

HEALTHWEST

FULL BOARD MINUTES

March 28, 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 8:00a.m.

ROLL CALL

Members Present: Janet Thomas, Janice Hilleary, Jeff Fortenbacher, John Weerstra, Marcia Hovey-Wright, Thomas Hardy, Remington Sprague, M.D., Mary Vazquez, Kim Cyr, Cheryl Natte, Chris McGuigan

Members Absent: Charles Nash, Tamara Madison

Others Present: Rich Francisco, Holly Brink, Gina Maniaci, Kristi Chittenden, Brandy Carlson, Christy LaDronka, Amber Berndt, Jennifer Hoeker, Gary Ridley, Gordon Peterman, Carly Hysell, Melina Barrett, Linda Wagner, Helen Dobb, Stephanie Baskin, Tasha Kuklewski, Brittani Duff, Jackie Farrar, Madison Rosel, Kelly Betts, Gina Kim, Mickey Wallace, Shannon Morgan, Anissa Goodno, Amie Bakos, Chris Yeager, Hannah Boes

Guests Present: Kristen Wade, Matt Farrar, Rukshana Ilahi

MINUTES

HWB 63-B - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the minutes of the February 28, 2025 Full Board meeting as written.

MOTION CARRIED

COMMITTEE REPORTS

Finance Committee

HWB 55-F - It was moved by Ms. Thomas, seconded by Mr. Hardy, to approve the minutes of the February 21, 2025, meeting as written.

MOTION CARRIED

HWB 56-F- It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve expenditures for the month of January 2025, in the total amount of \$10,204,323.00.

MOTION CARRIED

HWB 57-F - It was moved by Mr. Hardy, seconded by Commissioner Nash, to authorize the HealthWest Executive Director to sign a contract with Spectrum Health Hospitals dba Corwell Health effective March 1, 2025, through September 30, 2026, to provide Psychiatric Child inpatient Services to eligible HealthWest consumers. The funding is within the HealthWest Community Inpatient Budget of \$6,033,831.00.

MOTION CARRIED

HWB 58-F - It was moved by Commissioner Nash, seconded by Dr. Sprague, to authorize the acceptance of the Clubhouse Scholarship Opportunities Grant and the requirements within for a total of \$6,500 for Fiscal Year 2025.

MOTION CARRIED

HWB 59-F - It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to sign a contract with Akoya Behavioral Health LLC. For the period of April 1, 2025 through September 30, 2025 to provide ABA therapy services to eligible HealthWest consumers. The funding is within the approved Autism Services budget of \$1,267,392.00

MOTION CARRIED

HWB 60-F - It was moved by Mr. Hardy, seconded by Commissioner Nash, to approve the HealthWest Executive Director to sign agreements with the listed SUD providers within a total not to exceed \$169,550.00 effective March 1, 2025, through September 30, 2025.

MOTION CARRIED

HWB 61-F - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the HealthWest Executive Director to extend the contract with Stars Behavioral Health Group, Inc. to extend the performance period from January 1, 2024 – December 31, 2025, to ensure the successful completion of training and implementation, aligning with staff availability and maintaining high-quality program delivery.

MOTION CARRIED

HWB 62-F - It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to sign the three-year American Red Cross Licensed Trainer Provider Agreement for continued certification of staff who complete First Aid and CPR training provided by HealthWest

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

There was no communication.

