.

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

- The LRE Executive Committee is going to be proposing a resolution for the next LRE Board meeting (next week, July 24th) that is a response to Proposed language by MDHHS for Fiscal Year 2025 Limiting the Funding and Use of the Internal Service Fund (ISF). The language by MDHHS for FY2025 arbitrarily caps the amount of funding allowed to be retained by the PIHP (7.5%). This shifts the risk-sharing arrangements between the parties to benefit MDHHS. The LRE further concludes that limiting the funding of the ISF to an amount is not actuarially sound (As you may recall, the LRE hired Wakely Milliman to do an actuarial analysis of how much the LRE should be keeping in their ISF).

The funding limitation of the ISF to an amount:

- Is considered not best practice for operating reserves as proposed by the Government Finance Officers Association (GFOA)

- Contractually limits the LRE's ability to operate independently and manage its risk.
 - LRE would return funds earned and retained from a prior contractual period.
- The LRE Board of Directors strongly encourages the MDHHS to remove the proposed language for fiscal year 2025 that limits limiting the funding and use of the ISF and to honor:
- The PIHP's right to manage its business operations including the management of its contractual risk through an appropriately funding ISF.
 - Generally Accepted Accounting Principles (GAAP) that already provide appropriate limitations on the establishment, purpose, and accounting for an ISF.
 - Generally Accepted Actuarial Principles and Methodologies (GAAPM) that already provide appropriate limitations on determining adequate funding for an ISF.
 - Federal Regulations codified in 2 CFR and 42 CFR that already provide appropriate limitation on allowable costs and utilization of ISF funding.
- HW continues to review space needs to maximize the space that we currently have or rent. There will be moves happening in August to consolidate administration over at Terrace Plaza where there is room, this will open clinical space and offices for staff at MHC west. In addition, the leadership team is looking to expand our current CRU to twelve beds, and we are exploring space options with the help of the County.
- HW and its leadership team continues to work on the following areas to improve financial standing, operations and maximize service delivery:
- Review of Cost based on codes and per unit costs. This will assist HW in understanding how much it is costing HW to provide a service.
 - Continuing to develop dashboards and outcome measures on the program level that is visible to staff. CARF audit recommended that each program area have its own outcome measures. These will include monitoring activities such as development of Autism dashboards, CCBHC dashboards, ACT dashboard, etc.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 8:27 a.m.

Respectfully,

Jeff Fortenbacher
Committee Chair

/hb

PRELIMINARY MINUTES
To be approved at the Finance Meeting on
August 16, 2024



FINANCE COMMITTEE

July 19, 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 June 21, 2024
(Attachment #1 pg.1-3) | Action |
| 3. | Items for Consideration | |
| | A. Approval of Expenditures for May 2024
(Attachment #2 pg. 4) | Action |
| | B. Monthly Report from the Chief Financial Officer
(Attachment #3 pg. 5-8) | Information |
| | C. Finance Update Memorandum
(Attachment #4 pg. 9-10) | Information |
| | D. Authorization to Amend Provider Network Category Budgets
(Attachment #5 pg. 11) | Action |
| | E. Authorization to Approve Contract with Lazarusman Consulting, PLLC
(Attachment #6 pg. 12) | Action |
| | F. Authorization to Approve Contract with Pendogani GL LLC
(Attachment #7 pg. 13) | Action |
| | G. Authorization to Approve Increase of Board Motion HWB 81-F
(Attachment #8 pg. 14-16) | Action |
| 4. | Old Business | |
| 5. | New Business | |

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

/hb

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

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Administration	REQUEST DATE July 19, 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 May 2024 totaled \$8,561,698.85. Large or unusual expenditures for the month includes:</p> <ol style="list-style-type: none"> 1. Payments to Beacon Services in the amount of \$352,226.02 for Residential Services. 2. Payments to Cherry Street in the amount of \$225,869.70 for SUD Services. 3. Payments to HGA in the amount of \$463,026.23 for Residential Services. 4. Payments to Mercy Health Partners MHP in the amount of \$307,574.00 for Community Inpatient Services. 5. Payments to MOKA in the amount of \$1,041,135.00 for Residential Services. 6. Payments to Pine Rest in the amount of \$110,805.40 for Community Inpatient Services. 7. Payments to Pioneer Resources in the amount of \$284,585.73 for Residential, Autism and Skill Building Services. 8. Payments to Samaritas in the amount of \$167,990.83 for Residential Services. 9. Payments to Turning Leaf in the amount of \$121,419.90 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 May 2024, in the total amount of \$8,561,698.85.			
COMMITTEE DATE July 19, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE July 26, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

