

HEALTHWEST
FULL BOARD MINUTES

March 27, 2026

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, , Jeff Fortenbacher, John Weerstra, Thomas Hardy, Chris McGuigan, Charles Nash, Tamara Madison, Mary Vazquez, Michelle Hazekamp, Remington Sprague, M.D.

Members Absent: Janice Hilleary

Others Present: Rich Francisco, Holly Brink, Gina Maniaci, Brandy Carlson, Christy LaDronka, Kristi Chittenden, Carly Hysell, Gary Ridley, Jackie Farrar, Helen Dobb, Linda Anthony, Casey Olson, Mickey Wallace, Pam Kimble, Kim Davis, Natalie Walthers, Amber Berndt, Michelle Lyons, Suzanne Beckeman, Susan Plotts, Amber Picard, Lea Streblov, Brea Beckley

Guests Present: Mark Eisenbarth, Sara Hough, Stephanie VanDerKooi, Sara Reterstoff

MINUTES

HWB 64-B - It was moved by Dr. Sprague, seconded by Mr. Hardy, to approve the minutes of the February 27, 2026, Full Board meeting as written.

MOTION CARRIED

COMMITTEE REPORTS

Finance Committee

HWB 62-F – It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the minutes of the February 20, 2026, meeting as written.

MOTION CARRIED

HWB 63-F - 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

ITEMS FOR CONSIDERATION

HWB 65-B – It was moved by Mr. Fortenbacher, seconded by Commissioner Nash, to approve and authorize the HealthWest Executive Director to sign the MOU (Memorandum of Understanding) with the State of Michigan MDHHS (Department of Health and Human Services), effective October 1, 2025, through September 30, 2027

MOTION CARRIED

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

COMMUNICATION

There was no communication.

DIRECTOR'S COMMENTS

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

MDHHS Updates:

- CCBHC Updates: There is a lot going on with CCBHC at the state level. I attended the CMHA CCBHC Caucus meeting on 3/25/2026 and the following are some of the updates related to the initiatives and efforts going on related to CCBHC:
 - Balmer-Funded CCBHC Transformation (CCBHC-T) Technical Assistance (TA) – the National Council is working with CCBHCs in Michigan through CMHA to continue to improve CCBHC programs across the state.
 - CCBHC Caucus TA Advisory Committee Membership.
 - Discussion/Feedback on the CCBHC MOU released on 3/19 – the CCBHC Caucus requested MDHHS at least provide an MOU since MDHHS was not going to issue out a contract with CCBHCs, and MDHHS did release an MOU. The CMHA CCBHC Caucus team reviewed the MOU and compared it to the original draft of what the Caucus asked for, all items were included in the MOU. The Caucus is in support of signing the MOU. I did also have internal staff review the CCBHC MOU and we did run it past legal as well. There were no major findings in the MOU that would prevent HW from signing it.
- I am requesting from the board to sign the MOU via the attached motion. I have also attached a summary of the CCBHC MOU for the board to draw attention to the important points of the MOU also attached.

LRE Level Updates:

- The LRE Board meeting this week has been cancelled due to not meeting quorum.

CMH Level Updates:

- HMP data review update: Last December report our projection numbers had a huge swing forecasting a deficit in our FSR and it was greatly due to HMP services. I provide those numbers in the last board report that we were already at about 59% of the units and 39% of the budgeted funds. In January FSR – the projection numbers were different based on the current utilization. Utilization dropped and our projections deficit for January is only at about 105k. The finance team is working on a better model for projecting costs.
- CSU (Crisis Stabilization unit) Update: HW has been completing the grant for CDS – Congressional Designated Spending. We have provided information speaking to the needs for a CSU in our community including a white paper that was updated from a presentation we provided to the Muskegon County Diversion Council. We have been in talks with Trinity Health, who is a willing partner in this endeavor. We are looking at a space adjacent to the Trinity Psychiatric Unit on Southern. We have received numerous letters of support from the community including 2 representatives – Rep. VanWoekom and Snyder, 3 County Commissioners, the Sheriff, local law enforcement, the Prosecutor, Trinity Health, Hackley FQHC, Muskegon Central Dispatch, Public Defender, Circuit Court Administrator, and Circuit Court Judge. We received a total of 15 letters of support and may get even more. Our preliminary estimate is right around \$3M to \$5M in CDS funding and that is what HW is asking for. This \$3M to \$5M estimate includes renovation, furniture and equipment.
- Strategic Planning Session with the Board is scheduled for Saturday, April 18, 2026, from 10:00am to 2:00pm. The invitation included the Agenda and the Strategic Plan guide for the day and lunch will be provided.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:23 a.m.