DIRECTOR'S COMMENTS

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

Director's Update

- PIHP Procurement: On Feb. 28th, MDHHS sent out a press release with the title, **“FOR IMMEDIATE RELEASE: MDHHS launches initiative to strengthen behavioral health care access, quality, and choice for Michigan families.”** The goal of the press release was to inform us of MDHHS plan to re-bid the PIHPs. This again was discussed at the Director's forum held on 3/26/2025. The field has not received any new communication on this. MDHHS has told the field that they cannot give any information as it is in the bid out process. Of course, there were questions from PIHPs and CMHSPs such as what are the criteria for the rebid, how many PIHPs they are considering--if one of the goals is to consolidate, etc. CMHA and the public system is opposed to any action that could lead to privatization.
- Director's forum Update:
 - The most talked about item on the agenda is the PIHP Procurement notice that was sent out by MDHHS. CMHA along with the PIHP and CMHSPs on 3/26 discussed what strategies they can employ to reach advocates to explain why this could be detrimental to the public mental health system.
 - The other item discussed was the new payment model being considered for all CCBHCs which involves paying the CCBHCs directly and bypassing the Managed Care payment system (PIHP payment system). There were questions surrounding how this will work. There were two listening sessions held on 3/26, and several concerns were raised: for example, what will be the role of the PIHP moving forward? What oversight will PIHPs provide to CCBHCs? I also want to add that this will also add additional administrative time to transition to this payment model, such as time to determine how encounter reporting will work, etc.
 - CMHA also presented the FY26 budget (Executive budget Rec.) See below:

FY26 Executive Budget Proposal

Specific Mental Health / Substance Abuse Service Line Items:

	FY24' (Final)	FY25' (Final)	FY26' (Exec Rec)
-CMH Non-Medicaid Services	\$125,578,200	\$125,578,200	\$125,578,200
-Medicaid Mental Health Services	\$3,160,958,400	\$3,387,066,600	\$3,422,415,900
-Medicaid Substance Abuse Services	\$95,264,000	\$95,650,100	\$98,752,100
-State Disability Assistance Program	\$2,018,800	\$2,018,800	\$2,018,800
-Community Substance Abuse (Prevention, Education & Treatment Programs)	\$79,599,700	\$79,626,200	\$80,207,900
-Health Homes Programs	\$53,400,100	\$53,418,500	\$53,239,800
-Autism Services	\$279,257,100	\$329,620,000	\$458,715,500
-Healthy MI Plan (BH)	\$590,860,800	\$527,784,600	\$535,508,300
-CCBHC	\$386,381,700	\$525,913,900	\$916,062,700
-Total Local Dollars	\$10,190,500	\$10,190,500	\$9,943,600

Based on this snapshot and budget recommendations, specific MH/Substance Abuse service line items seem to hold and, in some areas, may even see a slight increase. The CCBHC line item proposes another increase to bring on more CCBHC demonstration sites.

- FY22 Cost Settlement with MDHHS: LRE and Attorney General's (AG) office continue to work on a resolution and for LRE to avoid filing a lawsuit with MDHHS. MDHHS did take \$4.8M out of the region's HSW payment, however, have agreed to put this in a separate account. They have also agreed to not take any more from revenue payments without giving notice to PIHP. The LRE did present a good case to the AG's office and the AG's office is still reviewing the information with their client, MDHHS.
- I also shared with our Board Finance Committee that the LRE is one of 5 PIHPs undergoing an audit currently with CMS. CMS works with CoventBridge, a consultant that will review the MCP (Managed Care Plan), our PIHP for PI (Program Integrity). The audit kick-off meeting was on March 12th with members of CMS, MDHHS, PIHPs and CoventBridge.

Lakeshore Regional Entity updates:

- HW has been working hard to take over the SUD prevention grant from Public Health including getting the appropriate contracts in place to continue the SUD Prevention activities. We have standing meetings with the LRE on SUD Prevention transition to HW and discuss implementation.
- LRE is undergoing some structure and staffing changes as it relates to the QI team and QI ROAT. LRE is reconsidering filling the position that oversees quality improvement at that level and will consider other options. I have asked to be the CEO liaison to the QI ROAT as well. I am currently on the Finance ROAT as well.
- LRE has also hired a consultant to review and work with CMHSPs on reviewing costs related to residential services. HW will be meeting with LRE consulting to present how we determine the level of need when providing these services.