HealthWest



May 2024

Board Report

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

May 31, 2024

ASSETS	THIS YEAR	LAST YEAR
Cash in Bank	7,122,940.99	(5,021,776.22)
Imprest (Petty) Cash	2,700.00	2,700.00
Accounts Receivable	168,756.75	83,791.02
Due From Other Funds	2,482,291.61	3,856.63
Prepaid Items	485,042.53	411,361.94
Due from other governments	773,240.49	16,309,278.47
Total Assets	<u>\$ 11,034,972.37</u>	<u>\$ 11,789,211.84</u>
LIABILITIES AND EQUITY		
Accounts Payable	\$ 52,356.51	\$ 61,167.28
Undistributed Receipts	15,074.47	632.39
Medicaid Children's Waiver	-	47,528.74
Medicaid SED Waiver	-	16,921.00
SA PA2 Dollars	373.37	-
Unearned Revenue - Lilac St Donation	-	50,100.00
Total Liabilities and Equity	<u>\$ 67,804.35</u>	<u>\$ 176,349.41</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>\$ (1,372,814.44)</u>	<u>\$ 2,669,977.25</u>
NET OF REVENUES VS EXPENDITURES		
	<u>\$ 12,407,786.81</u>	<u>\$ 9,119,234.59</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)	\$2,532,845.73	\$2,601,945.37
Future Equipment Purchases (6660-0000-349222)	\$117,184.04	\$89,534.24

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

May 31, 2024

ASSETS	THIS YEAR	LAST YEAR
Cash	\$ 506,844.94	\$ 542,672.41
Imprest Cash	\$ 55,399.39	\$ 57,420.52
Accounts Receivable	\$ 177.00	\$ 177.00
Total Assets	<u>\$ 562,421.33</u>	<u>\$ 600,269.93</u>
LIABILITIES AND EQUITY		
Accounts Payable	\$ -	\$ -
Due to Other Funds	\$ 1,965.16	\$ 3,856.63
Undistributed Receipts	\$ 560,456.17	\$ 596,413.30
	<u>\$ 562,421.33</u>	<u>\$ 600,269.93</u>

HealthWest

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual

For the Period from October 1, 2023 through May 31, 2024

	Original Budget	YTD Budget	YTD Actual	Over (Under) YTD Budget
Revenues				
Medicaid funding:				
Medicaid capitation	\$ 62,472,930	\$ 41,648,620	\$ 47,485,060	\$ 5,836,440
Medicaid - Autism capitation	8,901,598	5,934,399	6,278,498	344,099
Medicaid capitation - settlement	-	-	(12,464,239)	(12,464,239)
Healthy Michigan Plan	7,443,215	4,962,143	5,132,991	170,848
Healthy Michigan Plan - settlement	-	-	1,715,311	1,715,311
CCBHC Supplemental	9,829,312	6,552,875	7,739,854	1,186,979
CCBHC - Settlement	-	-	1,318,334	1,318,334
State General Fund:				
Formula Fundings	2,066,287	1,377,525	1,377,525	-
Settlement	-	-	-	-
Grant Revenue	6,196,098	4,130,732	3,290,667	(840,065)
Local revenue:				
County appropriation	706,819	471,213	471,211	(2)
Client and third party fees	283,778	189,185	423,685	234,500
Performance Based Incentive Program (PBIP)	-	-	-	-
Interest income	138,398	92,265	136,179	43,914
Other revenue	364,845	243,230	98,135	(145,095)
Total revenue	98,403,280	65,602,187	63,003,211	(2,598,976)
Expenditures				
Salaries and wages	30,967,403	20,644,935	18,854,897	(1,790,038)
Fringe benefits	11,540,651	7,693,767	10,250,863	2,557,096
Staff professional development	1,213,316	808,877	234,046	(574,831)
Provider network services:				
Specialized residential	20,998,125	13,998,750	13,158,243	(840,507)
Community Inpatient	6,167,000	4,111,333	4,557,397	446,064
SUD Services	7,035,144	4,690,096	3,333,285	(1,356,811)
Outpatient Services	7,558,082	5,038,721	4,042,523	(996,198)
Autism Services	1,491,050	994,033	839,981	(154,052)
Contractual expense	6,194,216	4,129,477	6,836,259	2,706,782
Overhead expense	2,365,952	1,577,301	1,601,849	24,548
Supplies	1,264,314	842,876	239,183	(603,693)
Utilities	320,634	213,756	253,881	40,125
Insurance	370,925	247,283	-	(247,283)
Capital outlay	122,253	81,502	3,083	(78,419)
Other expenses	549,636	366,424	579,195	212,771
Transfers	244,579	163,053	174,699	11,646
Total expenditures	98,403,280	65,602,184	64,959,384	(642,800)
Net change in fund balance	-	3	(1,956,173)	(1,956,176)
Fund balance (deficit), beginning of year	(1,448,836)	(1,448,836)	(1,448,836)	-
Fund balance (deficit), end of year	\$ (1,448,836)	\$ (1,448,833)	\$ (3,405,009)	\$ (1,956,176)

