

HEALTHWEST
FULL BOARD MINUTES

January 24, 2025

8:00 a.m.

**376 E. Apple Ave.
Muskegon, MI 49442**

CALL TO ORDER

The meeting of the Full Board was called to order by Chair Thomas at 8:00 a.m.

ROLL CALL

Members Present: Janet Thomas, Cheryl Natte, Janice Hilleary, John M. Weerstra, Kim Cyr, Thomas Hardy, Charles Nash, Remington Sprague, M.D., Tamara Madison, Jeff Fortenbacher, Chris McGuigan

Members Absent: Mary Vazquez

Others Present: Rich Francisco, Holly Brink, Gina Maniaci, Kristi Chittenden, Christy LaDronka, Carly Hysell, Gordon Peterman, Amber Berndt, Tasha Kuklewski, Gary Ridley, Linda Wagner, Latesha Johnson, Morgan Larabee, Sandy Kotecki, Rebecca Bolli, Kristian Kortman, Gina Schaner, Brittani Duff, Dee Greene, Kayla King, Kris Redman, Stephanie Baskin, Melina Barrett, Chelsea Kirksey, Helen Dobb, Greg Moss, Laura Nowak, Kim Huey, Kara Jaekel, Charman Russ, Kelly Betts, Allison Antcliff, Jackie Farrar, Kim Davis, Pacia Savage, Jason Bates, Amanda Florez, Suzanne Beckeman, Stephanie VanDerKooi, Mickey Wallace, Madison Rosel, Brandon Baskin, Rebecca St. Clair, Becky Jo Charron, Briana Davis, Autumn Smith, Anissa Goodno, Ann Gatt, Kaitlin Shaffer, Laurie Johnson

Guests Present: Angie Gasiewski, Kristen Wade, Kwame James

MINUTES

HWB 38-B - It was moved by Mr. Hardy, seconded by Mr. Fortenbacher, to approve the minutes of the December 20, 2024 Full Board meeting as written.

MOTION CARRIED

HWB 39-B - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the minutes of the December 13, 2024 Finance Committee meeting as written.

MOTION CARRIED

ITEMS FOR CONSIDERATION

HWB 40-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve expenditures for the month of November 2024, in the total amount of \$7,948,160.71.

MOTION CARRIED

Monthly Report from the Chief Financial Officer

Ms. Hysell, Director of Finance, presented the November report, noting an overall cash balance of

\$9,391,936.14 as of November 30, 2024.

Finance Update Memorandum

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

HWB 41-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the HealthWest Executive Director to sign a contract with Capadagli Jackson Consulting

MOTION CARRIED

HWB 42-B – It was moved by Mr. Hardy, seconded by Ms. Hilleary, to approve the HealthWest pay grades and classifications in the final Wage Study Compensation recommendations, effective January 1, 2025.

MOTION CARRIED

HWB 43-B – It was moved by Mr. Hardy, seconded by Ms. Natte, to approve the modification to the Salary Slotting for the HealthWest Executive Director, to HealthWest Wage Scale Level 25, Step 6, effective January 1, 2025.

Motion was amended as approval of County Commissioner Board approval is not required.

MOTION CARRIED

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

COMMUNICATION

There was no communication.

DIRECTOR'S COMMENTS

Mr. Francisco, Executive Director, presented his Formal Director's report.

MDHHS Updates:

- MDHHS Contract with the LRE: From a previous Ops meeting at the LRE on 1/15/2024 there was going to be further discussion and analysis on whether the LRE should join the legal action by other PIHP partners, unfortunately due to bad weather, the LRE cancelled their meeting this past Wednesday 1/22/2025. Therefore, this discussion will likely happen next week now. Region 3 as a reminder, is the only PIHP left that has signed the PIHP/MDHHS with alternative language related to ISF funding, CCBHC and Waskul settlement language. Regions 2 and 10 have now filed lawsuits against MDHHS related to this.

Lakeshore Regional Entity updates:

- HW is now considering taking over the SUD Prevention Grant given to our Muskegon County Public Health Department. On 1/17/2025, Kathy Moore from Public Health sent an email response to the LRE after the LRE served the Public Health department with a "Notice of Termination Agreement," regarding Public Health's management of the SUD prevention grant. I have already had a discussion with Kathy Moore, and she agrees that this change is needed. There is a great opportunity here for HW to be able to monitor both the SUD Prevention Program and Intervention/Treatment Programs since HW already does the latter well. HW will be working with both the LRE and MCPH to transition prevention programs over to HW. We have had internal meetings at HW to develop a plan to accept this grant and what this would look like.

CMH level:

- Samaritas Transition to new provider: We continue to keep in contact with Samaritas/Moka with the transition of home over to Moka. There are ongoing renovations currently at the homes to address minor work to the homes to get them ready and updated.
- CSU Project: CSU whitepaper has been completed (thanks to Gary Ridley for compiling the data and findings). If the board would like to see this report, we can provide that for the board and present it next month. We are hoping to present the CSU white paper to the legislative delegation meeting towards the end of January at the County.
- I would like to give a "Shout out" to Gary Ridley and Communications team for getting 100% on their grievance audit results. They got 100%.
- HW will be assisting the County in developing a plan for KATA framework (process improvement) to be rolled out in the County. We will also be extending our training to County staff as well. Pam Kimble (Quality Improvement Director) and I will be presenting the KATA framework at the next County Director's meeting.
- Several leadership team members attended the Emergency Operations Center (EOC) training with the County. I attended with Gary Ridley and Kristi Chittenden to be trained in EOC formation and development training. As a mental health provider in Muskegon, it is essential for HW to know how we would participate in a larger Emergency situation, partner with the County, especially the EOC department and our partners in the community to coordinate response.
- The CMHA Winter conference is Feb. 3 to Feb. 5th. Please let Holly know if you are interested in attending. I believe it is in Kalamazoo. This is a great way to learn about the public mental health system in Michigan as well as see upcoming changes to the public mental health system as whole in Michigan.

AUDIENCE PARTICIPATION

Mr. Kwame James shared the importance of taking care of our people and the real value all we interact with and putting people first.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:35 a.m.

Respectfully,

A handwritten signature in green ink that reads "Janet A. Thomas". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

Janet Thomas
Board Chair
/hb



TO: HealthWest Board Members

FROM: Janet Thomas, Board Chair, via Rich Francisco, Executive Director

SUBJECT: Full Board Meeting
January 24, 2025
376 E. Apple Ave., Muskegon, MI 49442
<https://healthwest.zoom.us/j/92330401570?pwd=TFNHMWWhnQmF5NVYybWRQVG54Tk1GZz09>
One tap mobile: (309)205-3325, 92330401570# Passcode: 428623

AGENDA

- | | | |
|----|--|-------------|
| 1) | Call to Order | Action |
| 2) | Welcome Commissioner McGuigan | |
| 3) | Approval of Agenda | Action |
| 4) | Approval of Minutes | |
| | A) Approval of the Full Board Minutes of December 20, 2024
(Attachment #1 – pg. 1-4) | Action |
| | B) Approval of the Finance Committee Minutes of December 13, 2024
(Attachment #2 – pg. 5-7) | Action |
| 5) | Public Comment (on an agenda item) | |
| 6) | Items for Consideration | |
| | A) Authorization of Expenditures for November 2024
(Attachment #3 – pg. 8) | Action |
| | B) Monthly Report from the Chief Financial Officer
(Attachment #4 – pg. 9-12) | Information |
| | C) Finance Update Memorandum
(Attachment #5 – 13-15) | Information |
| | D) Authorization to Approve Contract with
Capodagli Jackson Consulting (CJC)
(Attachment #6 – pg. 16-24) | Action |
| | E) Wage Study Results and Presentation: Amy Cell Talent
(Attachment #7 – pg. 25-60) | Information |
| | F) Authorization to Approve Final Wage
Compensation Recommendations
(Attachment #8 – pg. 61) | Action |
| | G) Authorization to Approve Executive Director Salary Recommendation
(Attachment #9 – pg. 62) | Action |
| 7) | Old Business | |

- 8) New Business
- 9) Communication
 - A) Roslund, Prestage and Company
(Attachment #10 – pg. 63-64) Information
 - B) Director's Report – Rich Francisco, Executive Director
(Attachment #11 – pg. 65-66) Information
- 10) Public Comment
- 11) Adjournment Action

/hb

HEALTHWEST
FULL BOARD MINUTES

December 20, 2024

8:00 a.m.

**376 E. Apple Ave.
Muskegon, MI 49442**

CALL TO ORDER

The meeting of the Full Board was called to order by Chair Thomas at 8:02 a.m.

ROLL CALL

Members Present: Janet Thomas, Janice Hilleary, Jeff Fortenbacher, John Weerstra, Marcia Hovey-Wright, Thomas Hardy, Remington Sprague, M.D., Tamara Madison, Mary Vazquez

Members Absent: Cheryl Natte, Kim Cyr, Charles Nash

Others Present: Rich Francisco, Holly Brink, Gina Maniaci, Kristi Chittenden, Amber Berndt, Christy LaDronka, Brandy Carlson, Jennifer Hoeker, Gary Ridley, Linda Wagner, Gordon Peterman, Shannon Morgan, Beth Slagboom, Carly Hysell, Melina Barrett, Lori Stevens, Rebecca St. Clair, Amy Krohn, Linda Anthony, Laura Nowak, Helen Dobb, Stephanie Baskin, Madison Rosel, Tasha Kuklewski, Sheila Hurtubise, Latesha Johnson, Nate Cosier, Brandon Baskin

Guests Present: Amy Cell, Kristen Wade, Sara Hough

MINUTES

HWB 37-B - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the minutes of the November 22, 2024 Full Board meeting as written.

MOTION CARRIED

COMMITTEE REPORTS

Program Personnel Committee

HWB 27-P - It was moved by Mr. Hardy, seconded by Ms. Madison, to approve the minutes of the October 11, 2024, meeting as written.

MOTION CARRIED

HWB 28-P - It was moved by Mr. Hardy, seconded by Ms. Thomas, to approve the HealthWest Policy and Procedure for Time Keeping, effective January 1, 2025

MOTION CARRIED

HWB 29-P - It was moved by Mr. Hardy, seconded by Ms. Thomas, to approve the HealthWest Policy and Procedure for Bed Bugs, effective December 20, 2024

MOTION CARRIED

Recipient Rights Committee

HWB 30-R - It was moved by Mr. Weerstra, seconded by Ms. Hilleary, to approve the minutes of the October 11, 2024, meeting as written.

MOTION CARRIED

HWB 31-R - It was moved by Ms. Hilleary, seconded by Ms. Thomas, to approve the Recipient Rights Reports for October 2024 / November 2024.

MOTION CARRIED

Finance Committee

HWB 32-F – It was moved by Mr. Hardy, second by Mr. Weerstra, to approve the minutes of the November 15, 2024 meeting as written.

MOTION CARRIED

HWB 33-F - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve expenditures for the month of October 2024, in the total amount of \$3,293,199.65.

MOTION CARRIED

HWB 34-F - It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to authorize the HealthWest Board of Directors to sign a contract with Ample Residential LLC, effective January 1, 2025, through September 30, 2025, to provide specialized residential services to eligible HealthWest consumers. The funding is within the HealthWest AFC Specialized Residential Budget of \$19,405,100.00.

MOTION CARRIED

HWB 35-F - It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to sign a contract with Faith & Grace effective January 1, 2025, through September 30, 2025, to provide specialized residential services to eligible HealthWest consumers. The funding is within the HealthWest AFC Specialized Residential Budget of \$19,405,100.00.

MOTION CARRIED

HWB 36-F - It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to authorize and approve payment of \$169,650.22 to Pioneer Resources for Fiscal Year 2024 Autism Services.

MOTION CARRIED

ITEMS FOR CONSIDERATION

There was no items for consideration.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

COMMUNICATION

Amy Cell Talent presented the Wage Study Compensation Report. Once this is in the final stages, this will be brought back to the HealthWest Board and later presented to the Muskegon County Commissioner Board.

DIRECTOR'S COMMENTS

Mr. Francisco, Executive Director, presented his Formal Director's report.

