

**HEALTHWEST**

FINANCE COMMITTEE MEETING MINUTES

**March 20, 2026**

**8:00 a.m.**

**CALL TO ORDER**

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

**ROLL CALL**

Committee Members Present: Janet Thomas, John M. Weerstra, Michelle Hazekamp, Thomas Hardy

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

Also Present: Rich Francisco, Holly Brink, Gina Maniaci, Kristi Chittenden, Jackie Farrar, Christy LaDronka, Brandy Carlson, Gary Ridley, Amber Berndt, Casey Olson, Anissa Goodno, Melina Barrett, Kim Davis, Helen Dobb, Brittani Duff, Jason Bates, Gina Kim, Mickey Wallace, Justin Robillard, Lea Streblov

Guests Present: Angie Gasiewski, Joe Comella

**ITEMS FOR CONSIDERATION**

A. Approval of Minutes

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the minutes of the February 20, 2026, meeting as written.

**MOTION CARRIED**

B. Approval of Expenditures for January 2026

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve expenditures for the month of January 2026, in the total amount of \$12,587,782.25.

**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 \$8,285,270.95 as of January 31, 2026.

D. Finance Update Memorandum

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

**OLD BUSINESS**

There was no old business.

### **NEW BUSINESS**

There was no new business.

### **COMMUNICATIONS**

Ms. Carlson, Chief Financial Officer, shared communication on behalf of Roslund Prestage & Company.

### **DIRECTOR'S COMMENTS**

#### **Rich Francisco, Executive Director provided an update:**

LRE Updates:

- The LRE Executive Committee met on 3/18/2026 and discussed if CMHSPs and PIHPs are hearing anything from MDHHS regarding the RFP. MDHHS did meet with CMHSP directors and PIHPs separate for a listening session related to the RFP. MDHHS had an agenda to discuss the following:

#### *Specialty Behavioral Health System Improvements*

- Conflict of Interest
- Access to Services
- Roles and Responsibilities (PHIP v. CMHSP)
- Provider Network and Contracting

The meeting was prefaced with a disclaimer that MDHHS was there to listen and that they were not going to talk about any pending lawsuit from the 4/5 PIHPs that did not sign the contract as was written. The CMHSPs did meet prior to the meeting with MDHHS to communicate 3 key principles:

- The state's PIHPs must be governmental bodies – counties, CMHSPs, Regional Entities, or Authorities.
  - CMHSPs must retain their roles and responsibilities as outlined in the Mental Health Code and reinforced in Judge Yates' decision.
  - The financing of the state's CMHSPs must retain its advanced payment system, sub capitation under any system redesign.
- The LRE CEO also provided an update on the status of the 4/5 CMHSPs that filed a lawsuit with MDHHS – The hearing is scheduled for March 26<sup>th</sup> to hold oral arguments in Detroit at 11am.
  - The LRE Ops meeting was held on 03/18/2026, the focus of the discussion was the following:
    - Residential Framework for rate setting. The LRE has been working with consultants to develop a framework to recommend rates based on assessment, level of care and person's need. There is regional variance amongst how the partners do this, and the goal is to essentially develop a system that incorporates assessment information, personal needs of individuals and other factors that contribute to the cost of serving an individual.
    - Standardizing UM guidelines: The LRE will first be looking at Autism and looking at the regional data. Per N180 this is the largest percentage source of their deficit at 50%. The LRE has formed a group to discuss clinical practice guidelines as it relates to this service. The goal is to determine differences in service delivery, amount, scope and duration. The group is comprised of Autism staff (our subject matters

experts) from the various partner agencies. LRE will also be looking at CLS services after Autism review is done.

CMH Level updates:

- I provided an update last time regarding our FSR report for December which was provided to the LRE. Based on our December numbers we had a swing from a surplus in our projection numbers of about 4M. I then had a meeting with the Finance team to review the reason for the swing which resulted in deeper review of the Healthy Michigan Plan expense numbers. I also provided an update at the last board meeting that we were already at 59% of units utilized and already at 39% of the budget based on that update. We realized that we did have higher utilization in several areas related to inpatient and SUD services which are being reviewed. Fast forward to January FSR, we are then again seeing a swing back to the good in our project expense numbers with only about \$105k in the red for projections. I have tasked the Finance team with developing a more precise mechanism for projections utilizing factors such as “Normalizing” claims (6-12months) run-out, Rolling Month reporting and cost behavior segmentation (looking at Volume-sensitive claims, Semi-Fixed and then fixed cost). The goal is to reduce huge swings from month-to-month, but a smoother trendline in expense projection.
- We took 18 position changes to the County board last night at the Ways and Means Board meeting. The County has changed their process to taking position changes to the board 2 times a year. All the non-County General fund positions were taken together along with HW. The Commissioners did not feel comfortable voting and tabled the decision for their next Ways and Means board meeting. They felt they needed more time to review. We had a total of 5 vacant positions for deletions, 2 new positions, 6 Reclassifications and 5 salary adjustment positions.

