

HEALTHWEST
FULL BOARD MINUTES

July 25, 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, Kim Cyr, Remington Sprague, M.D., Thomas Hardy, Tamara Madison,

Members Absent: Charles Nash, Chris McGuigan, Jeff Fortenbacher, John M. Weerstra, Mary Vazquez

Others Present: Rich Francisco, Holly Brink, Gina Maniaci, Kristi Chittenden, Christy LaDronka, Carly Hysell, Gordon Peterman, Amber Berndt, Gary Ridley, Anissa Goodno, Latrice Williams, Stephanie Segar, Jennifer Hoeker, Linda Wagner, Brittani Duff, Ann Gatt, Kara Zielinski, Melina Barrett, Jackie Farrar, Linda Anthony, Laurie Evans, Susan Plotts, Stephanie Baskin, Helen Dobb, Mary McGhee, Lauren Thomas, Kristian Kortman

Guests Present: Mark Eisenbarth

MINUTES

HWB 98-B - It was moved by Mr. Hardy, seconded by Ms. Natte, to approve the minutes of the June 27, 2025 Full Board meeting as written.

MOTION CARRIED

ITEMS FOR CONSIDERATION

HWB 99-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve expenditures for the month of May 2025, in the total amount of \$9,811,264.92.

MOTION CARRIED

Monthly Report from the Chief Financial Officer

Ms. Hysell, Director of Finance, presented the May report, noting an overall cash balance of \$7,959,459.12 as of May 31, 2025.

Finance Update Memorandum

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

HWB 100-B – It was moved by Mr. Hardy, seconded by Ms. Hilleary, to approve the FY25 contracted Vendors/Providers listed under the five funding sources. The total budget for the five funding services is \$48,077,747.00 effective July 25, 2025, through September 30, 2025

MOTION CARRIED

HWB 101-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve Janet Thomas as a recommendation for a re-appointment for the Executive Board Member for the LRE (Lakeshore Regional Entity), and authorizes the HealthWest Executive Director, Rich Francisco, to recommend her on behalf of the HealthWest Board of Directors.

MOTION CARRIED

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

COMMUNICATION

Laurie Evans, Talent Acquisition & Onboarding Coordinator, presented the MCEEA Employer of the Year Award.

DIRECTOR'S COMMENTS

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

Federal/MDHHS Updates:

- BBB (Big Beautiful Bill) – I have attended an update meeting that was put on by Senator Slotkin's office regarding the impacts of the BBB on Healthcare and other programs. I specifically focused on the Medicaid potential impacts:
 - Talked about Healthy Michigan Plan (tied to Medicaid) which is Obamacare (marketplace), enrollment will begin Nov. 1st. There are increases in the amounts by Jan. 1, 2026. An example given: A family with an income of \$129k will be paying about 5500 more per year. Auto-enrollment feature for this is going away by Jan 1, 2028.
 - The state has 700k individuals on HMP.
 - Work Requirements to be implemented by Jan. 1, 2027, 19-64 years must work. 80 hours per month to keep coverage, eligibility will need proof of work. About 20 hours a week including volunteer time. It was also mentioned that there will be exceptions to this as well.

- 6-month renewal of Medicaid eligibility versus annually now. The auto-renewal process will be taken away. There will likely be disenrollment due to these additional requirements for eligibility.
- Hospitals – loss of revenue over 10 years of about 1B. Another impact would be that a total increase in insurance from about 11% to 13% for Private insurance -- the rationale from the Hospital association is that if less are covered by Medicaid or drop off, the hospital is still required to serve individuals (emergency stabilization) and to make up for that cost, private insurance may take a hit. Rural Hospitals will take an even bigger impact.
- Another discussion is surrounding the loss of funding for the state on their Medicaid portion that is drawn down via Provider Taxes as this is banned in the BBB. There is ongoing discussion at the Legislative level and the budget must continue to figure this out.
- Following up on PIHP Re-BID: MDHHS has not released the RFP yet, originally anticipated Summer of 2025 but we are now hearing that it could be September before it is released (give or take a month). Based on the RFP criteria, there have been three options from the field proposed to create a regional entity that would be eligible to submit a bid for the Central Region. One released describes the new RE to contract existing PIHPs, one utilizes the Urban Cooperation Act, and lastly, a Private/Public partnership that retains the public governance. In the last option, I was selected along with another CEO to review the By-Laws from our PIHP. After the first round of reviews, it is now in Final Draft form ready for review by the other CEOs of the CMHSPs representing the Central Region. There is a total of 33 CEOs.