Director's Update

MDHHS Updates:

- **MDHHS Contract with the LRE:** Per the last LRE Board meeting that occurred on 12/18/2024, the LRE is still holding the position of not filing an injunction with MDHHS. Region 1, 2, and 10 have already filed an injunction against MDHHS. In my last full board update, I stated that there were 5 CMHSPs that signed the MDHHS contract with alternative language related to and addressing CCBHC, Waskul language, and ISF. At the time, the LRE was still holding on taking action and waiting on MDHHS for a response. Recently, however, as I gave an update to HW Finance Committee, there are now 3 CMHSPs that decided to file an injunction with MDHHS because MDHHS is now holding off on paying for new individuals enrolling in SUDHH (OHH) – Opioid Health Homes citing that because LRE did not sign the FY25 contract “as is” and therefore, cannot receive any new funding for these services because it is included in the FY25 contract. In our region, Ottawa County is the only CMHSP that is going for SUDHH funding which they hoped to start in FY25. At the LRE board meeting on Wednesday 18th, the LRE went into close session with LRE corporate counsel to go over various options and how the LRE should proceed.

Lakeshore Regional Entity updates:

- **CMHSPs contracts with LRE:** All 5 CMHSPs have signed the Contract with LRE and will continue to work with the LRE on policies to improve operations with CMHSPs.
- **West Michigan CEO Announcement:** There was an announcement from the West Michigan CEO on 12/19/2024 that a new CEO has been selected for the role and they have selected Ms. Julia Rupp as the next CEO of West Michigan CMH. The current CEO will work until the end of January.
- N180 and LRE have selected a vendor for Utilization management consulting. The findings from this work will help the other CMHSPs as well and the region to evaluate and address service utilization in the region.

CMH level:

- **Samaritas Transition to new provider:** We continue to meet with Samaritas and will be including Moka in future transition meetings. Moka was awarded the contract to take over Samaritas homes in Muskegon.
- **CSU Project:** We are continuing to put together a white paper on a CSU to present to our Legislative delegation this coming January. We have had several meetings with key individuals for the project including Trinity Health, N180, MDHHS, our County, Muskegon Community Diversion Council made up of law enforcement members from the community and other providers. The report and white paper will be presented to HW board probably in January as well.
- **Technology presentation for the HW board January–** I have asked Kristi and her team to do a presentation for the board in January to showcase our Datacenter- what we have been doing with the data and the dashboards.

- Clinical Teams – Various KATA projects have been happening and a few new ones starting. I want to thank the Directors/Managers and team leads who continue to work on developing outcomes and metrics for the clinical teams. This includes the hard work of coming up with productivity measures and other outcomes.
- Just wanted to recognize and Thank Commissioner Hovey Wright for the many years not only at the County Board but at the HW Board. This is her last HW Board meeting. Thank you! Commissioner Hovey Wright for the perspective and insight she has provided to the HW Board over the years.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:48 a.m.

Respectfully,

Janet Thomas
Board Chair
/hb

***PRELIMINARY MINUTES
To be approved at the Full Board Meeting of
January 24, 2025***

HEALTHWEST**FINANCE COMMITTEE MEETING MINUTES****December 13, 2024****8:00 a.m.****CALL TO ORDER**

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

ROLL CALL

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

Committee Members Absent: Commissioner Charles Nash

Also Present: Rich Francisco, Holly Brink, Gina Maniaci, Brandy Carlson, Melina Barrett, Kristi Chittenden, Christy LaDronka, Linda Wagner, Gordon Peterman, Mickey Wallace, Gary Ridley Anissa Goodno, Shannon Morgan, Carly Hysell, Brittani Duff

Guests Present: Angela Gasiewski

ITEMS FOR CONSIDERATION**A. Approval of Minutes**

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the minutes of the November 15, 2024, meeting as written.

MOTION CARRIED**B. Approval of Expenditures for October 2024**

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve expenditures for the month of October 2024, in the total amount of \$3,293,199.65.

MOTION CARRIED**C. Monthly Report from the Chief Financial Officer**

Ms. Carlson, Chief Financial Officer, presented the October report, noting an overall cash balance of \$9,175,110.55 as of October 31, 2024.

D. Finance Update Memorandum

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

E. Authorization to Approve Contract with Ample Residential LLC

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to authorize the HealthWest Executive Director to sign a contract with Ample Residential LLC, effective January 1, 2025, through September 30, 2025, to provide specialized residential services to eligible HealthWest consumers. The funding is within the HealthWest AFC Specialized Residential Budget of \$19,405,100.00.

MOTION CARRIED

F. Authorization to Approve Contract with Faith & Grace Enterprise LLC

It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to sign a contract with Faith & Grace effective January 1, 2025, through September 30, 2025, to provide specialized residential services to eligible HealthWest consumers. The funding is within the HealthWest AFC Specialized Residential Budget of \$19,405,100.00.

MOTION CARRIED

G. Authorization to Approve Stabilization Payment to Pioneer Resources

It was moved by Mr. Hardy, seconded by Commissioner Hovey-Wright, to authorize and approve payment of \$169,650.22 to Pioneer Resources for Fiscal Year 2024 Autism Services.

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 FY25 CMHSP contract is now final with all the CMHSPs having signed and agreeing to the language. There are still policies and procedures that need to be updated and finalized regarding operations, but all in all the CMHSPs are confident those items can be worked out with the LRE.
- The MDHHS contract with the PIHP is still in the same status with the LRE signing the contract with altered language related to the Waskul Case, CCBHC language and ISF language. A

new development, however, is that of the remaining 5 CMHSPs, 3 (Region 1, 2, and 10) are ready to file an injunction against MDHHS. A recent communication related to the SUD/OHH and BHH states that the CMHSPs that have not signed the contract “as is” cannot add any new consumers to these programs. They can continue to serve individuals currently but cannot add new consumers in WSA for these programs due to an unsigned contract. The LRE board will decide the next steps whether they will sign or join the other 3 CMHSPs. HealthWest and Region 6 are the remaining CMHSPs that have not signed the injunction against the state.

- Samaritas update: HealthWest awarded the contract to Moka, and transition planning is happening now. We have weekly meetings with Samaritas to continue receiving updates and will be bringing in Moka to ensure a smooth transition of taking over the 5 homes in Muskegon.
- Wage Study: HealthWest is at a point where the draft final wage study will be presented to the Leadership team this coming Monday for input. I have invited Kristen Wade, county HR director, to join as well for the initial presentation. There will be an opportunity to review and double check the results. We hope to have Amy Cell come to the full board meeting on December 20th to present the findings.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 8:28 a.m.

Respectfully,

Jeff Fortenbacher
Committee Chair

/hb

**PRELIMINARY MINUTES
To be approved at the Finance Meeting on
January 10, 2025**

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Finance	REQUEST DATE January 24, 2025	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 November 2024 totaled \$7,948,160.71. Large or unusual expenditures for the month includes:</p> <ol style="list-style-type: none"> 1. Payments to Beacon Services in the amount of \$213,917.90 for Residential Services. 2. Payments to Flatrock Manor in the amount of \$112,715.48 for Residential Services. 3. Payments to Mercy Health Partners MHP in the amount of \$209,825.00 for Community Inpatient Services. 4. Payments to Moka Corporation in the amount of \$702,435.49 for Residential Services. 5. Payments to Pine Rest in the amount of \$93,378.96 for Community Inpatient Services. 6. Payments to Pioneer Resources in the amount of \$1,157,420.10 for Autism and Residential Services. 7. Payments to Positive Behavior Supports in the amount of \$88,131.63 for Autism Services. 8. Payments to Samaritas in the amount of \$336,285.35 for Residential Services. 9. Payments to Sentinel Technologies in the amount of \$267,239.43 for Information Technology. 			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
I move to approve expenditures for the month of November 2024, in the total amount of \$7,948,160.71.			
COMMITTEE DATE	COMMITTEE APPROVAL		
	_____ Yes _____ No _____ Other		
BOARD DATE	BOARD APPROVAL		
January 24, 2025	_____ Yes _____ No _____ Other		

HealthWest



November 2024

Board Report

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

November 30, 2024

ASSETS		THIS YEAR	LAST YEAR
Cash in Bank		9,391,936.14	7,435,544.49
Imprest (Petty) Cash		1,600.00	2,700.00
Accounts Receivable		16,124.45	176,618.93
Due From Other Funds		2,366.66	2,481,524.59
Prepaid Items		793,133.94	565,686.87
Due from other governments		1,289,017.86	4,154,417.24
Total Assets		<u>\$ 11,494,179.05</u>	<u>\$ 14,816,492.12</u>
LIABILITIES AND EQUITY			
Accounts Payable	\$	205,353.85	\$ (368,259.40)
Undistributed Receipts		(4,463.66)	11,817.29
Accrued Wages and Fringes		296,309.03	242,650.38
Total Liabilities and Equity	\$	<u>497,199.22</u>	<u>\$ (124,055.54)</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Medicaid fee for services and capitation	\$	<u>8,217.16</u>	<u>\$ 7,348,752.52</u>
		(1,855,032.17)	(1,855,032.17)
Fund Balance at beginning of year		607,018.22	
Nonspendable FB-Prepays	\$	<u>(1,248,013.95)</u>	<u>\$ (1,855,032.17)</u>
**Total Fund Balance			
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$	<u>(742,597.57)</u>	<u>\$ 5,369,664.81</u>
NET OF REVENUES VS EXPENDITURES		<u>\$ 12,236,776.62</u>	<u>\$ 9,446,827.31</u>
Transferred to County Equipment Revolving Account for:			
Mental Health Center Building (6660-0000-349220)		\$2,483,283.87	\$2,569,062.21
Future Equipment Purchases (6660-0000-349222)		\$117,184.04	\$117,184.04

**COMMUNITY MENTAL HEALTH
INTERIM BALANCE SHEET 7930
CMH CLIENT FUNDS
PRELIMINARY
November 30, 2024**

ASSETS		
	THIS YEAR	LAST YEAR
Cash	\$ 451,694.99	\$ 453,040.07
Imprest Cash	\$ -	\$ 37,412.78
Accounts Receivable	\$ -	\$ 177.00
Total Assets	<u>\$ 451,694.99</u>	<u>\$ 490,629.85</u>
 LIABILITIES AND EQUITY		
Accounts Payable	\$ 25.00	\$ -
Due to Other Funds	\$ 137.05	\$ 1,596.56
Undistributed Receipts	\$ 451,532.94	\$ 489,033.29
	<u>\$ 451,694.99</u>	<u>\$ 490,629.85</u>

HealthWest

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual

For the Period from October 1, 2024 through November 30, 2024

	Original Budget	YTD Budget	YTD Actual	Over (Under) YTD Budget
Revenues				
Medicaid funding:				
Medicaid capitation	\$ 63,176,322	\$ 10,529,387	\$ 9,763,742	\$ (765,645)
Medicaid - Autism capitation	9,643,002	1,607,167	1,837,539	230,372
Medicaid capitation - settlement	-	-	(2,913,973)	(2,913,973)
Healthy Michigan Plan	6,618,061	1,103,010	1,196,563	93,553
Healthy Michigan Plan - settlement	-	-	407,817	407,817
CCBHC Supplemental	17,430,250	2,905,042	-	(2,905,042)
CCBHC - Settlement	-	-	2,827,776	2,827,776
State General Fund:				
Formula Fundings	2,066,287	344,381	344,382	1
Settlement	-	-	-	-
Grant Revenue	5,282,051	880,342	531,286	(349,056)
Local revenue:				
County appropriation	706,819	117,803	117,799	(4)
Client and third party fees	1,746,837	291,140	34,745	(256,395)
Interest income	393,117	65,520	58,240	(7,280)
Other revenue	215,589	35,932	28,527	(7,405)
Total revenue	107,278,335	17,879,724	14,234,443	(3,645,281)
Expenditures				
Salaries and wages	29,676,018	4,946,003	3,864,008	(1,081,995)
Fringe benefits	19,940,330	3,323,388	2,594,304	(729,084)
Staff professional development	598,588	99,765	46,183	(53,582)
Contractual expense	49,160,285	8,193,381	6,972,957	(1,220,424)
Overhead expense	2,891,260	481,877	390,496	(91,381)
Supplies	443,252	73,875	29,407	(44,468)
Utilities	417,090	69,515	7,486	(62,029)
Insurance	474,348	79,058	-	(79,058)
Capital outlay	5,060	843	-	(843)
Other expenses	3,385,094	564,182	144,860	(419,322)
Transfers	287,010	47,835	58,233	10,398
Total expenditures	107,278,335	17,879,722	14,107,934	(3,771,788)
Net change in fund balance	-	2	126,509	126,507

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



MEMORANDUM

Date: January 10, 2025

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
Carly Hysell, HealthWest Director of Finance

From: Brandy Carlson, Chief Financial Officer

Subject: **Finance Update**

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

- Move to authorize HealthWest to enter into a 36-month agreement with Everstream for 500 Mb fiber optic point-to-point service at 1161 W. Southern Ave., Muskegon, MI 49441 and authorize the HealthWest Executive Director to sign the agreement.