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



MEMORANDUM

Date: July 19, 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 July, HealthWest will bring the following motions to the County Commissioners for approval.

- To change the Access Clinician II, Position X01112, from full-time to 25 hours per week, and the Access Clinician II, Position X01116, from 25 hours to 32 hours per week, Funding Account 7326.

The Access Team is the first stop for individuals seeking services at HealthWest and is a 24-hour program with first, second and third shift positions manning the warm line and providing emergency services on nights and weekends. HealthWest's clinical leadership consistently makes position adjustments which are needed to attract and retain staff for these critical positions.

X01116: increase from 25 to 32-hours per week - The position was previously full-time, but the employee was not able to work full-time, so we changed it to 25-hours per week. The employee is now able to work 32 hours per week.

X01112: Decrease from full-time to 25-hours per week - This is a vacant full-time position for which we have an applicant who can only work 25 hours per week. In addition, the applicant is willing to work a 3rd shift. It is very difficult to find 3rd shift master's level staff, and we would like to accommodate this applicant.

These changes will reduce budgeted salaries & benefits by \$20,884.

- To reclassify the vacant Senior Technology Analyst, Position X85304 (Wage Grade HX 00320), to a Help Desk Technician (Wage Grade HX 00160), Funding Account 7124. HealthWest is requesting to reclassify the vacant Senior Technology Analyst, Position X85304 (Wage Grade HX 00320, \$32.537 - \$41.151), to a Help Desk Technician (Wage Grade HX 00160, \$21.353 - \$26.897). HealthWest's Information Systems Help Desk technicians are responsible for responding to help desk tickets, deploying and retrieving equipment, answering the help desk phone line, and face-to-face support for

Main Office

staff. HealthWest's workforce continues to grow with over 460 staff to support, and this has increased the volume of work at the help desk level. The Senior Technology Analysts and Managers currently spend much of their time working on help desk level activities instead of the higher-level work for which their positions were intended. An additional help desk technician will alleviate some of this workload and also decrease costs. This reclassification will reduce the salaries and benefits budget for HealthWest's IT Team by \$35,796.