LRE Level Updates:

- PIHP FY22 Cost settlement for past years. Earlier this year, the LRE received a memo indicating that MDHHS is owed \$13.7 million and withheld \$4.8 million (in escrow) in LRE revenues. The LRE continues to work with their Legal on this who is in touch with the Attorney General's office to resolve – LRE stated that AG filed a motion for summary disposition and will have until August 13th to respond. LRE states that they will push to get the money back.
- Insurance Provider Assessment (IPA). This is like a tax on Medicaid revenues received by the LRE. LRE updated the region that the Dept. of Treasury sent the FY2025 tax bill based on FY23 and not FY24 revenues resulting in \$1 million more to the tax bill. According to MDHHS – this was on purpose to not use the FY24 which is by law. LRE will pursue this and provide an update.
- LRE presented the initial FY26 Revenue Projection and regionally they forecast an increase of \$24.15 million for the year. FY25 budget projection is \$477.5 million and FY26 is \$501.5 million. For HW, this is projected at about a \$4.7 million increase or about a 4.6% increase.

CMH Level Updates:

- CCBHC Direct payment – MDHHS is transitioning payments to CCBHCs directly. There are a variety of transition groups that meet at the state level. Some groups focus on the IT/encounter submission, utilization management, contracts and agreements, and other administrative changes to getting this done. HW staff represent our agency in one or more of these groups. There is still a lot of work to be done before the beginning of the year.

- I want to give a shout out to our award winners for our Westies employee recognition award. Congratulations to all the nominees! Your peers think very highly of you, and we want to congratulate you on the excellent work you are doing for HealthWest.
- Samaritas home transition to Moka has been completed. I received an email from Moka CEO thanking us for working with them for transitioning to the new ownership of these homes for the past several months.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:35 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
July 25, 2025
376 E. Apple Ave., Muskegon, MI 49442
<https://healthwest.zoom.us/j/92330401570?pwd=TFNHMWlnQmF5NVYybWRQVG54Tk1GZz09>
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 June 27, 2025
(Attachment #1 – pg. 1-3) | Action |
| 4) | Public Comment (on an agenda item) | |
| 5) | Items for Consideration | |
| | A) Approval of the Expenditures for May 2025
(Attachment #2 pg. 4) | Action |
| | B) Monthly Report from the Chief Financial Officer
(Attachment #3 pg. 5-8) | Information |
| | C) Finance Update Memorandum
(Attachment #4 pg. 9-13) | Information |
| | D) Approval to Increase Five Funding Sources
(Attachment #5 pg. 14) | Action |
| | E) Approval to Recommend Re-Appointment to LRE Executive Board of Directors
(Attachment #6 pg. 15) | Action |
| 6) | Old Business | |
| 7) | New Business | |
| 8) | Communication | |
| | A) Employee of the Year Award: Laurie Evans
(Attachment #7 – pg. 16-17) | Information |
| | B) August 2025 Meeting Notice
(Attachment #8 – pg. 18) | Information |
| | C) Director's Report
(Attachment #9 – pg. 19-20) | Information |
| 9) | Public Comment | |
| 10) | Adjournment | Action |

HEALTHWEST
FULL BOARD MINUTES

June 27, 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 8:01a.m.

ROLL CALL

Members Present: Janet Thomas, Cheryl Natte, Kim Cyr, Thomas Hardy, Jeff Fortenbacher, Chris McGuigan, Charles Nash

Members Absent: Janice Hilleary, Remington Sprague, M.D., Mary Vazquez, John M. Weerstra, Tamara Madison

Others Present: Holly Brink, Gina Maniaci, Brandy Carlson, Christy LaDronka, Carly Hysell, Gordon Peterman, Gary Ridley, Linda Wagner, Melina Barrett, Jackie Farrar, Mickey Wallace, Pam Kimble, Shannon Morgan, Helen Dobb, Gina Kim, Suzanne Beckeman, Kim Davis, Calvin Davis, Stephanie VanderKooi, Anissa Goodno, Chris Yeager

MINUTES

HWB 89-B - It was moved by Mr. Hardy, seconded by Mr. Fortenbacher, to approve the minutes of the May 30, 2025 Full Board meeting as written.

MOTION CARRIED

COMMITTEE REPORTS

Program Personnel Committee

HWB 85-P - It was moved by Ms. Hilleary, seconded by Mr. Hardy, to approve the minutes of the April 4, 2025 meeting as written.

MOTION CARRIED

Recipient Rights Committee

HWB 87-R - It was moved by Ms. Hilleary, seconded by Ms. Madison, to approve the minutes of the April 4, 2025 meeting as written.

MOTION CARRIED

HWB 88-R - It was moved by Ms. Madison, seconded by Ms. Hilleary, to approve the Recipient Rights Reports for April 2025 / May 2025.

MOTION CARRIED

ITEMS FOR CONSIDERATION

HWB 97-B – It was moved by Commissioner Nash, seconded by Ms. Thomas, to amend the agenda correcting Item G to read FY2025

MOTION CARRIED

HWB 90-B – It was moved by Mr. Hardy, seconded by Ms. Natte, to approve expenditures for the month of April 2025, in the total amount of \$8,319,927.26.

MOTION CARRIED

Monthly Report from the Chief Financial Officer

Ms. Carlson, Chief Financial Officer, presented the April report, noting an overall cash balance of \$8,041,322.29 as of April 30, 2025.