### **AUDIENCE PARTICIPATION**

There was no audience participation.

### **ADJOURNMENT**

There being no further business to come before the committee, the meeting adjourned at 8:22 a.m.

Respectfully,

Janet Thomas  
Committee Vice Chair

/hb

**PRELIMINARY MINUTES**  
**To be approved at the Finance Meeting on**  
**April 17, 2026**



## FINANCE COMMITTEE

March 20, 2026 – 8:00 a.m.  
376 E. Apple Ave. Muskegon, MI 49442

<https://healthwest.zoom.us/j/94259223301?pwd=1jL64lYh445eFUkwvH4v06Q4ahLLj.1>

Webinar ID: 942 5922 3301 Passcode: 997543

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

### AGENDA

- |    |   |             |
|----|---|-------------|
| 1. | Call to Order   | Quorum      |
| 2. | Approval of Agenda  | Action      |
| 3. | Items for Consideration   |             |
|    | A. Approval of the Minutes of February 20, 2026<br>(Attachment #1 pg. 1-4)    | Action      |
|    | B. Approval of the Expenditures for January 2026<br>(Attachment #2 pg. 5)     | Action      |
|    | C. Monthly Report from the Chief Financial Officer<br>(Attachment #3 pg. 6-9) | Information |
|    | D. Finance Update Memorandum<br>(Attachment #4 pg. 10-15)                     | Information |
| 4. | Old Business  |             |
| 5. | New Business  |             |
| 6. | Communication   |             |
|    | A. Roslund Prestage & Company<br>(Attachment #5 pg. 16-17)                    | Information |
| 7. | Director's Comments   |             |
| 8. | Audience Participation  |             |
| 9. | Adjournment   | Action      |

/hb



**HEALTHWEST**

FINANCE COMMITTEE MEETING MINUTES

**February 20, 2026**

**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: Charles Nash, Janet Thomas, Jeff Fortenbacher, Thomas Hardy

Committee Members Absent: John Weerstra, Remington Sprague, M.D.

Also Present: Rich Francisco, Holly Brink, Gina Manaici, Kristi Chittenden, Jackie Farrar, Linda Anthony, Carly Hysell, Casey Olson, Anissa Goodno, Melina Barrett, Kim Davis, Helen Dobb, Brittani Duff, Chris Yeager, Tasha Kuklewski, Dr. Greg Green, Jason Bates, Suzanne Beckeman, Kelly Betts, Amber Picard, Gina Kim

Guests Present: Angie Gasiewski

**ITEMS FOR CONSIDERATION**

**A. Approval of Expenditures for December 2025**

It was moved by Mr. Hardy, seconded by Ms. Thomas, to approve expenditures for the month of December 2025, in the total amount of \$8,770,764.64.

**MOTION CARRIED**

**B. Monthly Report from the Chief Financial Officer**

Ms. Hysell, Finance Director, presented the December report, noting an overall cash balance of \$12,140,796.30 as of December 31, 2025.

**C. Finance Update Memorandum**

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

**D. Approval to Contract with Advanced Therapeutic Solutions, LLC**

It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Executive Director to sign a contract with Advanced Therapeutic Solutions, LLC., effective March 1, 2026, through September 30, 2027, to provide Recreation, Music and Art Therapies to eligible HealthWest consumers. The funding is within the approved HealthWest Outpatient Budget of \$9,500,000.00.

**MOTION CARRIED**

E. Approval to Continue Contracting with Peter Chang Enterprises, Inc.

It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Executive Director to continue contracting with Peter Chang Enterprises, Inc. (PCE), to provide Electronic Health Records (EHR) services to HealthWest, for an approximate cost of \$360,000.00 annually.