Contingent upon the lease being approved, HealthWest is seeking to purchase this fiber optic service to connect the new location, 1161 W. Southern Ave. with 376 E. Apple Ave (Mental Health Center) to provide internet connectivity and access to HealthWest's network.

- Move to authorize HealthWest to enter into a 36-month agreement with Everstream for 250 Mb fiber optic point-to-point service for 1713 7th St., Muskegon, MI 49442 and authorize the HealthWest Executive Director to sign the contract.

Contingent upon the lease being approved, HealthWest is seeking to purchase this fiber optic service to connect the new location, 1713 7th St. with 376 E. Apple Ave (Mental Health Center) to provide internet connectivity and access to HealthWest's network.

The reason for the added one-time cost is that roughly ¼ mile of underground construction needs to occur between W. Laketon Ave. and the new location.

- Move to authorize HealthWest to purchase Cisco Secure Endpoint antivirus including professional services and installation support from Sentinel Technologies, Inc, utilizing the Cisco MiDEAL purchasing cooperative contract, at an approximate
Main Office

cost of \$56,904.80 and authorize the HealthWest Executive Director to sign the contract.

Sentinel Technologies has recommended Cisco Secure Endpoint antivirus to replace the current Cylance antivirus product currently in use by HealthWest.

The Cisco Secure Endpoint product will provide cost savings compared to Cylance, and it will also integrate effectively with the current Cisco Security products used by HealthWest.

The quote from Sentinel Technologies includes the Secure Endpoint Licensing cost for 36 months (\$45,904.80) and professional services cost to provide installation assistance (\$11,000.00).

This purchase was identified as a technology project in the budgeted FY2025 Technology Plan.

- Move to authorize HealthWest to exercise the second contract renewal with Preferred Lawn Care & Snow Plowing, LLC, located at 2471 Whitehall Road, Suite B, Muskegon MI, 49445, for snow removal and salting services for calendar year 2025 at both the Mental Health Center and Club Interactions.

A request for bid was posted on September 16, 2022, and closed on October 21, 2022, for snow removal and salting at the HealthWest Mental Health Center and Clubhouse Interactions for the 2022-2023 winter season. Preferred Lawn Care responded to the bid at a cost not to exceed a total of \$50,091.00 with an option for three (3) one (1) year renewals. The first one (1) year renewal was authorized in January 2024. Staff is now requesting to exercise the option of the second renewal for calendar year 2025.

- Move to reclassify the Recovery Coordinator, Position X11400 (Wage Grade HX 00210) to an Inclusion & Engagement Administrative Assistant (Wage Grade HO 00240, Funding 7106).

Administrative support is needed by the Director of Inclusion and Engagement. The job responsibilities have grown within this department and support was originally provided by contractual agreements. However, HealthWest is no longer contracting out for that support and would like to create a position in-house at a cost of savings. This position would be a lower wage grade than the Recovery Coordinator, which is a range of \$24.234 - \$30.503 per hour. The new range for the Inclusion & Engagement Administrative Assistant will be \$22.100 - \$27.825 per hour. This will save HealthWest \$6,034 annually.

- Move to authorize HealthWest to amend the current contract with Advanced Time Management to include additional active users as needed through the term of the contract.

HealthWest started implementation of Attendance on Demand (AOD) from Advanced Time Management in FY2024 in order to meet the Michigan Department of Health and Human Services Standard Cost Allocation model. We are pleased to announce all HealthWest staff

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376 E. Apple Ave | Muskegon, MI 49442 | P (231) 724-1111 | F (231) 724-3659

[HealthWest.net](https://www.healthwest.net)

are now using AOD for biweekly time sheets, time off requests, transfers of labor distribution, and report management. With that, the total value of the contract will increase from to an average monthly cost of approximately \$510 per month for 137 active users to \$2,900 per month which includes 539 active users at \$3.25/each and hourly training fees as needed.

- Move to authorize HealthWest to purchase one hundred (100) new Lenovo ThinkPad T16 laptops and forty-six (46) new Dell OptiPlex 7020 desktop computers from CDW-G, utilizing the MiDEAL cooperative agreement, at an approximate cost of \$154,782.72 and authorize the HealthWest Executive Director to sign the contract.

These new laptops and desktop computers will be used to replace old equipment in the HealthWest fleet as part of the five (5) year rotation plan.

The quote from CDW-G breaks down as \$117,600.00 for the Lenovo ThinkPad T16 laptops, which includes a three (3) year warranty, and \$37,182.72 for the Dell OptiPlex 7020 desktop computers, which includes a three (3) year warranty.

This purchase was identified as a technology project in the budgeted FY2025 Technology Plan.

- Move to eliminate positions N48901 and N48900, hourly Lobby Support Specialist, positions and create one (1) full-time Lobby Support Specialist position.

Currently there are two, filled, hourly Lobby Support Specialists (HO-00160, \$16.82/hr - \$21.176/hr) that support the HealthWest Mental Health Center Lobby. HealthWest has been experiencing many issues within the lobby creating the need for greater stability of staffing. There has been an increase in individuals using the lobby as a warming center, safe place to spend their day, and/or increasing agitation of individuals in the lobby. HealthWest feels that a full time Lobby Support Specialist will, not only allow for full-time coverage in the lobby, but create greater stability for our clients and relationship building with individuals.

HealthWest is also seeing an increase in the need for frequent cleaning and sterilizing of lobby furniture and equipment. The Lobby Support Specialist will also be responsible for sterilizing furniture after usage in order to keep illness and pests at bay.

This position will be fully funded by Medicaid and will result in an increase of \$29,202 to the expenses which will be absorbed in the current budget.

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REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Finance Department	REQUEST DATE January 24, 2025	REQUESTOR SIGNATURE Rich Francisco, Executive Director	
SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES) <p>Authorization is requested for HealthWest Executive Director to sign a grant-funded agreement/contract with Capodagli Jackson Consulting (CJC) in the amount of \$52,500. This agreement includes consultation, implementation and organizational-wide program facilitation of “<i>The Disney Way</i>” -Customer-Centric Culture programming for HealthWest.</p> <p>The grant-funding for this project is a reallocation of previously unused grant funds, <i>pending final approval of carryover and budget amendments</i>, through the MDHHS -Behavioral Health Workforce Stabilization Grant Project FY23-25.</p>			
SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES) <p>I move to authorize the HealthWest Executive director to sign the attached agreement with Capadagli Jackson Consulting. .</p>			
COMMITTEE DATE	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE January 24, 2024	BOARD APPROVAL _____ Yes _____ No _____ Other		

HWB 41-B



AGREEMENT

January 21, 2025

Mr. Rich Francisco
Executive Director
HealthWest DBA
Muskegon County
Muskegon, Michigan

Dear Rich:

Thank you for the opportunity to work with you to bring *The Disney Way* customer-centric culture to HealthWest.

The following is our approach to meet this goal:

Capodagli Jackson Consulting (CJC) President Bill Capodagli will be the consultant and facilitator for the Implementation. Bill has over 30 years of international management consulting experience. He has assisted scores of organizations – from Fortune 500 to family-owned establishments – revamp their customer service processes, improve leadership skills and implement a culture of innovation using Walt Disney’s original success principles – Dream, Believe, Dare, Do. This credo is the foundation of a commitment to creating customer experiences that are second to none. Bill co-authored the best-selling management books: *The Disney Way: Harnessing the Management Secrets of Disney in Your Company* (cited by *Fortune* magazine as “so useful, you may whistle while you work”; now is its 3rd edition); *The Disney Way Fieldbook: How to Implement Walt Disney’s Vision of ‘Dream, Believe, Dare, Do’ in Your Company*; and *Innovate the Pixar Way: Business Lessons From the World’s Most Creative Corporate Playground*.



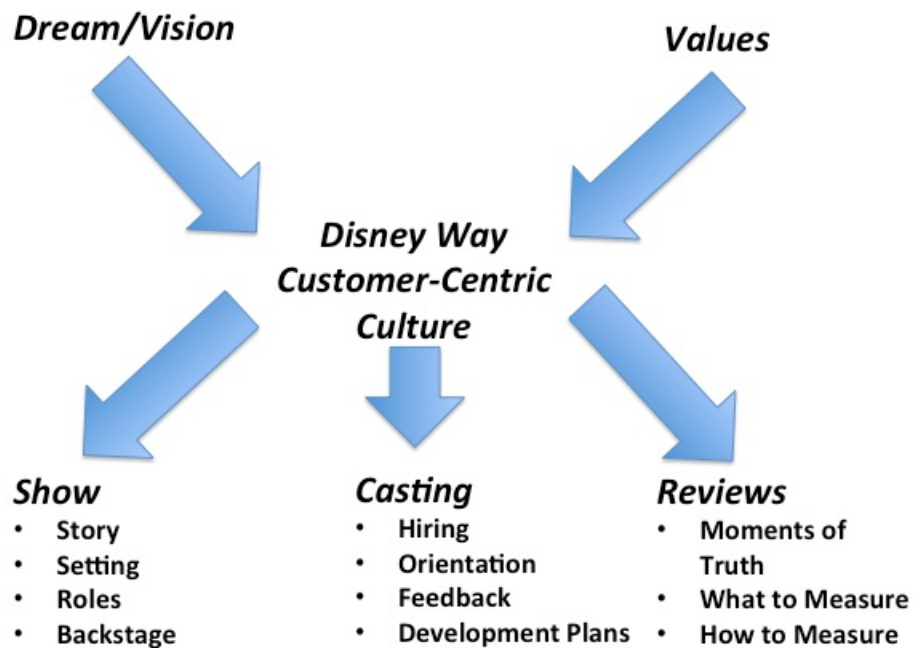
The Disney Way Customer-Centric Culture Implementation Philosophy

The implementation must be a organization-wide culture change championed by the organization's leadership. Becoming "customer-centric" is not an activity to be "checked off" during a performance review milestone. The Customer Service "Story," Values and Codes of Conduct of the organization must be embraced by all stakeholders for the transformation to be realized. We believe that our philosophy and approach will best facilitate this goal for HealthWest.

Our Goals for HealthWest:

- Build upon HealthWest's existing culture.
- Develop the Customer Service "Story."
- Establish/validate Values and Codes of Conduct.
- Storyboard barriers to the Implementation; identify potential solutions.
- Develop a Roadmap for the Implementation.
- Understand the *Disney Way* Experience Model.
- Understand the "Brain Trust" Process.
- Launch the Customer-Centric Improvement Team.
- Launch the Brain Trust Process.

Disney Way Experience





Implementation Process:

Phase I – Leadership Week brings your leaders together to learn how to establish and sustain a customer-centric culture. Your leaders will learn how to: 1.) Use the *Disney Way* Experience Model to guide the process; 2.) Develop your “Story” and Values/Codes of Conduct; 3.) Identify barriers to the implementation and potential solutions

Leadership Week Structure:

Day 1 – AM – Meet with C-level leaders and Champion; PM – Set up workshop room

Day 2 – AM – Open; PM – All leaders workshop

Day 3 – Full Day - All leaders

Day 4 – AM – All leaders workshop; PM – Working session: Story and Codes of Conduct)

Day 5 – AM – C-level leaders and Champion debrief

Phase 2 – Employees *Disney Way* Experience Workshop will lead participants to:

- Create an environment of mutual respect and trust by applying *The Disney Way* Principles
- Learn and apply *The Disney Way* Experience Model in the HealthWest environment
- Boost productivity; get more done with less stress and more energy, AND fun!
- Break down departmental “silos”
- Remove barriers to pride of workmanship
- Improve customer service and create an enhanced customer experience
- Improve feedback at all levels
- Learn Storyboarding – a problem-solving technique



Employees *Disney Way* Experience Workshop Structure:

All employees will participate over three days (½ day, full day, ½ day)

Customer-Centric Culture Champion

One employee will be the “go to” person in charge of managing the various phases and details of the Implementation process. Any employee who exhibits excellent facilitation and organizational skills may be selected for this position. Protecting both “the process and the people” is the key to success.