Respectfully,

Janet Thomas
Board Chair

/hb

PRELIMINARY MINUTES
To be approved at the Full Board Meeting on
April 17, 2026



TO: HealthWest Board Members
FROM: Janet Thomas, Board Chair, via Rich Francisco, Executive Director
SUBJECT: Full Board Meeting
March 27, 2026
376 E. Apple Ave., Muskegon, MI 49442
<https://healthwest.zoom.us/j/94259223301?pwd=1jL64lYh445eFUkwvH4v06Q4ahLLjl.1>
Webinar ID: 942 5922 3301 Passcode: 997543

REVISED AGENDA

- | | | |
|-----|---|-------------|
| 1) | Call to Order | Action |
| 2) | Approval of Agenda | Action |
| 3) | Approval of Minutes | |
| | A) Approval of the Full Board Minutes of February 27, 2026
(Attachment #1 – pg. 1-5) | Action |
| 4) | Public Comment (on an agenda item) | |
| 5) | Committee Reports | |
| | A) Finance Committee
(Attachment #2 – pg. 6-9) | Action |
| 6) | Items for Consideration | |
| | A) Authorization to Sign MDHHS MOU
(Attachment #3 – pg. 10) | Action |
| 7) | Old Business | |
| 8) | New Business | |
| 9) | Communication | |
| | A) Board & Committee Nomination Memo
(Attachment #4 pg. 11) | Information |
| | B) April Meeting Notice
(Attachment #5 – pg. 12) | Information |
| | C) Director's Report
(Attachment #6 – pg. 13-16) | Information |
| 10) | Public Comment | |
| 11) | Adjournment | Action |

HEALTHWEST
FULL BOARD MINUTES

February 27, 2026

8:00 a.m.

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

CALL TO ORDER

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ROLL CALL

Members Present: Janet Thomas, Cheryl Natte, Janice Hilleary, Jeff Fortenbacher, John Weerstra, Thomas Hardy, Chris McGuigan, Charles Nash, Tamara Madison, Mary Vazquez

Members Absent: Michelle Hazekamp, Remington Sprague, M.D.

Others Present: Rich Francisco, Holly Brink, Gina Manaici, Brandy Carlson, Christy LaDronka, Kristi Chittenden, Carly Hysell, Gary Ridley, Jackie Farrar, Helen Dobb, Linda Anthony, Casey Olson, Mickey Wallace, Jennifer Hoeker, Pam Kimble, Kim Davis, Natalie Walthers, Amber Berndt, Tasha Kuklewski, Latrice Williams, Kelly Betts, Michelle Lyons, Gina Kim, Suzanne Beckeman, Devan Peterso, Brittani Duff

Guests Present: Angela Gasiewski, Joe Comella, Mark Eisenbarth, Stephanie VanDerKooi

MINUTES

HWB 60-B - It was moved by Mr. Hardy, seconded by Commissioner Nash, to approve the minutes of the January 23, 2026, Full Board meeting as written.

MOTION CARRIED

COMMITTEE REPORTS

Program Personnel Committee

HWB 48-P - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the minutes of the December 5, 2025, meeting as written.

MOTION CARRIED

HWB 49-P - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the HealthWest policy and procedural for Provider Dispute Resolution effective March 1, 2026

MOTION CARRIED

HWB 50-P - It was moved by Ms. Vazquez, seconded by Mr. Hardy, to approve the HealthWest Use of Artificial Intelligence Policy.