CMH level:

- Executive team continues to review the wage study appeals submitted by Staff.
- While the Proposed budget above for Specific Mental Health and Substance Abuse Services Line items shows the same level of funding for programs, there is still uncertainty on what the impact would be at the state level. Today on the news – March 27th – there is a major restructuring of Health and Human Services at the federal level that anticipate laying off 10,000 workers. Of the 10,000 slated layoffs reports indicate that:
 - 3500 jobs at FDA – safety standards for meds, medical devices, and foods.
 - 2400 jobs at CDC – infectious disease and public health agencies
 - 1200 at NIH – National Institute of Health
 - **300** jobs at CMS which oversees the Affordable Care Act marketplace, Medicare and Medicaid.
 - Entire agencies will also close and folded into a new **Administration for a Healthy America**. This includes Health Resources and Services Administration that fund community health centers and SAMHSA – Substance Abuse and Mental Health Services Administration funding clinics such as CCBHCs (Expansion grant) and 988 hotline. SAMHSA was created in 1992 by congress.

AUDIENCE PARTICIPATION

Several audience members spoke on the care of their family member and services they receive as a consumer.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:38 a.m.

Respectfully,



Janet Thomas

Board Chair

/hb



TO: **HealthWest Board Members**

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

SUBJECT: **Full Board Meeting**
March 28, 2025
376 E. Apple Ave., Muskegon, MI 49442
<https://healthwest.zoom.us/j/92330401570?pwd=TFNHWWhnQmF5NVAYbWRQVG54Tk1GZz09>
One tap mobile: (309)205-3325, 92330401570# Passcode: 428623

AGENDA

1)	Call to Order	Action
2)	Approval of Agenda	Action
3)	Approval of Minutes	
	A) Approval of the Full Board Minutes of February 28, 2025 (Attachment #1 – pg. 1-4)	Action
4)	Public Comment (on an agenda item)	
5)	Committee Reports	
	A) Finance Committee (Attachment #2 – pg. 5-8)	Action
6)	Items for Consideration	
7)	Old Business	
8)	New Business	
9)	Communication	
	A) Director's Report – Rich Francisco, Executive Director (Attachment #3 – pg. 9-11)	Information
10)	Public Comment	
11)	Adjournment	Action

/hb

HEALTHWEST

FULL BOARD MINUTES

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ROLL CALL

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Members Absent: Charles Nash

Others Present: Rich Francisco, Holly Brink, Gina Maniaci, Kristi Chittenden, Brandy Carlson, Jennifer Hoeker, Gary Ridley, Gordon Peterman, Carly Hysell, Melina Barrett, Rebecca St. Clair, Linda Anthony, Helen Dobb, Stephanie Baskin, Tasha Kuklewski, Chelsea Kirksey, Natalie Walther, Brittani Duff, Jackie Farrar, Calvin Davis, Madison Rosel, Mary McGhee, Jennifer Stewart, Kelly Betts, Gina Kim, Kara Jaekel, Pam Kimble, Mickey Wallace

Guests Present: Mark Eisenbarth, Stephanie VanDerKooi

MINUTES

HWB 53-B - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the minutes of the January 24, 2025 Full Board meeting as written.

MOTION CARRIED

COMMITTEE REPORTS

Finance Committee

HWB 43-F - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve expenditures for the month of December 2024, in the total amount of \$9,682,990.07.

MOTION CARRIED

HWB 44-F- It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Executive Director to approve the above landlords for the HUD grant funding for Fiscal Year 2025, at a cost not to exceed the HUD approved dollars of \$333,453.

MOTION CARRIED

HWB 45-F - It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to enter into an agreement with the Lakeshore Regional Entity to provide substance abuse and gambling prevention services in Muskegon County effective March 1, 2025.

MOTION CARRIED

HWB 46-F - It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to continue contract with the Roslund Prestage & Company P.C. at a cost not to exceed \$45,000.00 for the fiscal year 2025.

MOTION CARRIED

HWB 47-F - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the HealthWest Executive Director to sign a contract with Jill Ann Montgomery Keast, dba Coaction360, with a total not to exceed \$43,400.00 effective March 1, 2025 through September 30, 2025.