Top Management “Hot Seat”

During the afternoon of the second day of the **Employees *Disney Way* Experience Workshop**, the “Hot Seat” occurs. Two or three C-level leaders make up the “Hot Seat” panel. Participants are invited to ask the panel any questions pertaining to the implementation efforts or organizational operations. The purpose of the “Hot Seat” is twofold:

1. Senior leaders are available, and they display candor and demonstrate support.
2. The importance of trust and open communications between management and the workforce is reinforced.

Customer-Centric Improvement Team

This team consists of members from most departments and is led by the Customer-Centric Culture Champion. They will evaluate, prioritize and implement customer service improvements identified by the Employee *Disney Way* Experience Workshop storyboards.



Support – The Brain Trust Follow-Up

The Brain Trust is a way to help frontline supervisors and mid-level managers cope with a variety of leadership issues. This special group of people assists, advises and supports one another, but they do not have authority to make decisions for one another's teams or departments. A key benefit of the process is the opportunity for members to help one another become more effective leaders. Typically, a Brain Trust is comprised of 15-20 leaders and one facilitator. They meet every 10-12 weeks.

Timing:

Leadership Week – March 24th – March 28th, 2025

Employees *Disney Way* Experience Workshops –

1. Week of April 21st
2. Week of May 12th
3. Week of June 9th
4. Week of July 14th
5. Week of August 4th

Fees:

Phase 1 – Leadership Week – \$17,500.00

Phase 2 – Employees *Disney Way* Experience Workshop – 5 sessions @ \$7000.00 = \$35,000.00 (100 participants maximum)

(Both phases include travel, lodging and meals)

Note: Upon approval of this Agreement, a final Agreement will be submitted with invoices.



Payment Schedule:

Payment 1 – Due Monday, February 3rd - \$8750.00

Payment 2 – Due Monday, March 17th - \$26,250.00

Payment 3 – Due Monday June 2nd - \$17,500.00

Logistics/Equipment to be provided by HealthWest

- Facility: Muskegon County Marquette Campus, The Student Center, 1903 Marquette Avenue, Muskegon, Michigan
- Continental breakfasts, break snacks, and lunches for all working days (according to the schedule)
- Screen(s) to accommodate group size
- LCD projector(s), compatible with a MAC laptop; sound needed through the computer (Bill brings his own laptop.)
- 6 or 8-foot table to be placed on front/side wall for materials
- 10-top round tables (preferable)
- Approximately 60-80 ft of blank wall space for storyboarding
- Beams for problem-solving exercise (CJC will provide specs)
- Storyboarding materials (CJC will provide Amazon list)
- Pertinent information regarding current initiatives, strategic plan(s), and/or development plans relevant to this Implementation



CJC agrees to reimburse HealthWest 100% of the fees for the workshops if CJC is unable to fulfill the commitment for any reason caused by CJC or Bill Capodagli.

Notwithstanding the foregoing, CJC or HealthWest shall not be held liable for any damages for non-performance of this Agreement in the event of any force majeure; including, but not limited to fire, flood, earthquake, severe weather event, or any other act of God, war, terrorism, riot, disease outbreak, travel deemed inadvisable or otherwise restricted, laws and government regulations, or labor disputes beyond the reasonable control of either party. CJC shall not be entitled to liquidated damages or cancellation fees in the event that HealthWest cancels the workshops due to any force majeure.

HealthWest agrees to provide prompt notice if the workshop must be cancelled for any reason. In the unlikely event that HealthWest needs to cancel the workshops, CJC agrees to apply 100% of the fees paid to similar workshops if rebooked within the next 12 months and based upon Bill Capodagli's availability.

Capodagli Jackson Consulting is committed to working with you to produce a dynamic and productive *Disney Way* Customer-Centric Culture Implementation for HealthWest!

Best regards,

Lynn Jackson
Vice President



Compensation Study Report

Prepared for: HealthWest of Muskegon County



Presented by Amy Cell, LLC

January 20, 2025

Date: January 20, 2025

To: Rich Francisco, Executive Director
Brandy Carlson, DBA, Chief Financial Officer

Re: **Non-Union Compensation Study**

Amy Cell Talent (ACT) is pleased to present a report for the comprehensive job evaluation and wage analysis of up to one hundred-forty (140) non-union HealthWest positions, seventy-one (71) of which we were able to benchmark in our survey. This report documents our process, findings, and recommendations.

We will gladly answer any questions or clarify points as you review these findings and recommendations. It has been a pleasure working on this project and we look forward to partnering with HealthWest and Muskegon County on future human resources projects.

Kind Regards,

Your ACT Team

/s/ Amy Cell, Chief Team Builder - amy@amycelltalent.com

/s/ Sonja Parkinson, HR Services VP - sonja@amycelltalent.com

/s/ Kimberly Robinson, Director HR Consulting Services - kim@amycelltalent.com

/s/ Ashley Walicki, Compensation Director - ashley@amycelltalent.com

/s/ David Johnson, Operations Director- djohnson@amycelltalent.com

/s/ Brittney Simpson, Sr. HR Consultant- brittney@amycelltalent.com

/s/ Jasmein Minhas, Sr. Associate Consultant - jasmein@amycelltalent.com

/s/ Henry Wurn, Associate Consultant - henry@amycelltalent.com

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Executive Summary

HealthWest, a department of Muskegon County, is the County's community mental health and certified behavioral health clinic. HealthWest serves over 8,000 children and adults with developmental disabilities, mental illness, or substance misuse concerns. The services are community-based, meeting people in the community where they live, work and play. The organization employs over 450 employees working in the areas of case management, recovery coaches, peer support, clinicians, therapists, crisis response, nurses, and more.

HealthWest benefits from retaining key staff and attracting top talent in a competitive job market. As such, HealthWest engaged Amy Cell, LLC to complete a comprehensive job evaluation and wage analysis. The goal of the project was to create an objective methodology to assign jobs to the designated levels and ensure compensation rates that are aligned with the market for job levels.

Primary components of this report include key findings and recommendations for:

- Data collected from comparables with similar revenue/budget, spending on total compensation, similar industry and/or positions and number of FTEs.
- A compensation strategy that matches the market in order to remain competitive with behavioral/mental health and the healthcare industry of Michigan.
- Job description review and job hierarchy.
- The development of a comprehensive wage structure for the positions selected as part of this study along with suggestions for additional pay grades for future broader application within the organization and the financial impact analysis of any changes (supplemental document to be provided).
- Recommendation for strategies to implement changes (including communication plan) into the proposed wage structure, as well as developing guidelines and updates to the policy.
- A compensation philosophy for determining how compensation is set, managed, and communicated to employees. A compensation policy and process that addresses salary

structure movement and salary increases with transparency and consistency, including review and consideration of internal equity.

- An annual review of the market for salary structure and salary increase recommendations along with a comprehensive compensation study to be conducted every 3-5 years.

Project Objectives and Scope

HealthWest's Compensation Study aims to develop a fair, competitive, and transparent compensation structure for approximately 140 non-union job classifications. The objectives were to create an objective methodology to assign jobs to the designated levels and ensure competitive rates for job levels. We used a systematic methodology for assigning jobs to designated levels based on qualifications, skills, and job duties; ensuring that the resulting job levels are compensated at a competitive rate; and provided a sustainable wage structure that supports career growth and internal equity. Additionally, the project includes a financial impact analysis (separate document to be provided) to assess the cost of adjusting current salaries to meet or exceed the minimum for each designated grade level.

This project will ensure that HealthWest's compensation practices are equitable, competitive, and aligned with organizational goals, providing a strong foundation for talent retention and sustainable growth.

Review of Job Descriptions

HealthWest currently uses HireReach and O-Net to assist with creating job descriptions. We identified a total of approximately 140 positions for review. Our high-level review of the job descriptions looked for the following:

- **Essential functions of each position:** These are the fundamental duties that an employee must be able to perform to successfully fulfill the role. Focus on outcomes rather than specific methods. Clearly defined essential functions provide a better avenue for evaluating Americans with Disabilities Act (ADA) accommodation requests.
- **Physical and environmental demands:** If there are physical or environmental demands associated with the job, these should be described accurately. However, employers should be cautious not to include unnecessary or overly restrictive requirements.
- **Non-discriminatory language:** It is important for job descriptions to include inclusive and non-discriminatory language. Avoid requirements or qualifications that may disproportionately exclude individuals with disabilities unless they are essential for the specific job.

- **Key market pricing factors:** These factors include job title, education and experience required, FLSA status (exempt/non-exempt), managing people, reports to, working conditions (no hazard, possible hazard, hazards present), shift (N/A, day, evening, overnight), and security clearance.

Following our preliminary high-level review, we scheduled individual meetings with the department leaders identified during our initial intake meeting with HealthWest's Executive/Leadership team. We spoke with the following leaders regarding their respective departments: Executive Director, Chief Clinical Officer, Chief Information Officer, Medical Director, Chief Financial Officer, Communications & Training Manager, Director of Quality Assurance, Director of Inclusion and Engagement, Recipient Rights Officer, Director of Adult Clinical Services, Director of Children's Clinical Services, Director of Health Information Systems and Director of Access.

As part of this project, HealthWest provided communication to all department leaders to review their respective departments positions and associated job descriptions ahead of these individual meetings to ensure they were up to date in key areas such as:

- General summary of the position
- Essential functions
- Years of experience (entry-level, mid-level, senior-level) required
- Minimum education required
- Specific certifications or licenses required (including local, state, federal-mandated ones)
- Skills, experience, and competencies needed for the essential functions of the role
- Direct reports
- Is the position titled correctly to reflect the role (individual contributor, manager, supervisor, lead, etc.)
- Reporting relationship - Who the position reports to
- FLSA status

In addition to the job description review during these individual department meetings, we discussed any concerns with positions (i.e. any positions with high turnover, low employee engagement, difficulty recruiting, etc.) to help identify benchmark positions for our survey.

General Findings

Overall, the job descriptions were well aligned with current best practices and compliance standards. We reviewed the requirements for each position to ensure they are consistent with what is required for the position's essential duties to be performed and has the appropriate FLSA designation. General findings and thoughts associated with certain position titles are mentioned below:

- Patient Financial Services Representative (Accounting Specialist) - entry requirements might not be enough for the position's essential functions. We would consider requiring an associate's degree vs. a high school diploma.
- Administrative Assistant - current requirements are associate's degree and 1 year of experience or high school diploma and 2 years of experience. We recommend reviewing the requirements to ensure they are equivalent.
- Chief Financial Officer - master's degree is not required for this position like the other positions that report to it and we recommend reviewing the requirements.
- Community Education & Prevention Supervisor - lower requirements than direct report position, Customer Services Specialist. We recommend reviewing the requirements.
- Compliance Manager - should consider if more experience is required with an associate's degree. Currently the requirements include the same years of experience with an associate's degree or a bachelor's degree and the years of experience required should be differentiated.
- Customer Services Specialist - bachelor's degree and 3 years of experience required (reports to Community Education & Prevention Supervisor & requirement is higher than this position). We recommend reviewing the requirements.
- Data Analyst - current requirements include a master's degree or bachelor's degree + 1 year of experience or a college certificate + 6 years of experience, consider removing the college certificate requirement.

- Data Analytics Project Manager - current requirements include bachelor's degree + 1 year of experience or high school diploma +2 years of experience. We recommend removing the high school diploma requirement.
- Data Analytics Technician - review the current requirements that include a bachelor's degree or associate's degree + 2 years of experience or high school diploma + 5 years to ensure they are equivalent.
- Director of Inclusion and Engagement - review to see if the wording on the JD should be changed for bachelor's or only 5 year's experience.
- Housekeeper - consider if any education requirements could be added, i.e. high school diploma.
- Learning and Development Coordinator - perhaps remove Coordinator from the job title and have different requirements from Training Coordinator.
- Manager of Data Analytics - current requirements include master's and 2 years of experience or bachelor's and 6 years of experience. Review requirements for equivalency.
- Manager of Procurement and Provider Network - Master's degree is required. Review if this requirement should be lowered since the Director of Finance & CFO do not require it.
- Mental Health Billing Supervisor - same preferred language as Accountant, lower level requirements than Biller/Coder who reports to this position but similar to Claims Supervisor role. We recommend reviewing the requirements.
- Physical Therapy Assistant - we received a job description, however, we do not see anyone on the census in this position. Is this position still budgeted?
- Property Specialist Assistant - there seems to be a wide gap currently with the requirements of a bachelor's and 1 year of experience or a high school diploma and 5 years of experience. We recommend reviewing and considering an update to the requirements.
- Provider Network Specialist - master's degree or bachelor w/4 years required. Reports to & requirements are in line w/Manager of Procurement and Provider Network but the requirements are currently higher than Director of Finance & CFO. We recommend comparing the requirements of these positions.