MOTION CARRIED

Recipient Rights Committee

HWB 51-R - It was moved by Ms. Natte, seconded by Ms. Thomas, to approve the minutes of the December 5, 2025, meeting as written.

MOTION CARRIED

HWB 52-R - It was moved by Ms. Thomas, seconded by Ms. Natte to approve the Recipient Rights Reports for December 2025 / January 2026.

MOTION CARRIED

Finance Committee

HWB 53-F - 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

HWB 54-F - 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

HWB 55-F - 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

HWB 56-F - 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

HWB 57-F - 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

HWB 58-F - 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

HWB 59-F - It was moved by Mr. Hardy, seconded by Commissioner Nash, to authorize the HealthWest Executive Director to sign a contract with 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

ITEMS FOR CONSIDERATION

HWB 61-B – It was moved by Mr. Hardy, seconded by Ms. Natte, to approve Michelle Ferris as a recommendation for the Executive Board Member for the LRE (Lakeshore Regional Entity), and authorizes the HealthWest Board Chair, Janet Thomas, 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

Gary Ridley, Training and Communications Manager, presented the Strategic Plan Project Guide.

DIRECTOR'S COMMENTS

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

MDHHS Updates:

- PIHP Procurement: Since Judge Yates's ruling and MDHHS withdrawing the RFP, updates have been minimal. MDHHS has not provided any further information. There are suspicions from the field and CMHA that MDHHS is drafting another proposal but is not confirmed.

LRE Level Updates:

- Attended the LRE Board meeting (2/25/2026) and some of the updates from the LRE are the following:
 - The PIHP Lawsuit against MDHHS by 4/5 PIHPs who signed the PIHP contract with modification in FY25 is now taken up by Judge Patel and my understanding is that a hearing will be scheduled soon to hear their arguments.
 - A board member representative from Ottawa requested review the current funding model for the LRE and our region. The proposal was to look at a need-based funding model. As I updated the board on this, prior to 2014 and as the LRE region formed, this was the model in place at that time. In December 2019, before the pandemic, the region voted to go to a PE/PM model which paid revenues to the CMHSPs based on Medicaid eligible individuals. Some partners in our region believe there is a revenue distribution problem based on PE/PM and does not fully consider need of individuals. Before the LRE board decides on this, there will be other efforts to find out how much this will cost to see if it is worth exploring. Some members of the LRE board do argue that it would be good to do the analysis now. LRE is also exploring additional analysis to see where cost outliers are in terms of the CMHSPs such as a review of Autism, Inpatient and CLS outliers. Overall, HW may lose revenue if the region goes to a "needs based" funding model. One other region, Region 10, has a need-based funding model.
- The LRE scheduled three presentations: QAPIP updates, SUD Prevention and Treatment updates from the Strategic Plan, and a Residential Framework presentation (moved to March) on standardizing rates for specialized residential services.
- HW also would like to fill the vacant position for LRE board member. I met with Michelle Ferris, current Chief of Behavioral Health Services at Hackley Community Care. She is a native of Muskegon and went to work in Maine for a long time at a CCBHC. Her expertise and her passion for Muskegon will make her a great representative for the county on the LRE board.

CMH Level Updates:

- Spoke to CEO of Ottawa this morning (2/26/2026) and Ottawa County Board approved CMH of Ottawa County to be an authority. Their work to transition away from the county begins soon
- We are digging into our HMP costs and services. We are seeing some significant increase in Inpatient Utilization, MAT Services, and Residential Treatment and services cost. These are mostly related to contractual services. While this is only one funding source for HW, it could pose a risk to our other Medicaid funds. Some follow up questions we need to answer are:
 - Are we seeing whole lot of new consumers or is there increased utilization from our current consumer base in these services?
 - Are SUD grant funding decreases from federal level impacting an increase to the CMH system. I have reached out to the LRE to see if they can run regional numbers to verify that what we are seeing is indeed a trend regionally.
 - Are our costs per unit of service going up? (Not likely because we are seeing more units rather than cost increases).
 - For other areas of funding such as Autism and MH Medicaid, we are underspent and in CCBHC we are doing very well.