It was moved by Ms. Thomas, seconded by Mr. Hardy, amend the motion – to authorize the HealthWest Executive Director to continue contracting with Peter Chang Enterprises, Inc. (PCE), to provide Electronic Health Records (HER) services to HealthWest, for an approximate cost of \$380,000.00 annually for three years ending March 31, 2029.

**MOTION CARRIED**

F. Approval to Increase Provider Network Fee Schedules

It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Executive Director / Executive Team to implement the FY2026 provider network fee schedule increases and differential adjustments for Outpatient and Specialized Residential service providers as administratively determined by the outlined criteria.

**MOTION CARRIED**

G. Approval to Contract with Doctor Jessica Janelle Bright M.D.

It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Executive Director to sign a contract with Doctor Jessica Janelle Bright, M.D. with a total not to exceed \$143,500.00 effective March 1, 2026, through September 30, 2027.

**MOTION CARRIED**

H. Approval to Contract with Kleck AFC

It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Executive Director to sign a contract with Kleck AFC effective March 1, 2026, through September 30, 2027, to provide specialized residential services to eligible HealthWest consumers. The funding is within the HealthWest AFC Specialized Residential Budget of \$24,900,000.00.

**MOTION CARRIED**

I. Approval to Contract with The Shoreline Center

It was moved by Mr. Hardy, seconded by Commissioner Nash, to authorize the HealthWest Executive Director to sign a contract The Shoreline Center effective March 1, 2026, through September 30, 2027, to provide Applied Behavior Analysis Therapy to HealthWest consumers. The funding is within the approved HealthWest Autism Budget of \$2,908,811.00.

**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:**

➤ LRE Updates:

- The CEO group met on 2/18/2026, to discuss philosophical concerns regarding funding in the region. The meeting brought up some concerns regarding the current funding model at the LRE utilizing the PE/PM (per member/eligible per month) model. Some members felt that we need to move closer to a “Needs” Based funding model which was in place when the region was formed in 2014. Some years later, the region decided to switch to the funding model (via vote) which is currently the PE/PM. Most CMHSPs/PIHPs fund with the PE/PM model with a few using a hybrid model or combination of both. The rationale for the move to PE/PM in the region was that MDHHS/Milliman was already starting to incorporate the needs elements in the rate and was already looking at BHTEDS and other sources of utilization to adjust the rate. Over the years our region has had increases in rates because of this. In addition, Milliman has recently been focusing more on specific regional geographic factors to determine rates (more PIHP based versus statewide focus). This has also increased revenue for our region. However, because of the continued deficit in the last several years there continues to be overspending. There will be a discussion at the LRE board meeting next week to discuss this further. Moving to a Needs based funding model may hurt HW and two other CMHSPs (as was the case in 2014). If the funding model changes, there will be winners and losers. In addition, the LRE will also begin reviewing data on a regional basis to determine where the biggest expenses are causing the deficits in the region. There will be review of Autism, CLS services and Inpatient. The goal is for the region to have data to discuss how we can address these areas that contribute largely to the regional deficits.
- I am currently reviewing the current FSR report with the finance team. I want to emphasize that we have swung to the negative in our projections of about \$4M. This is due to our internal Capitated expense projections going up in the area of HMP (Health Michigan) funding bucket. Our actual may not currently reflect this because our actual is currently \$1.8M in the positive. Now is the time to review this closely and make adjustments if needed. In the FSR, we do have to give an explanation when our variance is 5% or more in this case it is 5.39%.
- LRE also shared the PBIP (performance-based incentive payment) report to the LRE Ops. Just as a background, PBIP are MDHHS withheld amounts of funding (\$3.14M) for the region 3. The region must meet certain metrics to earn that \$3.14M back. However, this year, 9/10 PIHPs did not do well on a set of new measures related to IET (Initiation and Engagement of Alcohol and other drug abuse or dependence Treatment) measures and this is going to cost a regional lost of about \$800k out of that \$3.14M. The remaining amount is then divided out to the CMHSPs.

## **AUDIENCE PARTICIPATION**

There was no audience participation.

**ADJOURNMENT**

There being no further business to come before the committee, the meeting adjourned at 8:39 a.m.