- Senior HR Coordinator - the years of experience required is the same as the HR Coordinator. It would seem there should be more years of experience required for this position.
- Senior Financial Analyst - there aren't any preferred requirements for the position, should review and consider adding some preferred requirements.
- Secretary vs. Administrative Assistant - review to possibly consolidate the job titles.
- Recipient Rights Officer - this position requires 2 years of experience, which is the same as the Advisor but this position supervises the Advisor.
- Aligning JD header document title w/ JD title - this change keeps all documents clear for the next wage study.
 - “Masters” Level Behavior Specialist (header for JD) but on the JD says “Master.”
 - Special “Project” Coordinator (header for JD) but on the JD says “Projects.”
- Interventionist I - We did not see the job description for this position.
- Combination requirements outlined on many job descriptions:
 - HealthWest does a nice job of providing education and experience combinations as requirements which allows for diverse and inclusive retention and attraction. This practice can be maintained but should also be reviewed periodically to make sure the required skills are accurate. For example, the requirement of a bachelor’s degree and 2 years of experience or an associate’s degree and 4 years of experience is aligned. The bachelor’s degree equals 4 years of experience and associate’s degree equals 2 years of experience.

Overall, the meetings highlighted the complex landscape of compensation and organizational structure, emphasizing the necessity for thorough analysis and proactive measures to address existing challenges, attract and retain talent (especially for those positions with licensing requirements), and promote equity across departments. Feedback and highlights from individual department meetings are mentioned below.

- During department meetings, feedback was gathered from leadership to better understand staffing and compensation challenges. Valuable insights highlighted key issues affecting recruitment and retention including concerns about hard to fill positions such as master’s level clinicians and whether current pay rates are competitive, particularly for high

burn-out roles like crisis and mobile response teams. While turnover is lower among higher-level staff, technician roles, especially in autism-related positions, experience higher turnover. Geographic factors also influence retention, as staff often seek positions closer to home, with Muskegon being a challenging area to recruit from due to limited workforce availability. Some employees leave for private practice or better offers, highlighting the importance of benchmarking productivity and compensation among competitors. While Healthwest offers strong benefits such as stipends, health coverage, training support and tuition reimbursement, there is a perception that compensation may not fully align with employee expectations. Addressing these concerns and clarifying best practices could help enhance retention efforts.

- Across the clinical divisions, we received feedback that recruitment remains a challenge due to competition with private practices, schools, and nonprofits. As well as staff concerns about the recent change requiring employee-paid benefits, which were previously fully covered by the employer. Licensure complexities also impact the workforce, with strong interest in structuring pay to incentivize full licensure by offering higher salaries compared to limited licenses.
- While there is significant internal interest in job openings, offering competitive salaries is hindered by a lengthy approval process. There is also a desire to explore improved compensation strategies for on-call staff and those conducting home and community visits in challenging areas.

Although there are challenges, the team's dedication to the mission shines through, supported by a strong, collaborative culture that emphasizes avoiding burnout and maintaining resilience in demanding roles.

Recommendations

Based on the review of job descriptions, individual department feedback, and general observations, we recommend several updates to ensure consistency, clarity, and alignment with organizational needs. These recommendations are designed to make job descriptions clearer, easier to understand, and more attractive to candidates. They also help ensure compliance with

laws and support HealthWest's goals of hiring, keeping great employees, and promoting fairness. By making these improvements, HealthWest can better attract top talent and create a supportive workplace that aligns with its mission.

- Job titles and responsibilities should be reviewed and standardized for consistency. For example, the title of Secretary vs. Administrative Assistant and discrepancies like Masters vs. Master in Behavior Specialist should be reviewed for alignment. We recommend using Coordinator and Specialist job titles. Additionally, education and experience requirements should align with the responsibilities of each role. For example, the Access Clinician II should require more experience than Access Clinician Level I and supervisory positions should consistently require higher qualifications than the roles they oversee. We recommend reviewing all job description requirements looking at the education and years of experience requirements for equivalency across HealthWest.
- We recommend that the required language stating “individuals with mental illnesses should apply to positions” should be evaluated for change and consider a general statement that reads “we encourage those with mental health challenges or lived experiences to apply.”
- Review all job descriptions to ensure they include the accurate FLSA status. This link is a helpful guide to ensure appropriate FLSA designation per job.
 - [Fact Sheet #17A: Exemption for Executive, Administrative, Professional, Computer & Outside Sales Employees Under the Fair Labor Standards Act \(FLSA\) | U.S. Department of Labor](#)

Compensation Philosophy

A compensation philosophy is a formal statement that provides information regarding HealthWest's position on employee compensation and explains how an organization views and manages compensation. It defines how employees are rewarded for their contributions to the organization. The compensation philosophy is unique to the organization and is used to attract and motivate employees. A compensation philosophy should be reviewed periodically and updated as needed. It should support HealthWest’s strategic plan and initiatives, including any total rewards strategies. Building from the compensation philosophy, a compensation

philosophy policy should include guiding principles, program administration and salary administration guidelines. A sample compensation philosophy for HealthWest could include the following:

"Our compensation philosophy is grounded in principles of fairness, transparency, consistency and competitiveness. We strive to compensate our employees competitively with the market to attract and retain top talent, while ensuring internal equity across all roles. Performance-based pay is a cornerstone of our strategy, rewarding employees for achievements aligned with our strategic plan. We have comprehensive benefits that include employee healthcare (medical, vision, dental), retirement plans, and professional development opportunities complementing our total compensation package, aiming to support our employees' well-being and career growth. We review our plans annually and adjust our compensation practices to remain market competitive and uphold our commitment to ethical conduct and inclusivity."

We believe that some important elements in HealthWest's recommended compensation guidelines should include maintaining fiscal responsibility, while being committed to the following:

- Achieve and maintain internal equity for all union and non-union positions
- Address any pay compression issues between supervisors/managers and subordinates
- Compensation for each position reflects the contribution, content, complexity and requirements of the position
- Reward excellent performance at all levels
- Review external and internal factors
- Do not practice or tolerate any unlawful discrimination in pay

Compensation Study Process, Findings, and Recommendations

Overall, when reviewing market research data, it is important to understand both the internal and external systemic picture of the organization. Externally, one such understanding is how the organization is funded, with typically a large percentage of revenue from Medicaid, State

General Fund, Grants and contract revenue. With this understanding, it is important to design a compensation structure that lends itself to be fiscally responsible across all areas of the organization. Internally, it is important to understand the unique structure of non-union positions within the organization and each department. As such, a market-based compensation study review and process is needed when establishing salaries and wage schedules.

We reviewed approximately 140 positions as part of this project and outlined in [Appendix 1](#) with the goal of developing a competitive market-based salary structure. The use of a market-based pay structure is in line with HealthWest's desire to align compensation levels at the market.

Determining Comparators

For the purposes of this compensation study, we used comparable organizations based on similar revenue/budget, spending on total compensation, similar industry and/or positions, number of FTE's, based on job descriptions provided and using the most comparable industry, behavioral/mental health and healthcare industries. The best comparators are typically determined by similar organizational type, structure, and scope of services provided.

Reviewing Salary Data Sources

Data was collected during October 2024 -November of 2024 from a variety of sources using the HealthWest job descriptions to compare to the data collected. These include: our paid subscription to Salary.com's CompAnalyst Database which provides reliable data sources in real-time and the World at Work's paid subscription service which includes a compensation database that pulls information from the Bureau of Labor Statistics (BLS). The data used for this report is effective for [BLS from May 1, 2023](#) and it has been aged appropriately.

Additionally, we reviewed the data from the 2024-2025 National Association for Community Health Centers (NACHC) Salary and Benefit Report and BH Comparison Rate Report SFY2025. We also received responses to our emailed survey from Allegan County, Ausable Valley Community Mental Health/Wellvance, Cass County CMH Authority, Centra Wellness, CMH Authority of Clinton-Eaton-Ingham Counties, CMH Authority of Clinton-Eaton-Ingham Counties, Macomb County CMH Services, Gogebic CMH Authority, Gratiot Integrated Health

Network, Huron Behavioral Health, LifeWays, Monroe CMH Authority, Similac County CMH Authority, Washtenaw County Community Mental Health, St.Clair County Community Mental Health, Lenawee Community Mental Health Authority, Van Buren CMH, CHW, Bay-Arenac Behavioral Health and Livingston County Community Mental Health.

Lastly, we reviewed the data in the North Country CMH/Municipal Consulting Services LLC survey to compare the range maximums to our salary structure maximums for the selected positions included within the survey.

CompAnalyst Database

We utilized our Salary.com's CompAnalyst Market Database to match each job description to the most comparable jobs in our database for the positions that needed a third match. The CompAnalyst Market Database provides salary data for positions based upon a variety of factors such as: comparable industry, job family, job function, years of experience, certifications and/or education required, reporting structure, number of direct reports and FLSA exemption status. Our primary scope for HealthWest used the geographic area of Michigan (State) with 200-500 FTEs (based upon FTE data provided by the HR team, approximately 400 FTEs) within the most comparable industry, Behavioral/Mental Health and Healthcare.

Proposed Salary Structure

A well-designed pay structure should resemble a step ladder where salaries increase systematically and incrementally as an employee moves upward from one grade to the next using midpoint progressions and range spreads. The midpoint progression is the differential between midpoints amongst the pay grades. We looked at the market data and determined a 5-10 % midpoint progression appropriate for HealthWest's salary structure. Additionally, range spreads can vary for salary ranges across an organization. A salary range spread is designed to allow for ample career growth for employees within these pay ranges. The range spread is the width of a pay grade, expressed as a percentage, and is calculated as follows:

$$\frac{(\text{Maximum} - \text{Minimum})}{\text{Maximum}}$$

The proposed salary structure includes a 26% range spread which allows for incumbent growth and movement within the established ranges and also aligns with Muskegon County's wage structure.

The current recommended and updated salary structure in the chart below includes thirty-four (34) pay grades with eight (8) steps. The eight (8) steps align with Muskegon County's wage structure.