“**Total volume & spend:** 81,118 total units; \$6,254,224.51 total net expenditures; weighted composite unit cost = \$104.43. **We are already at 54% of the units for last year and 39% of cost.** While our composite cost is down, which is great, we should be at less than 25% right now. “- compared to last year.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:46 a.m.

Respectfully,

Janet Thomas
Board Chair

/hb

PRELIMINARY MINUTES
To be approved at the Full Board Meeting on
March 27, 2026

HEALTHWEST

FINANCE COMMITTEE REPORT TO THE BOARD

via Janet Thomas, Committee Vice Chair

1. The Finance Committee met on March 20, 2026.
- *2. It was recommended, and I move to approve to approve the minutes of the February 20, 2026, meeting as written.
- *3. It was recommended, and I move to approve to approve expenditures for the month of January 2026, in the total amount of \$12,587,782.25.

/hb

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 Mancini, 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 Streblow

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 26th 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**

REQUEST FOR HEALTHWEST BOARD CONSIDERATION AND AUTHORIZATION

COMMITTEE Full Board	BUDGETED X	NON-BUDGETED	PARTIALLY BUDGETED
REQUESTING DIVISION HealthWest Board	REQUEST DATE March 27, 2026		REQUESTOR SIGNATURE Rich Francisco, Executive Director
<u>SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)</u>			
HealthWest board authorization is requested to sign the MOU (Memorandum of Understanding) with the State of Michigan MDHHS (Michigan Department of Health and Human Services).			
The purpose of this agreement is to establish a mutual framework for collaboration and coordination between the Michigan Department of Health and Human Services (MDHHS) and Certified Community Behavioral Health Clinics (CCBHCs) participating in the CCBHC Demonstration. Following the transition to direct pay, this Memorandum of Understanding (MOU) reflects a formal commitment to partnership in support of successfully implementing the CCBHC Demonstration.			
Key Structural Changes:			
<ul style="list-style-type: none"> • CCBHC Demonstration operates outside managed care • MDHHS pays CCBHCs directly (no PIHP payment role) • MDHHS assumes utilization review, appeals oversight, and payment operations 			
MDHHS Responsibilities:			
<ul style="list-style-type: none"> • Maintain and update the CCBHC Demonstration Handbook (operational rules, deadlines, reporting). • Establish clinic-specific PPS-1 rates based on annual cost reports (subject to CMS approval). • Pay CCBHCs directly for eligible Medicaid daily visits through CHAMPS. • Provide training, technical assistance, and certification oversight. • Maintain statewide appeals and grievance processes for CCBHC direct pay. 			
CCBHC Responsibilities:			
<ul style="list-style-type: none"> • Comply with all requirements in the Demonstration Handbook, Medicaid Provider Manual, and Michigan Mental Health Code. • Submit accurate and timely claims directly to MDHHS. • Maintain full financial risk for CCBHC services (no year-end cost reconciliation). • Meet all financial, cost reporting, and data submission requirements. • Maintain continuous CCBHC certification and notify MDHHS of material changes. • Ensure all persons served have access to Michigan's Recipient Rights system, including formal agreements with the local CMHSP when applicable. 			
Governance & Risk Provisions:			
<ul style="list-style-type: none"> • MDHHS may impose Corrective Action Plans, issue Stop Work Orders, or terminate the MOU for non-compliance, fraud, or funding limitations. • Either party may terminate with 30 days' written notice; MDHHS may terminate immediately for violations. • All MDHHS data remains MDHHS property and is subject to strict confidentiality and security standards. 			
Board-Level Implications:			
<ul style="list-style-type: none"> • Direct MDHHS oversight increases compliance, reporting, and financial risk at the clinic level. • Strong board oversight is required for: Financial sustainability under PPS, Certification compliance, Recipient Rights coordination, data and reporting accuracy. • MOU does not replace CMHSP statutory responsibilities, particularly for recipient rights. 			
<u>SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)</u>			
The HealthWest Board moves to approve and authorizes the Executive Director to sign the MOU (Memorandum of Understanding) with the State of Michigan MDHHS (Michigan Department of Health and Human Services), effective October 1, 2025, through September 30, 2027.			
COMMITTEE DATE	COMMITTEE APPROVAL		
	_____ Yes	_____ No	_____ Other
BOARD DATE	BOARD APPROVAL		
March 27, 2026	_____ Yes	_____ No	_____ Other