MOTION CARRIED

HWB 48-F - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the HealthWest Executive Director to sign a contract with Shane Morr, with a total not to exceed \$64,000.00 effective March 1, 2025 through September 30, 2025.

MOTION CARRIED

HWB 49-F - It was moved by Ms. Thomas, seconded by Mr. Hardy, to approve the HealthWest Executive Director to sign a contract with Soul Spring LLC effective March 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 50-F - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the HealthWest Executive Director to sign a contract with Gage Consulting for Challenging Behaviors for the period of March 1, 2025 through September 30, 2025 to behavior support services for eligible HealthWest consumers. The funding is within the approved Outpatient Services budget of \$4,711,620.00

MOTION CARRIED

HWB 51-F - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the HealthWest Executive Director to sign a contract with Lakeshore Care Corp. effective March 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 52-F - It was moved by Ms. Thomas, seconded by Mr. Hardy, to approve the HealthWest Executive Director to sign a contract LMA Homes LLC effective March 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

ITEMS FOR CONSIDERATION

HWB 54-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the changes to the HealthWest Consumer Advisory Committee members effective March 1, 2025.

MOTION CARRIED

OLD BUSINESS

There was no old business.

NEW BUSINESS

Chair Thomas discussed the importance of meeting attendance to make quorum.

COMMUNICATION

Natalie Walthers, Director of Architecture & Analytics, presented the Data Center on Power BI Dashboards.

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 board meeting on 2/26/2025 and update from Mary Dumas at the LRE, Region 3 is holding its position of not joining with the others who have now filed a lawsuit against MDHHS. Region 3/LRE does not expect to be treated differently from others that have filed a lawsuit or those that signed the MDHHS contract as is.
- Cost Settlement Issues with MDHHS: Mary Dumas gave another update on the status of the past liability issues with MDHHS and cost settling at the LRE board meeting on 2/26/2025. I provided an update to HW Finance committee last week which included MDHHS holding onto \$4.8M (held in escrow) of \$13.7M they would like to get back from the LRE. The LRE board gave authority to Mary in a special meeting on Feb. 6th, authorizing her to work with Taft Law, to file a lawsuit with MDHHS if needed. Mary has not proceeded yet with filing a lawsuit since the AG's has asked for time to review the issue with their client, MDHHS. Chris Ryan, from Taft law, drew attention to the issue with the AG's office and presented the LRE's case. Prior to this, the AG's office was not aware the MDHHS sent a memo stating they were going to hold payments from the LRE for that \$13.7M. I believe that at this point, MDHHS is not going to dock the LRE payments while this issue is being reviewed.
- Sharing a Medicaid bulletin (attached): The SSI asset limits are changing per MMP 25-07 which will impact eligibility for Medicaid program. Historically, the asset limits have been \$2000/individual and \$3000/couple. This asset limit will be increased to the higher MSP program asset limit of \$9660/individual and \$14,470/couple. I know that we have had clients that have struggled to stay below the \$2000 limit to retain Medicaid. I have asked Brandy to do an evaluation of the impact this would have on some of our consumers but overall, this is a good and positive change.

Lakeshore Regional Entity updates:

- At the 2/26/2025 LRE board meeting, the LRE acknowledge and thanked HW Board of Directors for stepping up to take over the SUD prevention grant responsibilities. HW has been working internally to transition these duties over from public health and slowly assessing what it would take to manage these prevention dollars. HW is currently reviewing the amendments to SUD contracts to which will incorporate the SUD prevention grant amounts.
- LRE has had staffing and structure changes. Stephanie will oversee the Quality Improvement role as they look to fill a vacant position for Quality Improvement Director.
- The LRE also presented their Compliance Plan, UM Plan and Strategic Plan at the LRE board work session and LRE Board meeting on 2/26/2025.