Proposed Salary Structure

	Minimum							Maximum
Pay Grade	1	2	3	4	5	6	7	8
34	\$290,183	\$300,961	\$311,739	\$322,517	\$333,296	\$344,074	\$354,852	\$365,630
33	\$276,993	\$287,281	\$297,569	\$307,858	\$318,146	\$328,434	\$338,722	\$349,011
32	\$263,803	\$273,601	\$283,399	\$293,198	\$302,996	\$312,794	\$322,593	\$332,391
31	\$251,812	\$261,165	\$270,518	\$279,871	\$289,224	\$298,577	\$307,930	\$317,283
30	\$239,820	\$248,728	\$257,636	\$266,543	\$275,451	\$284,359	\$293,266	\$302,174
29	\$228,920	\$237,422	\$245,925	\$254,428	\$262,930	\$271,433	\$279,936	\$288,439
28	\$218,019	\$226,116	\$234,214	\$242,312	\$250,410	\$258,508	\$266,606	\$274,703
27	\$208,109	\$215,838	\$223,568	\$231,298	\$239,028	\$246,757	\$254,487	\$262,217
26	\$198,199	\$205,560	\$212,922	\$220,284	\$227,645	\$235,007	\$242,369	\$249,730
25	\$189,190	\$196,217	\$203,244	\$210,271	\$217,298	\$224,325	\$231,352	\$238,379
24	\$180,181	\$186,873	\$193,566	\$200,258	\$206,950	\$213,643	\$220,335	\$227,028
23	\$171,991	\$178,379	\$184,767	\$191,155	\$197,544	\$203,932	\$210,320	\$216,708
22	\$163,801	\$169,885	\$175,969	\$182,053	\$188,137	\$194,221	\$200,305	\$206,389
21	\$156,355	\$162,163	\$167,970	\$173,778	\$179,585	\$185,393	\$191,200	\$197,007
20	\$148,910	\$154,441	\$159,972	\$165,502	\$171,033	\$176,564	\$182,095	\$187,626
19	\$142,141	\$147,421	\$152,700	\$157,980	\$163,259	\$168,539	\$173,818	\$179,098
18	\$135,372	\$140,401	\$145,429	\$150,457	\$155,485	\$160,513	\$165,541	\$170,569
17	\$129,219	\$134,019	\$138,818	\$143,618	\$148,417	\$153,217	\$158,017	\$162,816
16	\$123,066	\$127,637	\$132,208	\$136,779	\$141,350	\$145,921	\$150,492	\$155,063
15	\$117,472	\$121,835	\$126,198	\$130,562	\$134,925	\$139,288	\$143,651	\$148,015
14	\$111,878	\$116,033	\$120,189	\$124,344	\$128,500	\$132,655	\$136,811	\$140,966
13	\$101,707	\$105,485	\$109,263	\$113,040	\$116,818	\$120,596	\$124,373	\$128,151
12	\$92,461	\$95,895	\$99,330	\$102,764	\$106,198	\$109,633	\$113,067	\$116,501
11	\$84,056	\$87,178	\$90,300	\$93,422	\$96,544	\$99,666	\$102,788	\$105,910
10	\$76,414	\$79,252	\$82,091	\$84,929	\$87,767	\$90,605	\$93,444	\$96,282
9	\$69,467	\$72,048	\$74,628	\$77,208	\$79,788	\$82,369	\$84,949	\$87,529
8	\$63,152	\$65,498	\$67,844	\$70,189	\$72,535	\$74,881	\$77,226	\$79,572
7	\$57,411	\$59,544	\$61,676	\$63,808	\$65,941	\$68,073	\$70,206	\$72,338
6	\$52,192	\$54,130	\$56,069	\$58,008	\$59,946	\$61,885	\$63,823	\$65,762
5	\$47,447	\$49,210	\$50,972	\$52,734	\$54,497	\$56,259	\$58,021	\$59,783
4	\$43,134	\$44,736	\$46,338	\$47,940	\$49,542	\$51,144	\$52,747	\$54,349
3	\$39,213	\$40,669	\$42,125	\$43,582	\$45,038	\$46,495	\$47,951	\$49,408
2	\$35,648	\$36,972	\$38,296	\$39,620	\$40,944	\$42,268	\$43,592	\$44,916
1	\$32,407	\$33,611	\$34,814	\$36,018	\$37,222	\$38,426	\$39,629	\$40,833

See [Appendix 2](#) for a listing of all positions sorted by assigned grade.

Placing Positions into the Salary Structure

We slotted positions into the salary structure using the following process outline below:

- The market data points collected were averaged by position title.
- For benchmarked positions, we are able to rely heavily on the market data points received during the data collection process. Our formula allows us to slot positions to the closest market midpoint in any given range within the structure. We then review position titles/overall scope and requirements of the role on job descriptions. We also look at the position title and its alignment both horizontally and vertically within the structure.
- For non-benchmark positions, we are not able to rely on external market data to set compensation, and rather must look at how the job fits in with the organization's internal hierarchy. We relied heavily on the review of job descriptions (overall scope of the role, supervisory/management responsibility, requirements of the position (degree, license/certifications, years of experience), department structure, and current salary for the position. Reviewing internal equity is an important part of this process.

There may be individual contributor roles that are in the same grades as managers who have multiple direct reports. This can be found at various levels in the organization. The visual chart below is an example of some career ladders capturing the professional career leveling system—entry, developing, career, advanced, expert and principal. *Note: the grade levels are for illustrative purposes only and do not align with the proposed salary structure for HealthWest.*

Sample Career Ladders within a Global Job Leveling System

Business Leadership	Executive	Management	7	Vice President				
	Grade 11		6	Sr. Director				
	Grade 10		5	Director	Professional	6	Principal	
Management and Professional	Grade 9		4	Sr. Manager		5	Expert	
	Grade 8		3	Manager		4	Advanced	
	Grade 7		2	Sr. Supervisor		3	Career	
	Grade 6		1	Supervisor		2	Developing	
Entry Level and Support	Grade 5					Support	5	Specialist
	Grade 4						4	Highly Skilled
	Grade 3				3		Senior	
	Grade 2				2		Intermediate	
						1	Entry	

Reviewing The Salary Structure

Market Data - Interpreting the salary survey results and information used to determine appropriate matches is important. CompAnalyst data and current job postings were only used for the positions needing at least 3 data points that were not captured from other survey sources. We used the midpoint data to be competitive with the market. The percentiles in the salary surveys show us where the salaries fall relative to the market- industry, job function or family, and/or region (i.e.midwest), location (i.e. state).

Pay Grades - The pay grade numbers in the salary structure above can be changed from 1 being the lowest grade to 1 being the highest grade. This is a decision HealthWest can make and align with the existing HRIS.

Positions within Pay Grades - The salary structure above includes positions grouped together per pay grade determined to be of comparable value and with a similar scope of responsibilities and requirements.

Adjusting The Salary Structure

Shortly after January 1 of the year in which the salaries are to become effective, the Human Resources Department prepares a Salary Schedule showing the latest approved salary ranges for all HealthWest classifications. When it comes to adjusting the salary structure, we recommend HealthWest continues to review the salary structure movement on an annual basis and moves the structure with the market. It is recommended the salary structure movement is lower than the anticipated merit increase percentage and occurs prior to any annual merit increase. This approach accomplishes a couple of important things:

- It helps to mitigate the possibility that you will outpace the market (especially in a down economy) but keeps you competitive and lowers the potential gap when you complete a market study again in a few years; and
- It will also give your employees a chance to progress in the range, which is a positive reinforcement of the compensation philosophy and approach.

It is important to review the market movement using reputable salary survey results (released annually and free or reduced rate if you participate in the salary survey) such as [World at Work Salary Budget Survey](#) or [Salary.com's US and Canada National Salary Budget Survey](#) and other reliable data sources like the Consumer Price Index (CPI-U) for the Midwest Region, helpful to assess deflation and high rates of inflation. The CPI-U is the general and most widely used index, whereas the CPI-W is a subset of the CPI-U that focuses on hourly workers and clerical workers. The components of the CPI-W are also weighted differently as it places a slightly higher weight on food, apparel, transportation, and other goods and services and a slightly lower weight on housing, medical care, and recreation. The CPI-W is more applicable to blue-collar workers. The Social Security Administration is also a resource for additional information. A common salary adjustment strategy used to counteract inflation, measured by these indexes annually, is a COLA (Cost-of-living adjustment) that we understand HealthWest has utilized. This type of increase is generally tied to an external index.

When reviewing data to update the salary structure, it is important to note again that the effective date of the data is considered and an aging method is used to ensure market competitiveness based on best practices.

Base Salary Strategy

One of the most common compensation strategies is to match the market and this strategy is recommended for HealthWest. This strategy will allow HealthWest to remain competitive; able to attract and retain talent; and better be able to manage labor costs and structure during tight labor markets. HealthWest should target a base salary market position that provides a competitive advantage in attracting and retaining experienced and talented individuals within each salary range. The midpoint of the salary range reflects knowledge and competency of the role and meets all expectations of the job. The salary/compensation range should provide for a range of experience levels, allow for growth, and allow HealthWest to attract qualified candidates should a need arise.

Considerations for Recognizing Varying Education Levels

We discussed an important concern with the leadership team around positions with varying education levels and how to approach this difference. Specific examples raised include:

- Issue of a fully licensed and limited license in the same grade.
- Supervisors credentialed at a Master's Level versus Bachelor's - should the positions be distinguished by a different pay range (i.e. Master's degree personnel in a higher pay range).

According to the information received from HealthWest, specifically the "Fiscal Year Incentive & Stipend Use Report," the organization appears to have a variety of ways to acknowledge and support differing education levels. To the degree the organization is able to maintain and budget for these types of benefits, we recommend the practice continues. Notable incentives and stipends on this report that are common across a variety of organizations include:

- Retention Stipend
- Credential Stipend
- Intern/Licensing Clinical Supervision
- Professional Development Funds
- Education Assistance (i.e. Tuition Reimbursement)

Additional considerations and practices/programs can include:

- Salary increases or lump sum payments in recognition of completion of the degree;
- Moving up one step in the current pay scale;
- Recognition programs (could be included in higher-tier recognition programs, such as invitations to events, awards, or other recognition that aligns with their elevated contribution);
- Career advancement pathways (prioritized for leadership positions, special projects, or accelerated career paths, which could include more generous compensation packages as part of their growth opportunities;
- Creating an in-series position title to differentiate between degrees obtained with additional compensation.

New Hires - Placement within the Range

The current practice for new hire appointments designates the salary rate in a given classification shall be the base or minimum rate of the classification except when the employee enters the new class by way of promotion or transfer from another County classification and upon approval of the Human Resources Director and County Administrator if requesting Step 3 or above (ex: when the employee brings recent, directly comparable work experience or advanced academic qualifications to the classifications or when there is an acute shortage of qualified applicants for the classification). In these situations, internal equity should be reviewed and considered (i.e. within the department, similar position, across the County, as applicable) and considered in comparison with current employee salaries in order to minimize salary compression. If an adjustment needs to be made to a current employee's compensation, there should be discussion and a process outlined to review the salary and make that adjustment. Placement between the minimum and midpoint for new hires and newly promoted is appropriate, as it allows for development within the role. We understand this is not your current practice and they should not be placed at the maximum of the salary grade, as this indicates exceptional performance, knowledge from being in the role and tenure in the role. Placement at the midpoint of the salary grade may indicate the employee meets performance expectations and has the knowledge and experience required of the position.

New classifications, with the exception of lateral, are currently being approved by the Board of Commissioners and we do not recommend a change to this process at this time.

Newly Promoted Employees - The current process for Healthwest includes the following: An employee promoting to a new classification with a higher maximum pay rate shall receive the minimum step of the new class. In the case of an overlap in pay ranges between the employee's current class and the class to which they are promoting, employees shall receive an increase to that step on the new pay range which would most closely approximate a five percent (5%) increase over their present pay rate, not to exceed the maximum pay rate for the class into which they are promoting. A promotion changes the employee's merit date to the effective date of the employee's placement into a new position. We have reviewed this process and agree with the approach that is currently being used. All job title changes currently must be approved by the County Administrator and Human Resources Director and we do not recommend a change to this process at this time.

Base Salary Change Requests And Process

HealthWest currently has multiple forms of classification determinations including no change, lateral reclassification, an upward reclassification and a downward reclassification and associated processes. We have reviewed the current processes in the personnel rules and have some recommendations captured below.

There are a variety of different reasons a base salary change could be requested by management including but not limited to: **promotions**; **salary adjustments** (i.e. a performance related request, used for a counter-offer (if HealthWest provides counter offers), a position title change to align more closely with market and incumbent responsibilities and required skill set though a title change alone does not automatically justify a compensation adjustment, employee takes on permanent additional duties in addition to their regular position but the original position has not changed, etc.); **reclassifications** (i.e. job title and/or pay grade change request, job description change, etc.); **stipends/interim positions** (i.e. temporary additional responsibilities added to an incumbent's role for a specific period of time that is estimated); and **equity reviews** (i.e. a request to review the salaries of an individual or department to ensure equity amongst the

department and individual or potential salary compression. These requests can be part of a County wide initiative or a request that is determined based on a recent hire, equity across all positions in the same job title with the same responsibilities, etc.).

Recommended Process and Guidelines

We recommend determining a set timeframe of when these requests can be reviewed and approved (i.e. anytime during the year or a specified timeframe). It is recommended that the increases are effective at the start of the next pay period or a standard date that is selected by HealthWest.