Respectfully,

Jeff Fortenbacher  
Committee Chair

/hb

**PRELIMINARY MINUTES**  
**To be approved at the Finance Meeting**  
**on March 20, 2026**

## REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

<b>COMMITTEE</b> Finance Committee	<b>BUDGETED</b> X	<b>NON-BUDGETED</b>	<b>PARTIALLY BUDGETED</b>
<b>REQUESTING DIVISION</b> Finance	<b>REQUEST DATE</b> March 20, 2026	<b>REQUESTOR SIGNATURE</b> Brandy Carlson, Chief Financial Officer	
<b><u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u></b>			
<p>Total expenditures for January 2026 were \$12,587,782.25. Significant expenditure included:</p> <ul style="list-style-type: none"> <li>• Three payroll cycles in January</li> <li>• CDW Government - \$169,391.99 for three-year Nutanix software agreement and Snare system log management</li> <li>• Cherry Street Services - \$124,085.870 for Substance Use Services</li> <li>• Clinical Notes AI - \$171,305.00 for clinical documentation software</li> <li>• Daybreak - \$107,651.23 for Outpatient Services</li> <li>• Eastside Outpatient Services - \$111,100.03 for Substance Use Services</li> <li>• Flatrock Manor - \$120,992.44 for Residential Services</li> <li>• Forest View Psychiatric Hospital - \$173,770.55 for Community Inpatient Services</li> <li>• Guardian Trac - \$130,255.69 for Outpatient Services</li> <li>• HGA Nonprofit Homes - \$197,007.19 for Residential Services</li> <li>• IvyRehab Michigan - \$224,959.44 for Autism Services</li> <li>• Mercy Health Partners - \$262,291.27 for Community Inpatient Services</li> <li>• Moka Corporation - \$2,020,476.67 for Residential Services and Outpatient Services (reflects three months of services)</li> <li>• Pine Rest - \$217,251.85 for Community Inpatient Services</li> <li>• Pioneer Resources - \$481,390.53 for Autism, Outpatient and Residential Services</li> <li>• Professional Rehabilitation Services - \$481,390.53 for Autism Services</li> <li>• Turning Leaf - \$258,715.43 for Outpatient Services</li> <li>• Walloon Lake Recovery Lodge - \$335,463.51 for Substance Use Services</li> </ul>			
<b><u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u></b>			
I move to approve expenditures for January 2026 totaling \$12,587,782.25			
<b>COMMITTEE DATE</b> March 20, 2026	<b>COMMITTEE APPROVAL</b> _____ Yes    _____ No    _____ Other		
<b>BOARD DATE</b> March 27, 2026	<b>BOARD APPROVAL</b> _____ Yes    _____ No    _____ Other		

HealthWest



January 2026

Board Report

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

January 31, 2026

<b>ASSETS</b>	<b>THIS YEAR</b>	<b>LAST YEAR</b>
Cash in Bank	8,285,270.95	6,941,123.97
Imprest (Petty) Cash	1,600.00	1,600.00
Due from Credit Cards	328.08	-
Accounts Receivable	(3,801,359.58)	131,379.65
Due From Other Funds	8,928.56	282.04
Prepaid Items	256,840.83	250,407.05
Due from other governments	(4,539,573.47)	476,399.07
<b>Total Assets</b>	<b><u>\$ 212,035.37</u></b>	<b><u>\$ 7,801,191.78</u></b>
<b>LIABILITIES AND EQUITY</b>		
Accounts Payable	\$ 46,118.15	\$ 54,694.08
Undistributed Receipts	6,356.73	4,502.67
Accrued Wages and Fringes	-	-
<b>Total Liabilities and Equity</b>	<b><u>\$ 52,474.88</u></b>	<b><u>\$ 59,196.75</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Medicaid fee for services and capitation	<u>\$ 15,905.00</u>	<u>\$ 217,464.98</u>
Fund Balance at beginning of year	942,565.51	942,565.51
Nonspendable FB-Prepays	420,673.60	
<b>**Total Fund Balance</b>	<b><u>\$ 1,363,239.11</u></b>	<b><u>\$ 942,565.51</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
	<b>\$ 1,431,618.99</b>	<b>\$ 1,219,227.24</b>
<b>NET OF REVENUES VS EXPENDITURES</b>		
	<b><u>\$ (1,219,583.62)</u></b>	<b><u>\$ 6,581,964.54</u></b>
<b>Transferred to County Equipment Revolving Account for:</b>		
Mental Health Center Building (6660-0000-349.220)	\$2,302,027.73	\$2,483,283.87
Future Equipment Purchases (6660-0000-349.222)	\$86,607.86	\$86,607.86