CMH level:

- Samaritas Transition to new provider: There was another meeting with Samaritas / Moka and HW and the work continues to transition these over to MOKA. Two home renovations have been completed and the remaining three are in progress. These are not major renovations. Licensing transfer is also part of the transition and is being worked on.
- HW is also sharing information on our social media we receive from CMHA regarding advocacy work to preserve Medicaid. Our association is active in drawing attention to the importance of Medicaid for people and any cuts could negatively impact services for a lot of individuals and families. We are not the only agency doing this, FQHCs and other Medicaid providers are doing the same thing.
- The wage study appeal process is in place and the process for submitting an appeal is in place.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:52 a.m.

Respectfully,

Janet Thomas
Board Chair
/hb

PRELIMINARY MINUTES
To be approved at the Full Board Meeting of
March 28, 2025

HEALTHWEST
FINANCE COMMITTEE REPORT TO THE BOARD
via Jeff Fortenbacher, Committee Chair

1. The Finance Committee met on March 21, 2025.
- * 2. It was recommended, and I move to approve the minutes of the February 21, 2025 meeting as written.
- * 3. It was recommended, and I move to approve expenditures for the month of January 2025, in the total amount of \$10,204,323.00.
- * 4. It was recommended, and I move to approve the HealthWest Executive Director to sign a contract with Spectrum Health Hospitals dba Corwell Health effective March 1, 2025, through September 30, 2026, to provide Psychiatric Child inpatient Services to eligible HealthWest consumers. The funding is within the HealthWest Community Inpatient Budget of \$6,033,831.00.
- * 5. It was recommended, and I move to approve the acceptance of the Clubhouse Scholarship Opportunities Grant and the requirements within for a total of \$6,500 for Fiscal Year 2025.
- * 6. It was recommended, and I move to approve the HealthWest Executive Director to sign a contract with Akoya Behavioral Health LLC. For the period of April 1, 2025 through September 30, 2025 to provide ABA therapy services to eligible HealthWest consumers. The funding is within the approved Autism Services budget of \$1,267,392.00
- * 7. It was recommended, and I move to approve the HealthWest Executive Director to sign agreements with the listed SUD providers within a total not to exceed \$169,550.00 effective March 1, 2025, through September 30, 2025.
- * 8. It was recommended, and I move to approve the HealthWest Executive Director to extend the contract with Stars Behavioral Health Group, Inc. to extend the performance period from January 1, 2024 – December 31, 2025, to ensure the successful completion of training and implementation, aligning with staff availability and maintaining high-quality program delivery.
- * 9. It was recommended, and I move to approve the HealthWest Executive Director to sign the three-year American Red Cross Licensed Trainer Provider Agreement for continued certification of staff who complete First Aid and CPR training provided by HealthWest.

/hb

HEALTHWEST

FINANCE COMMITTEE MEETING MINUTES

March 21, 2025
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, Remington Sprague, M.D., John M. Weerstra, Commissioner Charles Nash
Also Present:	Rich Francisco, Holly Brink, Gina Maniaci, Brandy Carlson, Christy LaDronka, Kristi Chittenden, Gina Kim, Anissa Goodno, Gordon Peterman, Jackie Farrar, Jennifer Stewart, Helen Dobb, Linda Anthony, Carly Hysell, Brittani Duff, Gary Ridley, Mickey Wallace, Melina Barrett, Brian Plumhoff, Linda Wagner, Rebecca St. Clair, Kim Davis, Shannon Morgan, Amber Berndt
Guests Present:	Angela Gasiewski

ITEMS FOR CONSIDERATION

A. Approval of Minutes

It was moved by Ms. Thomas, seconded by Mr. Hardy, to approve the minutes of the February 21, 2025, meeting as written.

MOTION CARRIED

B. Approval of Expenditures for January 2025

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve expenditures for the month of January 2025, in the total amount of \$10,204,323.00.

MOTION CARRIED

C. Monthly Report from the Chief Financial Officer

Ms. Carlson, Chief Financial Officer, presented the January report, noting an overall cash balance of \$7,002,890.07 as of January 31, 2025.