Finance Update Memorandum

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

HWB 91-B – It was moved by Mr. Hardy, seconded by Commissioner McGuigan, to approve the HealthWest Executive Director to sign a contract with Benjamin's Hope effective July 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 \$18,068,487.00.

MOTION CARRIED

HWB 92-B – It was moved by Mr. Hardy, seconded by Mr. Fortenbacher, to approve the HealthWest Board to continue contracting with Peter Chang Enterprises, INC. (PCE), to provide Electronic Health Records (HER) services to HealthWest, for an approximate cost of \$360,000.00 through March 31, 2026.

MOTION CARRIED

HWB 93-B – It was moved by _____, seconded by _____, to approve the HealthWest Executive Director to sign contract #DFA26-61001 with the State of Michigan Department of Health and Human Services for \$75,650.00. This contract will fund an Eligibility Specialist at the HealthWest building from October 1, 2025, through September 30, 2026.

MOTION CARRIED

HWB 94-B – It was moved by Mr. Hardy, seconded by Commissioner McGuigan, to approve the attached FY2025 HealthWest Fee Schedule effective July 1, 2025.

MOTION CARRIED

HWB 95-B – It was moved by Mr. Hardy, seconded by Ms. Natte, to approve the changes to the HealthWest Consumer Advisory Committee members, effective June 30, 2025.

MOTION CARRIED

HWB 96-B – It was moved by Mr. Hardy, seconded by Ms. Natte, to approve the 2025 Quality Assessment and Performance Improvement Plan, effective June 27, 2025

MOTION CARRIED

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

COMMUNICATION

There was no communication.

DIRECTOR'S COMMENTS

There was no Director's Comments.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:44 a.m.

Respectfully,

Janet Thomas
Board Chair
/hb

**PRELIMINARY MINUTES
To be approved at the Full Board Meeting on
July 25, 2025**

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Finance	REQUEST DATE July 25, 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 May 2025 totaled \$9,811,264.92. Large or unusual expenditures for the month include:</p> <ol style="list-style-type: none"> 1. Payments to Bear River in the amount of \$107,409.44 for Substance Use Disorder Services 2. Payments to Cherry Street in the amount of \$126,121.24 for Substance Use Disorder Services 3. Payments to Enterprise Fleet Management of \$117,890.00 for 50 for Vehicle Leases 4. Payments to Flatrock Manor of \$200,580.20 for Residential Services 5. Payments to Guardian Trac of \$137,145.02 for Outpatient Services 6. Payments to HGA of \$448,990.25 for Residential Services 7. Payments to Hope Network of \$180,169.01 for Residential Services 8. Payments to Mercy Health Partners in the amount of \$250,656.00 for Community Inpatient Services 9. Payments to Moka Corporation in the amount of \$663,984.53 for Residential and Outpatient Services 10. Payments to Pine Rest in the amount of \$121,200.38 for Community Inpatient Services 11. Payments to Pioneer Resources in the amount of \$538,949.53 for Autism and Residential Services 12. Payments to Samaritas in the amount of \$743,143.61 for Residential Services 13. Payments to Services of Hope in the amount of \$115,650.67 for Outpatient Services 14. Payments to Turning Leaf in the amount of \$160,723.05 for Outpatient and Residential Services 			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
I move to approve expenditures for the month of May 2025, in total amount of \$9,811,264.92.			
COMMITTEE DATE July 25, 2025	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE July 25, 2025	BOARD APPROVAL _____ Yes _____ No _____ Other		

HealthWest



May 2025

Board Report

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

May 31, 2025

ASSETS

	THIS YEAR	LAST YEAR
Cash in Bank	7,959,459.12	7,050,056.21
Imprest (Petty) Cash	1,600.00	2,700.00
Due from Credit Cards	151.58	-
Accounts Receivable	147,708.97	171,256.75
Due From Other Funds	5,328.40	2,482,291.61
Prepaid Items	293,670.78	485,042.53
Due from other governments	(1,528,190.11)	1,555,698.70
Total Assets	<u>\$ 6,879,728.74</u>	<u>\$ 11,747,045.80</u>

LIABILITIES AND EQUITY

Accounts Payable	\$ 36,536.73	\$ 52,298.87
Undistributed Receipts	12,956.83	15,492.35
Accrued Wages and Fringes	-	-
Total Liabilities and Equity	<u>\$ 49,493.56</u>	<u>\$ 67,791.22</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Medicaid fee for services and capitation	<u>\$ 217,464.98</u>	<u>\$ 8,217.16</u>
Fund Balance at beginning of year	942,565.51	(1,855,032.17)
Nonspendable FB-Prepays	420,673.60	
**Total Fund Balance	<u>\$ 1,363,239.11</u>	<u>\$ (1,855,032.17)</u>

**TOTAL LIABILITIES, DEFERRED INFLOWS OF
RESOURCES, AND FUND BALANCE**

\$ 1,630,197.65	\$ (1,779,023.79)
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NET OF REVENUES VS EXPENDITURES