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

**January 31, 2026**

<b>ASSETS</b>	<b>THIS YEAR</b>	<b>LAST YEAR</b>
Cash	\$ 518,603.57	\$ 469,790.17
Imprest Cash	\$ -	\$ -
Accounts Receivable	\$ -	\$ -
<b>Total Assets</b>	<b><u>\$ 518,603.57</u></b>	<b><u>\$ 469,790.17</u></b>
 <b>LIABILITIES AND EQUITY</b>		
Accounts Payable	\$ -	\$ -
Due to Other Funds	\$ 1,607.67	\$ 507.05
Undistributed Receipts	\$ 516,995.90	\$ 469,283.12
	<b><u>\$ 518,603.57</u></b>	<b><u>\$ 469,790.17</u></b>

# HealthWest

## Statement of Revenues, Expenditures and Changes in Fund Balances

Budget to Actual

For the Period from October 1, 2025 through January 31, 2026

	Original Budget	Amended Budget	YTD Budget	YTD Actual	Over (Under) YTD Budget
<b>Revenues</b>					
Medicaid funding:					
Medicaid capitation	\$ 66,867,234	\$ 66,867,234	\$ 22,289,078	\$ 19,933,647	\$ (2,355,431)
Medicaid - Autism capitation	12,683,576	12,683,576	4,227,859	4,676,635	448,776
Medicaid capitation - settlement	-	-	-	(6,830,005)	(6,830,005)
Healthy Michigan Plan	7,132,975	7,132,975	2,377,658	2,324,795	(52,863)
Healthy Michigan Plan - settlement	-	-	-	1,410,626	1,410,626
CCBHC Supplemental	18,061,503	18,061,503	6,020,501	8,920,658	2,900,157
State General Fund:					
Formula Fundings	2,066,287	2,066,287	688,762	344,382	(344,380)
Settlement	-	-	-	-	-
Grant Revenue	5,658,398	5,658,398	1,886,133	1,434,303	(451,830)
Local revenue:					
County appropriation	706,819	706,819	235,606	235,598	(8)
Client and third party fees	814,150	814,150	271,383	168,447	(102,936)
Interest income	160,420	160,420	53,473	92,638	39,165
Other revenue	212,006	212,006	70,669	167,898	97,229
<b>Total revenue</b>	<b>114,363,368</b>	<b>114,363,368</b>	<b>38,121,122</b>	<b>32,879,622</b>	<b>(5,241,500)</b>
<b>Expenditures</b>					
Salaries and wages	38,428,305	38,428,305	12,809,435	9,825,244	(2,984,191)
Fringe benefits	13,539,985	13,539,985	4,513,328	6,265,164	1,751,836
Staff professional development	620,601	620,601	206,867	155,977	(50,890)
Contractual expense	54,455,930	54,455,930	18,151,977	16,641,413	(1,510,564)
Overhead expense	3,471,786	3,471,786	1,157,262	1,001,262	(156,000)
Supplies	801,366	801,366	267,122	150,643	(116,479)
Utilities	302,400	302,400	100,800	72,695	(28,105)
Insurance	456,051	456,051	152,017	-	(152,017)
Capital outlay	5,060	5,060	1,687	-	(1,687)
Other expenses	1,089,962	1,089,962	363,321	525,173	161,852
Transfers	287,010	287,010	95,670	116,466	20,796
<b>Total expenditures</b>	<b>113,458,456</b>	<b>113,458,456</b>	<b>37,819,486</b>	<b>34,754,037</b>	<b>(3,065,449)</b>
<b>Net change in fund balance</b>	<b>904,912</b>	<b>904,912</b>	<b>301,636</b>	<b>(1,874,415)</b>	<b>(2,176,051)</b>
Fund balance, beginning of year	925,562	-	925,562	925,562	-
<b>Fund balance, end of year</b>	<b>\$ 1,830,474</b>	<b>\$ 904,912</b>	<b>\$ 1,227,198</b>	<b>\$ (948,853)</b>	<b>\$ (2,176,051)</b>

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



## MEMORANDUM

Date: March 20, 2026

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 Finance Director  
Carly Hysell, HealthWest Director of Finance

From: Brandy Carlson, Chief Financial Officer

Subject: **Finance Update**

At the second March meeting, HealthWest presented the following motion to the County Commissioners for approval:

Moved to approve the position changes as outlined in the attached documentation that are fully funded through non-General Fund sources, effective March 22, 2026, and adjust the budget accordingly.