D. Finance Update Memorandum

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

E. Authorization to Contract with Spectrum Health dba Corwell Health

It was moved by Mr. Hardy, seconded by Commissioner Nash, to authorize the HealthWest Executive Director to sign a contract with Spectrum Health Hospitals dba Corwell Health effective March 1, 2025, through September 30, 2026, to provide Psychiatric Child inpatient Services to eligible HealthWest consumers. The funding is within the HealthWest Community Inpatient Budget of \$6,033,831.00.

MOTION CARRIED

F. Authorization to Accept Clubhouse Scholarship Opportunities Grant

It was moved by Commissioner Nash, seconded by Dr. Sprague, to authorize the acceptance of the Clubhouse Scholarship Opportunities Grant and the requirements within for a total of \$6,500 for Fiscal Year 2025.

MOTION CARRIED

G. Authorization to Contract with Akoya Behavioral Health LLC.

It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to sign a contract with Akoya Behavioral Health LLC. For the period of April 1, 2025 through September 30, 2025 to provide ABA therapy services to eligible HealthWest consumers. The funding is within the approved Autism Services budget of \$1,267,392.00

MOTION CARRIED

H. Authorization to Utilize the 2025 Michigan Opioid Healing & Recovery Funds

It was moved by Mr. Hardy, seconded by Commissioner Nash, to approve the HealthWest Executive Director to sign agreements with the listed SUD providers within a total not to exceed \$169,550.00 effective March 1, 2025, through September 30, 2025.

MOTION CARRIED

I. Authorization to Contract with Stars Behavioral Health Group, Inc.

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the HealthWest Executive Director to extend the contract with Stars Behavioral Health Group, Inc. to extend the performance period from January 1, 2024 – December 31, 2025, to ensure the successful completion of training and implementation, aligning with staff availability and maintaining high-quality program delivery.

MOTION CARRIED

J. Authorization to Approve Agreement with Red Cross Licensed Trainer

It was moved by Mr. Hardy, seconded by Dr. Sprague, to authorize the HealthWest Executive Director to sign the three-year American Red Cross Licensed Trainer Provider Agreement for continued certification of staff who complete First Aid and CPR training provided by HealthWest.

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 provided an update:

- MDHHS: Update from a meeting at the Statewide CCBHC/MDHHS/PIHP meeting (3/20/25) they shared that MDHHS is considering a different payment model for the CCBHCs. MDHHS would like to pay the CCBHCs directly instead of going through the traditional capitation/managed care method which is through the PIHP. There were lots of follow up questions during the update for Amy Kanouse (CCBHC point person at MDHHS). MDHHS will be sending out listening sessions to stakeholders including the PIHPs and CCBHCs.
- MDHHS/PIHP: Our region has been selected for a federal audit along with 4 other PIHPs. So, 50% of PIHPS are being audited. The kickoff meeting for this audit was held on March 12th. MDHHS staff, LRE staff, CMS and CMS consultant CoventBridge were present during this meeting. The goal is to review the MCP (Managed Care Plan) for PI (Program Integrity). The goal of the audit, according to CoventBridge as stated in the minutes, was to complete an analysis that "may identify potential weakness in the state's processes in monitoring the MCP's PI functions." This will look at Dollars at Risk (DAR) from lack of program oversight, look at potential capitation overpayments, identify insufficient provider network, and possible lack of preventive care. "
- Samaritas Update: 2 homes (Hansens and Horton) have been transitioned to Moka this past Monday. We are working on updating contracts with names and going through the process of updating authorizations. The other 3 homes are in the process of renovation.
- Just wanted to let the board know that after the board meeting today we will be meeting with State Representative Greg VanWoerkom's Aid to field some questions on our initiative to get a CSU (Crisis Stabilization Unit) in Muskegon. Representative VanWoerkom is the chair of the BH and Medicaid subcommittee. We have also invited Trinity Health to the meeting.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the committee, the meeting adjourned at 8:30 a.m.