- To reclassify the Property Specialist, Position X73502 (Wage Grade HX 00250), to Property Supervisor (Wage Grade HX 00280), Funding Account 7900.
We are requesting to reclassify the Property Specialist (HX-00250, \$25.662 - \$32.370) to Property Supervisor (HX-00280, \$27.015 - \$34.085), due to the increase in staff, vehicle fleet, and HealthWest locations. The role of Property Specialist has evolved to encompass a broader range of responsibilities, including supervision of two housekeepers and a property specialist Assistant. The position includes management of facilities and vehicle fleet, as well as implementing safety protocols. This change would align the position with other HealthWest administrative supervisory positions. This will increase costs by \$4,694, which will be covered by Medicaid funding. This will not change the funding account.
- To add a County of Financial Responsibility (COFR) Case Manager (Wage Grade HX 0016) Funding Account 7130.
We are requesting to add a County of Financial Responsibility (COFR) Case Manager I (Wage Grade HX 00160, \$21.353 - \$26.897), Funding Account 7130, to assist the COFR Specialist with managing COFR cases. COFR cases involve clients whose care is funded by other counties (other than Muskegon County). HealthWest has experienced a growth in COFR cases, requiring additional help to manage these cases.
- To extend the three (3) leases with Covenant Academies to August 31, 2025, and authorize the Executive Director of HealthWest to sign all necessary and appropriate documents to complete this transaction.
The County has five (5) leases with Covenant Academies for its Crisis Residential, Outpatient Therapy, and youth departments (including therapy, case management, youth support, etc.), The lease agreements were entered at different times for different programs as needs arose. Hence, the expiration dates are different. This action will align all lease agreements with the same expiration dates.
HealthWest is looking for alternate spaces for the programs currently at Covenant Academies. Covenant Academy's lease rates are far above the market rates, and they are unwilling to reduce the rates to a more reasonable market-based value. Therefore, HealthWest is looking for alternate spaces. Once a new space is identified, it can take up to six (6) months for the state to approve licensing for the new sites. By extending the leases, this will give HealthWest time to identify new space and get state licensing approved.

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REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Provider Network	REQUEST DATE July 19, 2024	REQUESTOR SIGNATURE Brandy Carlson	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
Authorization is requested for the HealthWest Board to amend the Provider Network category budgets effective July 29, 2024.			
Category	Current Budget	Proposed Budget	Variance
Specialized Residential	\$20,998,125	\$22,603,125	\$1,605,000
Community Inpatient	\$ 6,167,000	\$ 6,577,000	\$ 410,000
SUD Services	\$ 7,035,144	\$ 7,035,144	\$ -
Outpatient Services	\$ 7,558,082	\$ 5,543,082	(\$2,015,000)
Autism Services	\$ 1,491,050	\$ 1,491,050	\$ -
Total	\$43,249,401	\$43,249,401	\$ -
Based on the current expenditures, we are requesting to move dollars for the categories that are underspent to the categories that are overspending, staying within the total budget of \$43,249,401.			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
I move to authorize the HealthWest Board of Directors to amend the budgets for the three Provider Network categories with a zero net dollar effect, effective July 29, 2024.			
COMMITTEE DATE July 19, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE July 26, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

HWB 107-F

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Provider Network Management	REQUEST DATE 7/19/2024	REQUESTOR SIGNATURE Jackie Farrar, Provider Network Manager	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
<p>HealthWest Board authorization is requested to contract with Lazarusman Consulting, PLLC, located at 2416 Peck Street Muskegon MI 49444. The Service Agreement will be effective August 1, 2024 through September 30, 2025.</p> <p>Lazarusman Consulting, PLLC will provide Behavioral Health Outpatient Services as a Designated Collaborating Organization (DCO).</p> <p>HealthWest will submit the executed agreement to the State requesting approval to add a second DCO to the Provider Network.</p> <p>Lazarusman Consulting, PLLC will be paid in preparation for becoming a DCO. We will work on mandated training, credentialing staff, and the Electronic Health Record (EHR) system. The funding is within the approved Outpatient budget of \$7,558,082.00.</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 Lazarusman Consulting, PLLC effective August 1, 2024, through September 30, 2025, to provide services to eligible HealthWest Consumers. The funding is within the Outpatient Budget of \$7,558,082.00.</p>			
COMMITTEE DATE July 19, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE July 26, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