These position changes are the result of an administrative review process in which departments submitted requests for position changes supported by updated job descriptions and, where available, market compensation comparisons. The Human Resources Department reviewed each request to evaluate job duties and responsibilities and to determine the appropriate grade and step. Approved requests were then forwarded to the Finance Department, who worked with departments to confirm funding sources and verify that there was sufficient funding to cover these requests.

The associated costs for FY2026 are able to be absorbed in the current budgets as noted on the attached document. The total annual increase across HealthWest funds is estimated to be \$234,815.

During the month of April, HealthWest will bring the following motion to the County Commissioners for approval:

Move to authorize the HealthWest Executive Director to sign an agreement with CDWG to renew existing Microsoft 365 licensing and Windows Server licensing for a 3-year term in the amount of \$718,720.41 (\$239,573.47 per year), and further authorize the HealthWest Executive Director to execute any necessary change orders for a total amount not to exceed ten percent (10%) of the original contract cost for potential growth and licensing changes. CDWG is a MiDeal vendor

Main Office

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

HealthWest.net

(agreement #071B6600110).

HealthWest currently uses Office 365 for multiple services. Licensing for those existing services expires May 2026. This motion allows for the continuation of these existing Office 365 services through May 2029. These services are core technologies critical to day-to-day operations at HealthWest. This continues licensing for multiple existing HealthWest applications and core business services including Microsoft Office applications, email/Exchange, SharePoint, server licensing, and Teams, while allowing for the potential for additional licenses as needed for growth.

**Main Office**

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

[HealthWest.net](http://HealthWest.net)

**FY2026 BUDGET - REQUEST FOR NEW POSITION**

Department	Classification	Hourly Salary Range	Salary/Fringe Costs		Recommendation
			General Fund	Other	
HealthWest	Crisis Stabilization Specialist - HW Grade 6	\$25.84/hr - \$32.57/hr		\$101,478	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	Accounts Payable and Receivable Supervisor - HW Grade 8	\$31.27/hr - \$39.41/hr		\$116,217	Yes - Can be absorbed in current HealthWest Budget (2220)
				\$217,695	

**FY2026 BUDGET - REQUEST FOR RECLASSIFICATION**

Department	Present	Requested	Increased Cost		Recommendation
	Classification/Hourly Salary Range	Classification/Hourly Salary Range	General Fund	Other	
HealthWest	<b>General Psychiatrist 32hr X41704 - HW Grade 31</b> \$105.31/hr - \$134.23/hr - Step 1	<b>Subspecialist Psychologist - HW Grade 32</b> \$130.63 - \$164.59 - Step 1		\$74,223	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	<b>Masters Level Clinician I 32 hr X55544 - HW Grade 8</b> \$31.27/hr - \$39.41/hr - Step 1	<b>Crisis Stabilization Specialist FT - HW Grade 6</b> 25.84/hr - \$32.57/hr - Step 1		\$58,233	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	<b>Groups Coordinator FT X48100- HW Grade 5</b> \$23.49/hr - \$29.60/hr - Step 1	<b>Groups Program Coordinator - HW Grade 8</b> \$31.27/hr - \$39.41/hr - Step 1		\$19,557	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	<b>Case Manager II X11316 - HW Grade 6</b> \$25.84/hr - \$32.57/hr - Step 7	<b>UM Data Analyst - HW Grade 7</b> \$28.43/hr - \$35.82/hr - Step 5		\$12,969	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	<b>Masters Level Clinician I 32 hr X55545 - HW Grade 8</b> \$31.27/hr - \$39.41/hr - Step 1	<b>Masters Level Clinician I FT X55545 - HW Grade 8</b> \$31.27/hr - \$39.41/hr - Step 1		\$75,618	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	<b>Access Clinician II 32 hr X01119 - HW Grade 9</b> \$34.40/hr - \$43.34/hr - Step 1	<b>Access Clinician II FT X01119 - HW Grade 9</b> \$34.40/hr - \$43.34/hr - Step 1		\$12,690	Yes - Can be absorbed in current HealthWest Budget (2220)