MEMORANDUM

Date: March 27, 2026
 To: HealthWest Board Members
 From: Janet Thomas, HealthWest Board Chair
 Subject: Board & Committee Nominations

Please note that the Nominating Committee meeting is scheduled for ***Friday, April 17, 2026 at 7:45 a.m. immediately preceding the Finance Committee & Full Board meeting.***

Those selected to be part of the nominating committee will be notified by Holly Brink on behalf of Madam Chair.

Current board officers and positions up for nominations are as follows:

Chair: Janet Thomas
 Vice Chair: Cheryl Natte
 Treasurer: Jeff Fortenbacher
 Secretary: Janice Hilleary

The current committee chair and vice-chair are up for nominations:

Program Personnel Committee Chair: Cheryl Natte
 Program Personnel Committee Vice Chair: Janice Hilleary
 Recipient Rights Committee Chair: Thomas Hardy
 Recipient Rights Committee Vice-Chair: Tamara Madison
 Finance Committee Chair: Jeff Fortenbacher
 Finance Committee Vice-Chair: Janet Thomas

Current 2026 CMH Board Members

Charles Nash
 Cheryl Natte
 Chris McGuigan
 F. Remington Sprague, MD
 Janet Thomas
 Janice Hilleary
 Jeff Fortenbacher
 John Weerstra
 Mary Vazquez
 Michelle Hazekamp
 Tamara Madison
 Thomas Hardy

/hb

Main Office

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

HealthWest.net



March 27, 2026

MEETING NOTICE APRIL 2026

The HealthWest Board will meet in the following sessions during the month of April 2026. 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, April 3, 2026
Recipient Rights Committee	Friday, April 3, 2026
Nominating Committee	Friday, April 17, 2026
Finance Committee	Friday, April 17, 2026
Full Board	Friday, April 17, 2026
Strategic Planning Work Session	Saturday, April 18, 2026

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

The complete schedule of committee and board meetings for 2026 can be found online at <https://healthwest.net/about-us/healthwest-board-agendas-minutes/2023-board-of-directors-schedule/>

\hb

cc: HealthWest Board Members



MEMORANDUM

Date: 03/27/2026

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**

MDHHS Updates:

- CCBHC Updates: There is a lot going on with CCBHC at the state level. I attended the CMHA CCBHC Caucus meeting on 3/25/2026 and the following are some of the updates related to the initiatives and efforts going on related to CCBHC:
 - Balmer-Funded CCBHC Transformation (CCBHC-T) Technical Assistance (TA) – the National Council is working with CCBHCs in Michigan through CMHA to continue to improve CCBHC programs across the state.
 - CCBHC Caucus TA Advisory Committee Membership.
 - Discussion/Feedback on the CCBHC MOU released on 3/19 – the CCBHC Caucus requested MDHHS at least provide an MOU since MDHHS was not going to issue out a contract with CCBHCs, and MDHHS did release an MOU. The CMHA CCBHC Caucus team reviewed the MOU and compared it to the original draft of what the Caucus asked for, all items were included in the MOU. The Caucus is in support of signing the MOU. I did also have internal staff review the CCBHC MOU and we did run it past legal as well. There were no major findings in the MOU that would prevent HW from signing it.
- I am requesting from the board to sign the MOU via the attached motion. I have also attached a summary of the CCBHC MOU for the board to draw attention to the important points of the MOU also attached.

LRE Level Updates:

- The LRE Board meeting this week has been cancelled due to not meeting quorum.