Our recommended process for requests includes the following:

- Manager submits requests to Human Resources on designated Pay Change Request Form, (not the employee) with any supporting documentation. If a Pay Change Request Form does not already exist, we recommend one be created. Both the form and process should be accessible (i.e. intranet site) and communicated to all managers.
- Human Resources reviews the completed request and provides a detailed overview to a Compensation Committee (to include multiple cross-functional employees). If Finance does not participate on the Committee, it is recommended that Finance provide authorization of the budget supporting the request before the request is reviewed. We recommend the reviews and the committee have established guidelines in place for consistent application such as a set timeframe of when these requests can be reviewed and approved, effective date (i.e. start of the next pay period), and if and when retro pay would apply. Additionally, a detailed overview by Human Resources for the committee may include but not limited to the following:
 - Review of the departmental budget to support the increase.
 - Review internal equity and ensure the pay change is consistent and defensible.
 - Review of job description changes, if applicable, and verification employee meets the job description requirements.
 - Review of personnel file for relevant disciplinary action.
 - Review of any applicable CBA language.

- Human Resources provides the employee with a pay change letter outlining the reason, effective date, new salary rate and pay grade (if applicable), exemption status, etc. and provides the manager with the finalized letter and a new job description (if applicable) to be shared with the employee for review and signature. Any retro-pay considerations should be carefully reviewed
- All documentation regarding the change request is filed in the employee's personnel file.

It is recommended to be transparent with the employee about the process and factual information used to determine the base salary change (or any compensation adjustment). We also recommend refresher and new manager training around having conversations with their employees regarding pay to make them more confident and able to answer questions.

Performance Evaluations and Compensation

As part of the performance process, employees should be clear about their objectives and what level of organizational output is tied to each performance increment so the process drives performance and engagement for all objectives (i.e. individual, department, and overall organization). Transparency is key to maintaining clarity of fairness and equity.

Employees, excluding Directors, who have received an open competitive appointment to a covered County position and are not a current County employee that has already successfully completed a probationary period will serve a probationary period. The probationary period is for six months immediately following an employee's open competitive appointment, or re-employment. The probationary period is a continuation of the selection, or re employment process and the appointment, or re-employment is not complete until the employee has successfully completed the probationary period as demonstrated by the required performance evaluations at two and half (2-1/2) and five (5) month intervals generated by the appointing Department Head. The probationary period will begin on the effective date of the appointment, or re-employment and will end on the same date of the sixth month in the future. A Department Head cannot extend a six-month probation unless approved by the County Administrator

This is a standard evaluation process across many types of organizations and has been effective for HealthWest. HealthWest is using goal setting included in the formal performance evaluation process. In each department informal performance evaluations are ongoing throughout the year between employees and their supervisors, or in the case of a Department Head, the County Administrator. As part of this process, we recommend considering enhancements which include:

- Conducting brief weekly check-ins between the employee and manager for more immediate feedback, action and coaching (no more than 15-30 minutes).
- Incorporating “stay interview” discussion topics during the annual review or even during the weekly check-ins as time allows and if needed (i.e. asking questions like, “What keeps you working here?” and “What do you look forward to when you come to work each day?”).

Annual Performance Approach With Merit Increases

HealthWest currently has the practice of completing formal performance evaluations for employees with regular status at least once every twelve (12) months on the anniversary date of the employee’s present classification. The practice of advancing to the next higher rate within a salary range is called a merit increase. The merit increase will not be based solely on the passage of the indicated length of service in the classification, but also on the written recommendation of the employee’s Department Head as expressed on the official Human Resources Form. The affected employee receives a copy of the completed form, whether or not the merit increase was granted. Employees shall not receive merit increases to a pay step above the maximum pay step in their classification.

Benefits Review

As part of the scope of this project, we reviewed the retirement plans offered by the County for retirement in comparison to our market collected data in our survey administered. HealthWest falls under the County’s benefits as a department of the County. Except as modified elsewhere in these rules, all employees are eligible to earn retirement credit for retirement benefits effective with their benefit date, provided that they are regularly scheduled for and work sixty (60) hours per month to earn retirement credit for that month. The County currently provides a defined

contribution retirement plan with a 3% match to new hire employees. There are some employees that were grandfathered into the defined benefit retirement plan.

Retirement Comparisons		
	Percentage of comparator organizations with retirement benefits	Offered by Muskegon County/HealthWest
Defined Benefit Retirement Plan	66%	Yes (only for grandfathered employees)
Defined Contribution Retirement Plan	100%	Yes

Muskegon County/HealthWest's benefits offerings are competitive among the comparator organizations in this study; matching or exceeding the range of benefits offered by all other organizations that participated in the data collection survey.

Total Compensation and Benefits Statements

These statements have been known over the years as "Employee Benefit Statements," "Total Compensation Statements," or "Hidden Paycheck Statements." Demonstrating how employees are valued is more important than ever with the strong and competitive labor market.

Organizations can no longer take retention for granted. The County may want to consider generating these types of statements for new hires and current employees utilizing existing HRIS. These statements are personalized statements listing everything that comes from the organization to the individual employee and can serve as a tangible reminder of the company's financial commitment to them beyond just base pay. There are many different formats of these statements available that can be customized to HealthWest with paid software or a manual process. It is most efficient to understand what the County's current HR technology systems may be able to provide.

Implementation

This section contains suggestions for effectively implementing the new salary structure for green-circled and red-circled employees. HealthWest should decide a path that is best for the organization and can consider the suggestions outlined below.

- o Employees whose current salary is below (green circled) the minimum of the new proposed pay range will be adjusted to the minimum of the new proposed range.
- o The compensation for employees whose current compensation is above the maximum of the new proposed salary range (i.e. red-circled) can be held at their present rate, without a reduction in compensation. HealthWest can consider lump sum increases for the affected employees, which does not impact their annual salary base, until the ranges increase according to the market movement and the employee's salary falls within the current salary range.

HealthWest could utilize the current performance process as a way of incorporating and making necessary adjustments or any additional movement of employees within the new structure and assigned pay grade.

Communicating About Compensation

Clearly communicating HealthWest's compensation philosophy, strategy and plan to employees is important. It's a reflection of your organization's values, goals, and culture. How you communicate your compensation strategy and decisions to your employees can have a significant impact on their level of engagement, motivation, and retention. The communication method used or combination of methods should align with what is available, most commonly used, and reaches all affected employees in the organization (i.e. email, an employee newsletter, intranet, memorandums). The chosen communication method(s) should contain consistent clear, direct and transparent information as well as provide an avenue or resource for questions (ex:

hr@healthwest.org). We recommend having a fluid Frequently Asked Question (FAQ) document in a central location that employees can access. This will support consistency with communication. Consider the following information to include as part of communications:

- Purpose and objectives of the compensation strategy, what the organization is trying to achieve and how it aligns with the business strategy, mission, and values. This sets the context and expectations for your employees and managers.
- Compensation philosophy and principles guiding pay decisions and practices which include things like how pay levels are determined; how pay may adjust over time; how pay is linked to performance; and ensuring pay equity and fairness. By sharing the compensation philosophy and principles, this communicates the rationale and logic behind pay decisions and practices.
- Compensation components and structure which are the different types of pay offered to employees, such as base salary, night shift differential (if applicable to position), longevity pay, benefits, and perks. This helps communicate the value and composition of the total rewards package, not just base salary.
- Compensation processes (steps and procedures) and timelines (dates and deadlines) the organization follows to administer applicable pay programs like salary reviews, merit increases and benefit enrollments.. The clarification of compensation processes and timelines, communicates and aligns the expectations and responsibilities of employees and managers.
- Compensation resources (i.e. sources of information and guidance like the FAQ document, policies, applicable training) and tools (applicable software systems) available to employees and managers. This communicates the support and education the organization has to provide to employees and managers.
- Compensation feedback and evaluation methods in place to seek compensation feedback from employees and managers, such as pulse surveys and exit interviews, combined with evaluation methods such as audits provides communication of continuous improvement and accountability of pay programs.

Overall, employees will want to better understand the goal of the compensation project and how this information will affect them directly. Managers need to be prepared and comfortable to have

conversations with their employees. Clear and transparent communications combined with a common FAQ document will help them be best prepared for these types of conversations.

In conclusion, the successful implementation of the new salary structure will require careful planning, clear communication and training with all employees, and ongoing monitoring to ensure alignment with organizational goals and employee satisfaction. The recommendations outlined provide a comprehensive approach to managing the transition. Moving forward, it will be essential to track progress and gather feedback to refine the structure over time and ensure it delivers the intended benefits for both HealthWest and its employees.

Appendix 1 - List of Positions Reviewed

**Note: '(B)' indicates a Benchmark position used in our survey.*

Access Clinician I	*Clerical Support	Consumer Information
Access Clinician II	Specialist (B)	Specialist/Relationship
Access Services	*Client Information	Coordinator
Supervisor	Manager (B)	Contract Specialist
Accountant I	Client Support Supervisor	Credentialing Specialist
Accounting Specialist	*Clinical Services	Crisis Stabilization
Accounting Supervisor	Manager (B)	Specialist
*Accounting Technician	*Clinical Services	Customer Services
(B)	Supervisor (B)	Specialist
Accreditation and	Clinical Services	Data Analyst
*Performance	Supervisor-OT PT	*Data Analytics Project
Improvement Manager (B)	Clubhouse Rehabilitation	Manager (B)
Administrative Analyst	Specialist	Data Analytics Technician
*Administrative Assistant	COFR CSM (County of	Direct Service Professional
(B)	Financial Responsibility	Director of Access Service
AOT Coordinator	Case Manager)	*Director of Adult Clinical
Autism Team Supervisor	*COFR Specialist	Services (B)
*Behavioral Analysis	(Program	*Director of Children's
Technician (B)	Specialist/Coordinator) (B)	Clinical Services (B)
*Behavioral Health	Communications and	Director of Data
Assessor (B)	Marketing Coordinator	Architecture & Analytics
Board Certified Assistant	Communications and	*Director of Finance (B)
Behavior Analyst	Event Specialist	*Director of Health
*Board Certified Behavior	*Communications and	Information Services (B)
Analyst (BCBA) (B)	Training Manager (B)	*Director of Inclusion and
*Care Coordination	Community Education &	Engagement (B)
Manager (B)	Outreach Coordinator	Director of Information
*Case Manager I (B)	*Community Education &	Systems
*Case Manager II (B)	Prevention Supervisor (B)	*Director of Quality
*Chief Clinical Officer (B)	*Community Health	Assurance (B)
*Chief Financial Officer	Worker (B)	EHR and CCBHC Project
(B)	*Compliance Manager (B)	Coordinator
*Chief Information Officer	Comprehensive	*Employee Engagement
(B)	Assessment Specialist	and Retention Coordinator
Child Psychiatrist	Comprehensive Jail	(Staff Development and
Claims Supervisor	Assessment Specialist	Retention Specialist) (B)

Employment Coordinator	*Masters Level Behavior Specialist (B)	Provider Network Specialist
*Evaluation and Innovation Specialist (B)	*Masters Level Clinician (B)	Psychological First Aid Specialist
*Executive Assistant (B)	*Medical Assistant (B)	*Quality Assurance Data Specialist (B)
*Executive Director (B)	*Medical Director (B)	*Recipient Rights Advisor (B)
General Psychiatrist	Medical Technician	*Recipient Rights Officer (B)
*Grants Coordinator (B)	*Mental Health Biller-Coder (B)	Recovery Coach
Groups Coordinator	*Mental Health Billing Supervisor (B)	Referral Specialist
Health Information Supervisor	Mental Health Coordinator	*Registered Behavior Technician (B)
*Help Desk Technician (B)	*Mid-Level Medical Practitioner (B)	*Registered Nurse (B)
*Housekeeper (B)	*Network Security and Systems Manager (B)	*Secretary (B)
Housing Specialist-MI	*Occupational Therapist (B)	Senior Fiscal Analyst
Human Resources Assistant	*Occupational Therapy Assistant (B)	*Senior HR Coordinator (B)
*Human Resources Manager (B)	Outpatient Therapist	*Senior Technology Analyst (B)
Individual Placement and Support Worker	Patient Financial Services Representative (formerly Accounting Specialist)	Special Project Coordinator
Interventionist II	*Parent Support Partner (B)	Stabilization Specialist
*IT Operations Manager (B)	Payroll Specialist	*SUD Treatment QA Manager (B)
Jail Diversion Coordinator	Payroll Supervisor	*Supported Employment Supervisor (B)
Jail SUD-MAT Coordinator	*Peer Mentor (B)	*Talent and Onboarding Coordinator (Recruiter) (B)
Juvenile Justice Mentor	*Peer Support Specialist (B)	Technology Analyst
Lead Behavior Technician	*Physical Therapy Assistant (B)	Training and Community Resources Specialist
*Lead Executive Assistant (B)	Police Clinician I	Training Coordinator
Lead Family Contact	Police Clinician II	Transporter
Learning and Development Coordinator	*Project Manager (B)	Veterans Systems Navigator
*Licensed Practical Nurse (LPN)	*Property Specialist Assistant (B)	*Waiver Coordinator (B)
*Lobby Support Specialist (B)	*Property Supervisor (B)	Wraparound Coordinator
*Manager of Data Analytics (B)		
Manager of Procurement and Provider Network		

*Youth Peer Support
Specialist (B)

Appendix 2 - List of Positions Sorted by Pay Grade

Note: '(B)' indicates a Benchmark position used in our survey. '(N)' Indicates newly created.