**FY2026 BUDGET - REQUEST FOR SALARY ADJUSTMENT**

Department	Present Classification/Hourly Salary Range	Requested Salary Range	Increased Cost		Recommendation
			General Fund	Other	
HealthWest	Director of Quality Assurance X30601 - <b>HW Grade 12</b> \$45.78/hr - \$57.69/hr - Step 8	Director of Quality Assurance - <b>HW Grade 13</b> \$50.37/hr - \$63.46/hr - Step 6		\$5,505	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	Behavior Health Analysis <b>32 hrs</b> X09704 - <b>HW Grade 8</b> \$31.27/hr - \$39.41/hr - Step 1	Behavior Health Analysis <b>FT</b> - <b>HW Grade 9</b> \$34.40/hr - \$43.34/hr - Step 1		\$42,072	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	Behavior Health Analysis X09703 - <b>HW Grade 8</b> \$31.27/hr - \$39.41/hr - Step 5	Behavior Health Analysis - <b>HW Grade 9</b> \$34.40/hr - \$43.34/hr - Step 6		\$17,326	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	Behavior Health Analysis X09701 - <b>HW Grade 8</b> \$31.27/hr - \$39.41/hr - Step 3	Behavior Health Analysis - <b>HW Grade 9</b> \$34.40/hr - \$43.34/hr - Step 2		\$9,567	Yes - Can be absorbed in current HealthWest Budget (2220)
HealthWest	Executive Assistant X34505 - HW Grade 6 \$25.84/hr - \$32.57/hr - <b>Step 3</b>	Executive Assistant X34505 - HW Grade 6 \$25.84/hr - \$32.57/hr - <b>Step 4</b>		\$5,973	Yes - Can be absorbed in current HealthWest Budget (2220)

**FY2026 BUDGET - POSITION DELETIONS**

Department	Position #	Position Classification	Status	General Fund	Other	Recommendation
HealthWest	N76213	Direct Service Professional	Vacant		\$84,884	Yes
HealthWest	X46614	Interventionist II	Vacant		\$60,537	Yes
HealthWest	X46613	Interventionist II	Vacant		\$0	Yes
HealthWest	X46617	Interventionist II	Vacant		\$75,686	Yes
HealthWest	X59801	Outpatient Therapist-hourly	Vacant		\$95,506	Yes



## Communication with Those Charged with Governance during Planning

March 12, 2026

To the Members of the Board  
HealthWest (a Fund of the County of Muskegon, Michigan)  
Muskegon, Michigan

We are engaged to examine HealthWest's (the CMHSP) compliance with the compliance requirements described in the *Compliance Examination Guidelines* issued by Michigan Department of Health and Human Services that are applicable to the Medicaid Contract and General Fund Contract for the year ended September 30, 2025. Professional standards require that we provide you with the following information related to our compliance 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 FSR reporting, controls over assets, or issues regarding personnel, as well as an opportunity for you to ask any questions you may have regarding the compliance audit.

### **Our Responsibilities under U.S. Generally Accepted Auditing Standards and Government Auditing Standards**

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the CMHSP complied with the requirements described in the *Compliance Examination Guidelines* issued by Michigan Department of Health and Human Services that are applicable to the Medicaid Contract and General Fund Contract. Our compliance audit does not relieve you or management of your responsibilities.

As part of our audit, we will consider the system of internal control of the CMHSP. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the CMHSP complied with the requirements described in the *Compliance Examination Guidelines* issued by Michigan Department of Health and Human Services that are applicable to the Medicaid Contract and General Fund Contract, we will also perform tests of the CMHSP's compliance with certain provisions of laws, regulations, and other contracts.

Our responsibility is to plan and perform the compliance audit to obtain reasonable, but not absolute, assurance that the CMHSP complied with the requirements described in the *Compliance Examination Guidelines* issued by Michigan Department of Health and Human Services that are applicable to the Medicaid Contract and General Fund Contract. We are responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to your responsibilities in overseeing the compliance process. However, we are not required to design procedures specifically to identify such matters.

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

An audit includes examining, on a test basis, evidence supporting the CMHSP's compliance with the requirements described in the *Compliance Examination Guidelines* issued by Michigan Department of Health and Human Services; 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 noncompliance and to design the nature, timing, and extent of further compliance audit procedures. Noncompliance 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 compliance 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 noncompliance. Our auditing procedures have been tailored to help detect these risks should they occur. Should any actual instances of noncompliance 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 identification of consumer eligibility
- Improper expenditure allocation 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 compliance 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.

The information included in this letter 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