<u>\$ 5,249,531.09</u>	<u>\$ 13,526,069.59</u>
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Transferred to County Equipment Revolving Account for:

Mental Health Center Building (6660-0000-349220)	\$2,407,031.25	\$2,532,845.73
Future Equipment Purchases (6660-0000-349222)	\$86,607.86	\$117,184.04

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

May 31, 2025

ASSETS		
	THIS YEAR	LAST YEAR
Cash	\$ 540,098.81	\$ 506,844.94
Imprest Cash	\$ -	\$ 55,399.39
Accounts Receivable	\$ -	\$ 177.00
Total Assets	<u>\$ 540,098.81</u>	<u>\$ 562,421.33</u>
 LIABILITIES AND EQUITY		
Accounts Payable	\$ 1,080.50	\$ -
Due to Other Funds	\$ 5,328.40	\$ 2,353.59
Undistributed Receipts	\$ 533,689.91	\$ 560,067.74
	<u>\$ 540,098.81</u>	<u>\$ 562,421.33</u>

HealthWest

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual

For the Period from October 1, 2024 through May 31, 2025

	Original Budget	YTD Budget	YTD Actual	Over (Under) YTD Budget
Revenues				
Medicaid funding:				
Medicaid capitation	\$ 63,176,322	\$ 42,117,548	\$ 39,906,612	\$ (2,210,936)
Medicaid - Autism capitation	9,643,002	6,428,668	7,772,549	1,343,881
Medicaid capitation - settlement	-	-	(5,667,086)	(5,667,086)
Healthy Michigan Plan	6,618,061	4,412,041	4,874,277	462,236
Healthy Michigan Plan - settlement	-	-	2,558,366	2,558,366
CCBHC Supplemental	17,430,250	11,620,167	12,079,123	458,956
State General Fund:				
Formula Fundings	2,066,287	1,377,525	1,377,525	-
Settlement	-	-	-	-
Grant Revenue	5,282,051	3,521,367	3,467,241	(54,126)
Local revenue:				
County appropriation	706,819	471,213	471,211	(2)
Client and third party fees	1,746,837	1,164,558	354,070	(810,488)
Interest income	393,117	262,078	172,318	(89,760)
Other revenue	215,589	143,726	119,187	(24,539)
Total revenue	107,278,335	71,518,891	67,485,393	(4,033,498)
Expenditures				
Salaries and wages	29,676,018	19,784,012	19,003,521	(780,491)
Fringe benefits	19,940,330	13,293,553	11,452,341	(1,841,212)
Staff professional development	598,588	399,059	254,928	(144,131)
Contractual expense	49,160,285	32,773,523	34,195,108	1,421,585
Overhead expense	2,891,260	1,927,507	1,942,688	15,181
Supplies	443,252	295,501	406,057	110,556
Utilities	417,090	278,060	164,907	(113,153)
Insurance	474,348	316,232	-	(316,232)
Capital outlay	5,060	3,373	-	(3,373)
Other expenses	3,385,094	2,256,729	679,286	(1,577,443)
Transfers	287,010	191,340	174,699	(16,641)
Total expenditures	107,278,335	71,518,889	68,273,535	(3,245,354)
Net change in fund balance	-	2	(788,142)	(788,144)
Fund balance, beginning of year	1,363,240	1,363,240	1,363,240	-
Fund balance, end of year	\$ 1,363,240	\$ 1,363,242	\$ 575,098	\$ (788,144)

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



MEMORANDUM

Date: July 25, 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 Director of Finance
Carly Hysell, HealthWest Director of Finance

From: Brandy Carlson, Chief Financial Officer

Subject: **Finance Update**

During the month of July, HealthWest will bring the following motion to the County Commissioners for approval.

Move to approve the lease between the County of Muskegon and Catholic Charities West Michigan 360 Division Avenue S., Suite 3A Grand Rapids, Michigan 49503, for space at 1713 7th Street, Muskegon, Michigan 49441 effective August 1, 2025, through August 1, 2028, and authorize the Executive Director of HealthWest to sign the lease agreement.

Staff requests authorization to lease the Catholic Charities of West Michigan building located at 1713 7th Street, Muskegon, Michigan 49441 to relocate the Crisis Residential Program (CRU) from its current location. The CRU program currently operates a six (6) bed facility that supports adults with significant behavioral health needs as a diversion to inpatient psychiatric care. The six (6) bed facility operates 24/7 with a total of seven (7) staff and one (1) Clinical Manager. The future plan for this facility is to expand to a twelve (12) bed facility and include a withdrawal management program for those who need substance-use detox. This move will reduce costs and result in a facility that is more conducive for a CRU operation. It may be recalled that this lease was approved by the Board of Commissioners in December of 2024. After the lease was approved, but not signed, it was discovered that Muskegon County, via HealthWest, would need to install a hood in the commercial kitchen at an estimated cost of \$80,000. The new lease, allows the County to install this hood and Catholic Charities of West Michigan agrees to pay 1/3 of the costs. This lease has been reviewed by Corporate Counsel and Risk Management.