Grade 34

- Medical Director (B)

Grade 33

- Reserved for future use

Grade 32

- Adult/Child Addictions Psychiatrist
- Child Psychiatrist

Grade 31

- General Psychiatrist

Grade 19- 30

- Reserved for future use

Grade 18

- Mid-Level Medical Practitioner (B)

Grade 16-17

- Reserved for future use

Grade 15

- Chief Clinical Officer (B)
- Chief Financial Officer (B)
- Chief Information Officer (B)

Grade 14

- Reserved for future use

Grade 13

- Director of Access Services
- Director of Adult Clinical Services (B)
- Director of Children's Clinical Services (B)
- Director of Data Architecture & Analytics
- Director of Health Information Services (B)
- Director of Information Systems

Grade 12

- Director of Finance (B)
- Director of Inclusion and Engagement (B)

- Director of Quality Assurance (B)
- Recipient Rights Officer (B)

Grade 11

- Clinical Services Manager II (N)
- Communications and Training Manager (B)
- Human Resources Manager (B)
- IT Operations Manager (B)
- Manager of Data Analytics (B)
- Manager of Procurement and Provider Network
- Network Security and Systems Manager (B)
- SUD Treatment QA Manager (B)

Grade 10

- Access Services Supervisor
- Accounting Supervisor
- Accreditation and Performance Improvement Manager (B)
- Autism Team Supervisor
- Care Coordination Manager (B)
- Client Information Manager (B)
- Clinical Services Manager I (B)
- Clinical Services Supervisor II (N)
- Senior Technology Analyst (B)

Grade 9

- Access Clinician II
- Board Certified Behavior Analyst (BCBA) (B)
- Client Support Supervisor
- Clinical Services Supervisor I (B)
- Compliance Manager (B)
- Communications and Marketing Coordinator
- Community Education & Prevention Supervisor (B)

- Data Analytics Project Manager (B)
- Grants Coordinator (B)
- Masters Level Clinician II (N)
- Police Clinician II
- Provider Network Specialist
- Training and Community Resources Specialist

Grade 8

- Access Clinician I
- Behavioral Health Assessor (B)
- Claims Supervisor
- Community Education & Outreach Coordinator
- Data Analyst
- EHR and CCBHC Project Coordinator
- Health Information Supervisor
- Learning and Development Coordinator
- Masters Level Behavioral Specialist (B)
- Masters Level Clinician I (B)
- Mental Health Billing Supervisor (B)
- Occupational Therapist (B)
- Payroll Supervisor
- Property Supervisor (B)
- Registered Nurse (B)
- Senior Fiscal Analyst
- Senior HR Coordinator (B)
- Supported Employment Supervisor (B)
- Technology Analyst

Grade 7

- Administrative Analyst
- Board Certified Assistant Behavior Analyst
- COFR Specialist (Program Specialist/Coordinator) (B)
- Credentialing Specialist
- Customer Services Specialist

- Evaluation and Innovation Specialist (B)
- Jail Diversion Coordinator
- Lead Executive Assistant (B)
- Licensed Practical Nurse (LPN) (B)
- Physical Therapy Assistant (B)
- Quality Assurance Data Specialist (B)
- Recipient Rights Advisor (B)
- Talent and Onboarding Coordinator (Recruiter) (B)

Grade 6

- Accountant I
- AOT Coordinator
- Case Manager II (B)
- Comprehensive Assessment Specialist
- Comprehensive Jail Assessment Specialist
- Crisis Stabilization Specialist
- Data Analytics Technician
- Employee Engagement and Retention Coordinator (Staff Development and Retention Specialist) (B)
- Employment Coordinator
- Executive Assistant (B)
- Mental Health Biller-Coder (B)
- Occupational Therapy Assistant (B)
- Police Clinician I
- Project Manager (B)
- Psychological First Aid Specialist
- Veterans Systems Navigator
- Waiver Coordinator (B)
- Wraparound Coordinator

Grade 5

- Patient Financial Services Representative (formerly Accounting Specialist)
- Administrative Assistant (B)

- Case Manager I (B)
- COFR Case Manager
- Groups Coordinator
- Help Desk Technician (B)
- Housing Specialist-MI
- Individual Placement and Support Worker
- Interventionist II
- Lead Behavior Technician
- Payroll Specialist
- Property Specialist Assistant (B)
- Referral Specialist
- Stabilization Specialist
- Training Coordinator

Grade 4

- Accounting Technician (B)
- Clerical Support Specialist (B)
- Clubhouse Rehabilitation Specialist
- Medical Technician

Grade 3

- Community Health Worker (B)
- Consumer Information Specialist/Relationship Coordinator
- Human Resources Assistant
- Medical Assistant (B)
- Parent Support Partner (B)
- Peer Mentor (B)
- Peer Support Specialist (B)
- Recovery Coach
- Registered Behavior Technician (B)
- Youth Peer Support Specialist (B)

Grade 2

- Behavioral Analysis Technician (B)
- Direct Service Professional
- Juvenile Justice Mentor
- Lobby Support Specialist (B)

Grade 1

- Housekeeper (B)
- Transporter

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Program/Personnel	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Finance	REQUEST DATE January 24, 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 adjust the HealthWest Classification and Pay Grades, to better align with final wage study compensation recommendations from Amy Cell Talent.</p> <p>Amy Cell Talent conducted a Non-Union 2024 comprehensive job evaluation and wage analysis of up to one hundred-forty (140) non-union HealthWest positions, seventy-one (71) of which they were able to benchmark in our survey.</p> <p>If approved, the wage study findings will be presented to the County Commissioner Board for their approval, and effective as January 1, 2025.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
<p>I move to authorize the HealthWest pay grades and classifications in the final Wage Study Compensation recommendations, effective January 1, 2025.</p>			
COMMITTEE DATE	COMMITTEE APPROVAL		
	_____ Yes _____ No _____ Other		
BOARD DATE	BOARD APPROVAL		
January 24, 2025	_____ Yes _____ No _____ Other		

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE	BUDGETED X	NON BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Full Board	REQUEST DATE January 24, 2025	REQUESTOR SIGNATURE Janet Thomas, Board Chair	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
<p>HealthWest Board authorization is requested to approve the Executive Director Salary Slotting to HealthWest Wage Scale Level 25, Step 6.</p> <p>Additional contributions to recommendation:</p> <ul style="list-style-type: none"> Initial entry level compensation was significantly less than other Directors in the Region. Performance since onset of hire, including ongoing personal growth of credentials benefiting the agency. Stabilization of agency milieu, including staff retention, and assertive budget and utilization management oversight. Meaningful collaborative contribution with LRE operations and management and regional partner agencies. Continued outreach and participation with Community partner sin the field of crisis intervention, treatment and other services Forward looking efforts toward continuation and expansion of essential programs and services within the County. <p>If approved, this will be added to the final wage study findings and will be presented to the County Commissioner Board for their approval, and effective as of January 1, 2025.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
I move to authorize modification to the Salary Slotting for the HealthWest Executive Director, to HealthWest Wage Scale Level 25, Step 6, effective January 1, 2025.			
COMMITTEE DATE	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE January 24, 2025	BOARD APPROVAL _____ Yes _____ No _____ Other		



Communication with Those Charged with Governance during Planning

December 23, 2024

To the Members of the Board
HealthWest
Muskegon, Michigan

We are engaged to audit the financial statements of the major special revenue fund and the aggregate remaining fund information of HealthWest (the CMHSP) for the year ended September 30, 2024. Professional standards require that we provide you with the following information related to our audit.

We would also like to extend the opportunity for you to share with our firm any concerns you may have regarding the CMHSP, whether they be in relation to controls over financial reporting, controls over assets, or issues regarding personnel, as well as an opportunity for you to ask any questions you may have regarding the audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, Government Auditing Standards, and the Uniform Guidance

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider the CMHSP's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the CMHSP's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we will examine, on a test basis, evidence about the CMHSP's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the CMHSP's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the CMHSP's compliance with those requirements.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. We are responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to this RSI, which supplement(s) the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

Planned Scope, Timing of the Audit, Significant Risks, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

During planning for this engagement, we considered the following significant risks of material misstatement. Our auditing procedures have been tailored to help detect these risks should they occur. Should any actual instances of material misstatement be detected during the performance of our engagement, these would be communicated to the Board in the *Communication with Those Charged with Governance at the Conclusion of the Audit*. Those risks considered during planning are:

- Management override of controls
- Improper revenue recognition due to fraud

Again, these are risks that are considered in determining the audit procedures to be applied. While these are risks that are considered during planning, it is not an indication that any such activity has taken place. To address these risks, we incorporate unpredictability into our audit procedures, emphasize the use of professional skepticism, and assign staff to the engagement with industry expertise.

Christina Schaub is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of those charged with governance and management of the CMHSP and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in cursive script that reads "Roslund, Prestage & Company, P.C.".

Roslund, Prestage & Company, P.C.
Certified Public Accountants



MEMORANDUM

Date: January 24, 2025

To: HealthWest Board of Directors

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

From: Rich Francisco, Executive Director

Subject: **Director's Update**

MDHHS Updates:

- MDHHS Contract with the LRE: From a previous Ops meeting at the LRE on 1/15/2024 there was going to be further discussion and analysis on whether the LRE should join the legal action by other PIHP partners, unfortunately due to bad weather, the LRE cancelled their meeting this past Wednesday 1/22/2025. Therefore, this discussion will likely happen next week now. Region 3 as a reminder, is the only PIHP left that has signed the PIHP/MDHHS with alternative language related to ISF funding, CCBHC and Waskul settlement language. Regions 2 and 10 have now filed lawsuits against MDHHS related to this.

Lakeshore Regional Entity updates:

- HW is now considering taking over the SUD Prevention Grant given to our Muskegon County Public Health Department. On 1/17/2025, Kathy Moore from Public Health sent an email response to the LRE after the LRE served the Public Health department with a "Notice of Termination Agreement," regarding Public Health's management of the SUD prevention grant. I have already had a discussion with Kathy Moore, and she agrees that this change is needed. There is a great opportunity here for HW to be able to monitor both the SUD Prevention Program and Intervention/Treatment Programs since HW already does the latter well. HW will be working with both the LRE and MCPH to transition prevention programs over to HW. We have had internal meetings at HW to develop a plan to accept this grant and what this would look like.

CMH level:

- Samaritas Transition to new provider: We continue to keep in contact with Samaritas/Moka with the transition of home over to Moka. There are ongoing

renovations currently at the homes to address minor work to the homes to get them ready and updated.

- CSU Project: CSU whitepaper has been completed (thanks to Gary Ridley for compiling the data and findings). If the board would like to see this report, we can provide that for the board and present it next month. We are hoping to present the CSU white paper to the legislative delegation meeting towards the end of January at the County.
- I would like to give a “Shout out” to Gary Ridley and Communications team for getting 100% on their grievance audit results. The got 100%.
- HW will be assisting the County in developing a plan for KATA framework (process improvement) to be rolled out in the County. We will also be extending our training to County staff as well. Pam Kimble (Quality Improvement Director) and I will be presenting the KATA framework at the next County Director’s meeting.
- Several leadership team members attended the Emergency Operations Center (EOC) training with the County. I attended with Gary Ridley and Kristi Chittenden to be trained in EOC formation and development training. As a mental health provider in Muskegon, it is essential for HW to know how we would participate in a larger Emergency situation, partner with the County, especially the EOC department and our partners in the community to coordinate response.
- The CMHA Winter conference is Feb. 3 to Feb. 5th. Please let Holly know if you are interested in attending. I believe it is in Kalamazoo. This is a great way to learn about the public mental health system in Michigan as well as see upcoming changes to the public mental health system as whole in Michigan.