Respectfully,

Jeff Fortenbacher
Committee Chair

/hb

PRELIMINARY MINUTES
To be approved at the Finance Meeting on
April 18, 2025



MEMORANDUM

Date: March 28, 2025

To: HealthWest Board of Directors

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

From: Rich Francisco, Executive Director

Subject: **Director's Update**

- PIHP Procurement: On Feb. 28th, MDHHS sent out a press release with the title, **“FOR IMMEDIATE RELEASE: MDHHS launches initiative to strengthen behavioral health care access, quality, and choice for Michigan families.”** The goal of the press release was to inform us of MDHHS plan to re-bid the PIHPs. This again was discussed at the Director's forum held on 3/26/2025. The field has not received any new communication on this. MDHHS has told the field that they cannot give any information as it is in the bid out process. Of course, there were questions from PIHPs and CMHSPs such as what are the criteria for the rebid, how many PIHPs they are considering--if one of the goals is to consolidate, etc. CMHA and the public system is opposed to any action that could lead to privatization.
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 - The most talked about item on the agenda is the PIHP Procurement notice that was sent out by MDHHS. CMHA along with the PIHP and CMHSPs on 3/26 discussed what strategies they can employ to reach advocates to explain why this could be detrimental to the public mental health system.
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 - CMHA also presented the FY26 budget (Executive budget Rec.) See below:

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-CCBHC	\$386,381,700	\$525,913,900	\$916,062,700
-Total Local Dollars	\$10,190,500	\$10,190,500	\$9,943,600

Based on this snapshot and budget recommendations, specific MH/Substance Abuse service line items seem to hold and, in some areas, may even see a slight increase. The CCBHC line item proposes another increase to bring on more CCBHC demonstration sites.

- FY22 Cost Settlement with MDHHS: LRE and Attorney General's (AG) office continue to work on a resolution and for LRE to avoid filing a lawsuit with MDHHS. MDHHS did take \$4.8M out of the region's HSW payment, however, have agreed to put this in a separate account. They have also agreed to not take any more from revenue payments without giving notice to PIHP. The LRE did present a good case to the AG's office and the AG's office is still reviewing the information with their client, MDHHS.
- I also shared with our Board Finance Committee that the LRE is one of 5 PIHPs undergoing an audit currently with CMS. CMS works with CoventBridge, a consultant that will review the MCP (Managed Care Plan), our PIHP for PI (Program Integrity). The audit kick-off meeting was on March 12th with members of CMS, MDHHS, PIHPs and CoventBridge.

Lakeshore Regional Entity updates:

- HW has been working hard to take over the SUD prevention grant from Public Health including getting the appropriate contracts in place to continue the SUD Prevention activities. We have standing meetings with the LRE on SUD Prevention transition to HW and discuss implementation.
- LRE is undergoing some structure and staffing changes as it relates to the QI team and QI ROAT. LRE is reconsidering filling the position that oversees quality improvement at that level and will consider other options. I have asked to be the CEO liaison to the QI ROAT as well. I am currently on the Finance ROAT as well.
- LRE has also hired a consultant to review and work with CMHSPs on reviewing costs related to residential services. HW will be meeting with LRE consulting to present how we determine the level of need when providing these services.

CMH level:

- Executive team continues to review the wage study appeals submitted by Staff.

- While the Proposed budget above for Specific Mental Health and Substance Abuse Services Line items shows the same level of funding for programs, there is still uncertainty on what the impact would be at the state level. Today on the news— March 27th – there is a major restructuring of Health and Human Services at the federal level that anticipate laying off 10,000 workers. Of the 10,000 slated layoffs reports indicate that:
 - 3500 jobs at FDA – safety standards for meds, medical devices, and foods.
 - 2400 jobs at CDC – infectious disease and public health agencies
 - 1200 at NIH – National Institute of Health
 - **300** jobs at CMS which oversees the Affordable Care Act marketplace, Medicare and Medicaid.
 - Entire agencies will also close and folded into a new **Administration for a Healthy America**. This includes Health Resources and Services Administration that fund community health centers and SAMHSA – Substance Abuse and Mental Health Services Administration funding clinics such as CCBHCs (Expansion grant) and 988 hotline. SAMHSA was created in 1992 by congress.