Main Office

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

HealthWest.net

Move to approve the lease between the County of Muskegon and 1161 West Southern, LLC, for space at 1161 West Southern Avenue, Muskegon, MI, 49441 effective October 1, 2025, through September 30, 2030, and authorize the Executive Director of HealthWest to sign the lease agreement.

Staff request authorization to locate the Occupational and Speech Therapy Services with three (3) staff and one (1) clinical supervisor at the NIMS facility located at 1161 West Southern to join forces with other clinical programs already located there. These services are currently provided at the MOKA site downtown on Terrace Street. The NIMS site has a large work area that will be utilized to ensure ongoing care is happening in the OT/Speech program, which also allows space for equipment to be fixed (wheelchairs etc.) in a convenient location with easy access to parking. Included in the lease agreement is a large conference room that will be used by the six (6) clinical programs on a rotational basis for team meetings and department discussions. By combining this lease with the NIMS facility, it will reduce costs and result in synergies between departments. This lease has been reviewed by Corporate Counsel and Risk Management.

Move to adopt the Resolution initiating Public Act 423 for the 2022 fiscal year until terminated and authorize the Board Chair to sign the Resolution.

Public Act 423 of 1980 allows community mental health agencies like HealthWest to boost their funding by participating in a special state grant program. Here's what it means in simple terms:

- **If the Board of Commissioners adopts this Act**, HealthWest can count certain fees it collects—like payments from clients or reimbursements from insurance—as **local match dollars**.
- These local match dollars are important because they help HealthWest qualify for additional state funding and are **one of the only ways HealthWest can build up a Fund Balance** (similar to savings or reserves).
- To participate, the County must agree to **maintain its original level of local support**, which was \$86,775 back in 1979–80. That amount cannot go down.
- In return, HealthWest must **report quarterly and annually** to the State on how much in eligible fees they collect.
- This program **incentivizes HealthWest to collect more third-party and recipient payments**, which ultimately brings more resources into our local mental health system—without asking the County to increase its contribution.

In short: by approving this resolution, the County allows HealthWest to turn eligible fees it already collects into a financial benefit, strengthening its ability to provide services and maintain fiscal health, all while keeping the County's required contribution level the same.

Move to authorize HealthWest to adopt a standard On-Call model for all Clinical classifications, listed in the Summary of Request, August 1, 2025.

Main Office

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

HealthWest is requesting approval to move to a consistent methodology for reimbursing on-call services provided by HealthWest staff across all clinical programs. The model would pay a flat per diem rate to be on-call; \$60 per weekday shift, \$100 per weekend shift, and \$170 per County of Muskegon recognized holiday for both exempt (not eligible for overtime) and non-exempt staff (eligible for overtime). Staff members who provide a service (indirect or direct) to an individual who receives face-to-face contact will be paid \$62.50 per hour for the work related to that face-to-face contact. Applicable classifications are:

Master's Level Clinician I & II
Police Clinicians I & II
Access Clinicians I & II*
Case Manager I & II
Stabilization Specialists
Crisis Stabilization Specialists
Interventionist II
Direct Service Professionals
Registered Nurses*
Clinical Services Supervisors I & II
Clinical Services Supervisor II - Access*
Clinical Services Managers I & II
Director of Children's Clinical Services
Chief Clinical Officer
Director of Adult Clinical Services
Director of Access Services
Director of Integrated Health

The vacancy rate increased when we implemented mandatory on-call. The reason we are making this change is that we have had different on-call rules and pay for different programs in the agency. This is an effort to have one on-call system. We have had many iterations of on-call systems over the past few years trying to find the right one. On-call is mostly voluntary (with a few exceptions) for our staff, so we need to encourage them to pick up on-call shifts and that is why we want to increase the on-call pay. It is always better for staff morale to make it voluntary rather than mandatory. We are creating a system that entices staff to pick up on-call shifts, maintain staff morale, and ultimately serve our clients 24 hours a day. The additional annual cost is approximately \$167,000 and will not require a change to the overall personnel budget or increase the cost to the county general fund. The vacancies rate we have sustained covering the increase in costs this year, and next year we will budget the full cost.

Move to authorize the HealthWest Chief Financial Officer and Director of Finance to execute the engagement letters with Roslund, Prestage & Co. for financial audit services for fiscal years 2025, 2026, and 2027, at a total cost of \$115,200 for the three audit cycles.