CMH Level Updates:

- HMP data review update: Last December report our projection numbers had a huge swing forecasting a deficit in our FSR and it was greatly due to HMP services. I provide those numbers in the last board report that we were already at about 59% of the units and 39% of

the budgeted funds. In January FSR – the projection numbers were different based on the current utilization. Utilization dropped and our projections deficit for January is only at about 105k. The finance team is working on a better model for projecting costs.

- CSU (Crisis Stabilization unit) Update: HW has been completing the grant for CDS – Congressional Designated Spending. We have provided information speaking to the needs for a CSU in our community including a white paper that was updated from a presentation we provided to the Muskegon County Diversion Council. We have been in talks with Trinity Health, who is a willing partner in this endeavor. We are looking at a space adjacent to the Trinity Psychiatric Unit on Southern. We have received numerous letters of support from the community including 2 representatives – Rep. VanWoekom and Snyder, 3 County Commissioners, the Sheriff, local law enforcement, the Prosecutor, Trinity Health, Hackley FQHC, Muskegon Central Dispatch, Public Defender, Circuit Court Administrator, and Circuit Court Judge. We received a total of 15 letters of support and may get even more. Our preliminary estimate is right around \$3M to \$5M in CDS funding and that is what HW is asking for. This \$3M to \$5M estimate includes renovation, furniture and equipment.
- Strategic Planning Session with the Board is scheduled for Saturday, April 18, 2026, from 10:00am to 2:00pm. The invitation included the Agenda and the Strategic Plan guide for the day and lunch will be provided.

Summary of the CCBHC MOU:

CCBHC Memorandum of Understanding (MOU)

MDHHS & Certified Community Behavioral Health Clinics

Effective Period: October 1, 2025 – September 30, 2027

Purpose

- Establishes the formal **governance, payment, and oversight framework** between **MDHHS** and participating **CCBHCs** following Michigan's transition to **direct payment**.
 - Supports statewide implementation of the **federal CCBHC Demonstration** outside of managed care.
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Key Structural Change

- **CCBHC Demonstration operates outside managed care**
 - **MDHHS pays CCBHCs directly** (no PIHP payment role)
 - MDHHS assumes **utilization review, appeals oversight, and payment operations**
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MDHHS Responsibilities

- Maintain and update the **CCBHC Demonstration Handbook** (operational rules, deadlines, reporting).
 - Establish **clinic-specific PPS-1 rates** based on annual cost reports (subject to CMS approval).
 - Pay CCBHCs directly for eligible Medicaid daily visits through CHAMPS.
 - Provide **training, technical assistance, and certification oversight**.
 - Maintain statewide **appeals and grievance processes** for CCBHC direct pay.
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CCBHC Responsibilities

- Comply with all requirements in the **Demonstration Handbook**, Medicaid Provider Manual, and Michigan Mental Health Code.
- Submit accurate and timely claims directly to MDHHS.
- Maintain **full financial risk** for CCBHC services (no year-end cost reconciliation).
- Meet all **financial, cost reporting, and data submission** requirements.

- Maintain continuous **CCBHC certification** and notify MDHHS of material changes.
 - Ensure all persons served have access to **Michigan’s Recipient Rights system**, including formal agreements with the local CMHSP when applicable.
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Governance & Risk Provisions

- MDHHS may impose **Corrective Action Plans**, issue **Stop Work Orders**, or terminate the MOU for non-compliance, fraud, or funding limitations.
 - Either party may terminate with **30 days’ written notice**; MDHHS may terminate immediately for violations.
 - All MDHHS data remains **MDHHS property** and is subject to strict confidentiality and security standards.
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Board-Level Implications

- Direct MDHHS oversight increases **compliance, reporting, and financial risk** at the clinic level.
- Strong board oversight is required for:
 - Financial sustainability under PPS
 - Certification compliance
 - Recipient rights coordination
 - Data and reporting accuracy
- MOU does **not replace CMHSP statutory responsibilities**, particularly for recipient rights.