HWB 108-F

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Provider Network Management	REQUEST DATE 7/19/2024	REQUESTOR SIGNATURE Gina Kim, 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 the Adult Foster Care (AFC) provider below:</p> <p>Pendogani GL LLC, located at 4654 Middlebury Dr. SE, Kentwood, MI 49512 to provide specialized residential services effective August 1, 2024 through September 30, 2025. This vendor is credentialed through the LRE and will be paid with Medicaid funding within the approved HealthWest AFC 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 Pendogani GL LLC effective August 1, 2024, through September 30, 2025, to provide specialized residential services to eligible HealthWest consumers. The funding is within the HealthWest AFC Specialized Residential Budget of \$20,998,125.00.</p>			
COMMITTEE DATE July 19, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE July 26, 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 July 19, 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 increase Board Motion HWB 81-F from \$18,600.00 to \$19,400.00 payable to Accessible Home Design, LLC funded under the Children's Waiver Program (CWP). The increase is due to plumbing costs updated from the original quote dated March 3, 2024.</p> <p>This purchase will be fully funded with CWP dollars and is required in improving the youth's independence in bathing by putting in a roll-in shower. Prior Review and Approval has been obtained, three quotes were received, and Lakeshore Regional Entity authorization has been approved. The youth currently require support from another person and a grab bar to safely bathe. He/she is fully dependent for bathing, but with modifications to the environment, the youth have the potential to increase his/her independence with this task. He/she is currently bathing in a tub using a Bella Vita Bath Lift with transfer in and out. The grab bar is a suction cup and not secured to a wall stud, which can become loose with little to no warning. As the youth grows, the bathing process is not conducive to care. This bathroom modification will include a roll-in shower to allow for safe access, as well as facilitating his/her engagement in the task.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
I move to authorize HealthWest increasing the approved motion HWB 81-F to procure and fund a Bathroom Remodification completed by Accessible Home Design, LLC up to \$19,400 to completed by September 30, 2024.			
COMMITTEE DATE July 19, 2024	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE July 26, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

HWB 110-F

Accessible Home Design, llc
 9450 Sanborn Ave SE
 Alto, MI 49302 US
 +16168362468
 accessiblehd@gmail.com
 accessiblehd.com

Estimate

ADDRESS
<div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> HealthWest

SHIP TO
<div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> HealthWest

ESTIMATE #	DATE
24-1139	03/05/2024

P.O. NUMBER

ADA Bathroom for

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
	02.10 Demo	Demo and dispose of ceramic tile floor	1	800.00	800.00
	02.10 Demo	Demo and dispose of fiberglass tub surround	1	600.00	600.00
	06 Floor Frame	Floor Framing as needed	1	1,400.00	1,400.00
	14 Plumbing	Linear drain upgrade with stainless steel grate	1	1,400.00	1,400.00
	14 Plumbing	Remove toilet, replace flange	1	500.00	500.00
	14 Plumbing	Remove sink and vanity	1	300.00	300.00
	02 Site Work	Labor to reinstall vanity and top	1	500.00	500.00
	14 Plumbing	Labor to reinstall toilet	1	200.00	200.00
	14 Plumbing	Provide and install shower fixtures and new valve	1	1,700.00	1,700.00
	Tile	Labor to install shower wall tile	1	1,500.00	1,500.00
	Tile	Cost of tile at \$4/sf (allowance)	1	600.00	600.00
	22 Specialty	Labor and materials to provide and install grab bar into wall tile	2	300.00	600.00
	Tile	Install Schluter waterproofing system	1	1,100.00	1,100.00
	Tile	Labor to install bathroom floor tile	1	1,100.00	1,100.00
	Tile	Cost allowance of shower and bathroom floor tile materials at \$8/sf	1	1,100.00	1,100.00
	24 Paint	Painting labor and materials for bathroom walls, two coats	1	400.00	400.00
	24 Paint	Painting labor and materials for bathroom ceiling, two coats	1	300.00	300.00
	07 Wall Frame	Wall Framing labor and materials to provide and install wall blocking	1	300.00	300.00

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
	28 Commissions	throughout shower walls for grab bar support General Contracting fee, applicable sales tax, estimated shipping and handling, design fee, overhead and profit. This document will be signed by both parties and used as the contract between both contractor and client.	1	5,000.00	5,000.00
	Contract	This proposal, if accepted, along with our standard terms and conditions, which are herein incorporated, constitute the agreement between the parties, and no previous or subsequent representations will be accepted unless submitted and accepted in writing. All change orders will be delivered in written form, signed and dated by contractor and client prior to proceeding with change order scope. All discrepancies not being able to be resolved between the contractor and client will be brought before an arbitrator. Down Payment required of \$8400. Second draw of \$8000 due after tile is installed. Final payment of \$3000 due at project completion.	1	0.00	0.00

SUBTOTAL	19,400.00
TAX	0.00
TOTAL	\$19,400.00

Accepted By

Accepted Date