In 2022, Roslund, Prestage & Co. was awarded a three (3) year contract to provide audit services, with the option to extend the agreement for up to three (3) additional one (1) year terms. Staff are now requesting Board authorization to exercise these renewal options and extend the contract through the full six (6) year term. This

Main Office

extension would cover financial audit services for fiscal years 2025, 2026, and 2027, at a total cost of \$115,200 for the three audit cycles. Roslund, Prestage & Co. has demonstrated specialized expertise in auditing for Community Mental Health (CMH) organizations across the State of Michigan. Their depth of knowledge in this sector has proven to be a significant asset in ensuring our compliance with complex funding requirements and in identifying opportunities for improved financial practices. Additionally, the firm maintains an active presence in the CMH community by presenting regularly at biannual Board Association Conferences and Improving Outcomes Conferences. These events are tailored specifically for Community Mental Health professionals and focus on current challenges, best practices, and evolving regulatory standards, further underscoring Roslund, Prestage & Co.'s commitment to and relevance in this field. Given their proven performance, subject matter expertise, and ongoing engagement with the CMH network, staff believe that continuing this relationship will best support the organization's financial accuracy and overall compliance.

Move to reclassify Patient Financial Services Representative, Position N54102, Wage Grade HW5, to an Accountant I/HW, Wage Grade HW6.

Requesting reclassifying the vacant Patient Financial Services Representative, Position N54102, Wage Grade HW5 (\$22.81 - \$28.74) to a full-time Accountant I/HW position, Wage Grade HW6 (\$25.09 - \$31.62) on the Finance Claims Team. Current staffing levels are no longer sufficient to manage the growing volume and complexity of the workload, driven by an increase in contracts, external providers, services, and transaction volume. This strain on resources is impacting on the department's ability to meet deadlines, maintain accuracy, and produce timely financial reporting. The additional Accounting I/HW role would support critical functions such as processing provider financial status requests and invoices, electronic visit verification implementation, reporting, and budgeting for services. This position would not only relieve immediate pressure but also support the department's future growth and operational stability. The increase in cost is \$7,135 and can be absorbed within the FY2025 budget due to vacancies throughout the fiscal year.

Move to create a full-time Grants Coordinator position, Wage Grade HW9.

HealthWest's grant administration responsibilities have been transitioning to the centralized Finance Grants Team. This consolidation brings all financial grant-related tasks under the purview of a team currently consisting of one full-time and one part-time staff member. The part-time staff member is expected to retire in FY2026. To support this transition and ensure continuity of operations, we are requesting the addition of one (1) full-time Grant Coordinator position, Wage Grade HW9 (\$33.40 - \$42.08). The part-time position will not be filled after the staff member retires. The long-term cost difference between the full-time and part-time positions is \$27,893 annually. The cost of this position, if we can fill it this fiscal year, can be fully absorbed within the existing FY2025 budget due to savings from currently unfilled finance positions.

Main Office

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HealthWest.net

Move to layoff Employee E93032397, currently in position X17708, Clinical Services Supervisor I, Wage Grade HW 9, and reclassify the position to a Clinical Services Supervisor II, Wage Grade HW10, effective July 31, 2025.

HealthWest is requesting to lay off Employee E93032397, currently in position X17708, Clinical Services Supervisor I, Wage Grade HW 9 (\$33.40 - \$42.08), and reclassify the position to a Clinical Services Supervisor II, Wage Grade HW10 (\$36.74 - \$46.29). The HealthWest Law Enforcement Assisted Diversion (LEAD) Team is being restructured and merged with our Intensive Crisis Stabilization (ICS) Team. Both teams provided crisis response and follow-up care to the clients referred by law enforcement departments in Muskegon County. The restructuring will allow better communication and streamlining of information as crisis responses will be handled by one program instead of two. In addition, the Michigan Department of Health and Human Services has issued new requirements for the ICS Team starting July 1, 2025, which require a licensed master-level clinician to be available for consultation with bachelor-level crisis staff as needed during their working shift. The ICS team runs 24-7 programming and the need for a 2nd shift licensed supervisor is necessary to meet the new state requirements. Therefore, we need to reclassify the current Clinical Service Supervisor I position to Clinical Services Supervisor II. The employee in the Clinical Services Supervisor I position does not meet licensure requirements to become a Clinical Services Supervisor II and will need to be laid off. HealthWest's clinical leadership will explore employment opportunities within the agency for this staff member if any become available prior to layoff. The increase in costs for the position change is covered in the FY2025 staffing budget due to vacancies on the Lead Team.

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REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Finance Committee	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION Provider Network	REQUEST DATE July 25, 2025	REQUESTOR SIGNATURE Brandy Carlson, Chief Financial Officer	
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u> <p>Authorization is requested for the HealthWest Board to increase the five funding sources from \$40,204,579.31 to \$48,077,747 effective July 25, 2025, through September 30, 2025.</p> <ol style="list-style-type: none"> 1. Specialized Residential - \$19,518,097 2. Community Inpatient - \$8,110,015 3. SUD Services - \$6,681,533 4. Outpatient Services - \$10,820,710 5. Autism Services - \$2,947,392 <p>While it is not possible to predict the exact amount of funds providers will require, we can estimate the needs for each funding category. Some services may need more funding, while others need less throughout the fiscal year. This Board motion will allow the HealthWest Chief Financial Officer to monitor expenses within each category and reallocate funds as necessary as required by the needs of the consumers we serve.</p> <p>Funds will be reallocated throughout the current budget as needed. A budget amendment is also being prepared to increase the overall Fiscal Year 2025 budget for the September 2025 County Ways and Means meeting.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u> <p>I move to authorize the HealthWest Board of Directors to approve the FY25 contracted Vendors/Providers listed under the five funding sources. The total budget for the five funding services is \$48,077,747 effective July 25, 2025, through September 30, 2025.</p>			
COMMITTEE DATE July 25, 2025	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE July 25, 2025	BOARD APPROVAL _____ Yes _____ No _____ Other		

HWB 100-B

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Full Board	BUDGETED	NON-BUDGETED X	PARTIALLY BUDGETED
REQUESTING DIVISION HealthWest Board	REQUEST DATE July 25, 2025		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 recommend re-appointing Janet Thomas as representative for the LRE (Lakeshore Regional Entity) Executive Board of Directors. Janet Thomas serves on the HealthWest Board, and knows the importance and support needed for Mental Health Services here in Muskegon County. This recommendation is effective August 1, 2025, through July 31, 2028.</p>			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
<p>The HealthWest Board moves to approve Janet Thomas as a recommendation for a re-appointment for the Executive Board Member for the LRE (Lakeshore Regional Entity), and authorizes the HealthWest Executive Director, Rich Francisco, to recommend her on behalf of the HealthWest Board of Directors.</p>			
COMMITTEE DATE July 25, 2025	COMMITTEE APPROVAL _____ Yes _____ No _____ Other		
BOARD DATE July 25, 2025	BOARD APPROVAL _____ Yes _____ No _____ Other		



ABOUT MCEEA

MCEEA MISSION

The mission of MCEEA is to promote and maximize career potential and the advancement of internship, cooperative education, and employment within the state of Michigan through collaborative relationships among employers, colleges and universities.

MCEEA PURPOSE

- Promote the advancement of internships, cooperative education, and employment within the State of Michigan.
- Partner with Michigan business and industry, education, labor, state government, and professional organizations.
- Educate employers, educators, students, parents, and government officials of the academic, career development, and economic benefits of internships and cooperative education leading to employment.
- Advocate the benefits of internships and cooperative education for employers, educational institutions, students, and state government.
- Advocate the benefits of career resources to employers, educational institutions, and students.
- To promote camaraderie among career educators and employers.
- Facilitate the exchange of information on internships, cooperative education and career service activities in Michigan.

MCEEA SCOPE

- MCEEA shall be a nonpartisan, nonsectarian, nonpolitical, and non-profit organization.
- MCEEA is organized within the regulations of Section 501(C) (3) of the Internal Revenue Code and operates within the meaning of this Code.
- No member shall directly benefit financially from this organization. Any monies which accrue to the organization shall be used for educational, programming, and promotional purposes only.
- The Alliance is committed to the principle of equal opportunity for all individuals in the application to, participation in, and administration of this Alliance.
- Should the organization cease to exist, all assets shall be divided equally among the institutions represented in the current membership

Award Nomination for Outstanding Employer of the Year

I would like to nominate HealthWest – Muskegon County Community Mental Health for the MCEEA Employer of the Year Award in recognition of their unwavering commitment to student success, career development, and professional growth. HealthWest consistently exemplifies what it means to foster meaningful opportunities for candidates, regardless of their major, year in school, or area of interest.

What sets HealthWest apart is their dedication to engage with every candidate; connecting with all students and ensuring that they are aware of the opportunities available to them. Whether it's a freshman exploring their first career path, a junior looking to test out a career through an internship or part-time job, or a graduate student looking for specialized positions, HealthWest finds tailored opportunities and offers valuable guidance.

Their commitment is evident in their approachability and enthusiasm. No matter the task, HealthWest always shows up prepared and eager to engage. Even when juggling materials while trudging across campus, they take the time to engage with students and answer questions, ensuring that they are accessible to anyone seeking advice.

Beyond their work with students, as a Career Center, HealthWest is one of the first organizations we call or reach out to when trying something new. They have joined us for multiple "pilot programs" including Employer Showcase, and Student Scholars Day with a positive attitude and encouraging feedback. In addition, they are always the first to volunteer for activities, displaying a genuine interest in supporting students and improving career services. Their proactive participation in new initiatives speaks to their dedication to innovation and support for the Career Center's growth.

HealthWest has also made significant contributions to the Career Center by regularly providing industry updates and essential information. They take the time to educate and inform career center staff, ensuring that the team is equipped with the latest insights to better serve students.

But it's not just students HealthWest supports. They also demonstrate a deep commitment to the professional development of their own staff. Programs for staff members to engage in professional development and tuition reimbursement, ensures that their team has the resources to grow and succeed both personally and professionally. This investment in their staff's growth reflects the organization's broader values of learning, development, and continuous improvement.

For their consistent dedication, proactive engagement, invaluable support of students and the Career Center, and investment in the development of their own team, I wholeheartedly nominate HealthWest for the MCEEA Employer of the Year Award. They truly embody the spirit of collaboration and excellence in the work we do.



July 25, 2025

MEETING NOTICE AUGUST 2025

The HealthWest Board will meet in the following sessions during the month of August 2025. Please remember we must have a quorum in person for these meetings. If you participate remotely, your vote will not count. If you have any questions, please let me know.

Program/Personnel Committee	Friday, August 8, 2025
Recipient Rights Committee	Friday, August 8, 2025
Finance Committee	Friday, August 15, 2025
Full Board Meeting	Friday, August 22, 2025

The administrative office will contact you via email to remind you of these meetings.

The complete schedule of committee and board meetings for 2025 can be found online at <https://healthwest.net/about-us/healthwest-board-agendas-minutes/2023-board-of-directors-schedule/>

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cc: HealthWest Board Members



MEMORANDUM

Date: 07/25/2025

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**

Federal/MDHHS Updates:

- BBB (Big Beautiful Bill) – I have attended an update meeting that was put on by Senator Slotkin's office regarding the impacts of the BBB on Healthcare and other programs. I specifically focused on the Medicaid potential impacts:
 - Talked about Healthy Michigan Plan (tied to Medicaid) which is Obamacare (marketplace), enrollment will begin Nov. 1st. There are increases in the amounts by Jan. 1, 2026. An example given: A family with an income of 129k will be paying about 5500 more per year. Auto-enrollment feature for this is going away by Jan 1, 2028.
 - The state has 700k individuals on HMP.
 - Work Requirements to be implemented by Jan. 1, 2027, 19-64 years must work. 80 hours per month to keep coverage, eligibility will need proof of work. About 20 hours a week including volunteer time. It was also mentioned that there will be exemptions to this as well.
 - 6-month renewal of Medicaid eligibility versus annually now. The auto-renewal process will be taken away. There will likely be disenrollment due to these additional requirements for eligibility.
 - Hospitals – loss of revenue over 10 years of about 1B. Another impact would be that a total increase in insurance from about 11 to 13% for Private insurance --the rationale from the Hospital association is that if less are covered by Medicaid or drop off, the hospital is still required to serve individuals (emergency stabilization) and to make up for that cost, private insurance may take a hit. Rural Hospitals will take an even bigger impact.
 - Another discussion is surrounding the loss of funding for the state on their Medicaid portion that is drawn down via Provider Taxes as this is banned

in the BBB. There is ongoing discussion at the Legislative level and the budget must continue to figure this out.

- Following up on PIHP Re-BID: MDHHS has not released the RFP yet, originally anticipated Summer of 2025 but we are now hearing that it could be September before it is released (give or take a month). Based on the RFP criteria, there have been three options from the field proposed to create a regional entity that would be eligible to submit a bid for the Central Region. One released describes the new RE to contract existing PIHPs, one utilizes the Urban Cooperation Act, and lastly, a Private/Public partnership that retains the public governance. In the last option, I was selected along with another CEO to review the By-Laws from our PIHP. After the first round of reviews, it is now in Final Draft form ready for review by the other CEOs of the CMHSPs representing the Central Region. There is a total of 33 CEOs.

LRE Level Updates:

- PIHP FY22 Cost settlement for past years. Earlier this year, the LRE received a memo indicating that MDHHS is owed 13.7M and withheld \$4.8 million (in escrow) in LRE revenues. The LRE continues to work with their Legal on this who is in touch with the Attorney General's office to resolve – LRE stated that AG filed a motion for summary disposition and will have until August 13th to respond. LRE states that they will push to get the money back.
- Insurance Provider Assessment (IPA). This is like a tax on Medicaid revenues received by the LRE. LRE updated the region that the Dept. of Treasury sent the FY2025 tax bill based on FY23 and not FY24 revenues resulting in \$1M more to the tax bill. According to MDHHS – this was on purpose to not use the FY24 which is by law. LRE will pursue this and provide an update.
- LRE presented the initial FY26 Revenue Projection and regionally they forecast an increase of 24.15M for the year. FY25 budget projection is 477.5M and FY26 is at 501.5M. For HW, this is projected at about a 4.7M increase or about a 4.6% increase.

CMH Level Updates:

- CCBHC Direct payment – MDHHS is transitioning payments to CCBHCs directly. There are a variety of transition groups that meet at the state level. Some groups focus on the IT/encounter submission, utilization management, contracts and agreements, and other administrative changes to getting this done. HW staff represent our agency in one or more of these groups. There is still a lot of work to be done before the beginning of the year.
- I want to give a shout out to our award winners for our Westies employee recognition award. Congratulations to all the nominees! Your peers think very highly of you, and we want to congratulate you on the excellent work you are doing for HealthWest.
- Samaritas home transition to Moka has been completed. I received an email from Moka CEO thanking us for working with them for transitioning to the new ownership of these homes for the past several months.