HEALTHWEST

FULL BOARD MINUTES

November 20, 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 8:03a.m.

ROLL CALL

Members Present: Janet Thomas, Jeff Fortenbacher, Thomas Hardy, Janice Hilleary, Remington Sprague, M.D., Tamara Madison, Chris McGuigan, Mary Vazquez

Members Absent: Charles Nash, Cheryl Natte, Michelle Hazekamp, John M. Weerstra

Others Present: Rich Francisco, Holly Brink, Gina Maniaci, Kristi Chittenden, Jennifer Hoeker, Melina Barrett, Lea Streblow, Amber Berndt, Helen Dobb, Kim Davis, Mickey Wallace, Amber Picard, Anissa Goodno, Brea Beckley, Calvin Davis, Michelle Lyons, Kelly Betts, Linda Anthony, Lauren Thomas, Casey Olson, Jackie Farrar, Gina Kim, Randi Bennett

Guests Present: Stephanie VanDerKooi

MINUTES

HWB 20-B - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the minutes of the October 23, 2026 Full Board meeting as written.

MOTION CARRIED

COMMITTEE REPORTS

Finance Committee

HWB 11-F - It was moved by Mr. Hardy, seconded by Ms. Thomas, to approve expenditures for the month of October 2026 totaling $2,609,206.59 and expenditures for September 2026 totaling $4,585,454.17.

MOTION CARRIED

HWB 12-F - It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Board of Directors to approve HealthWest to develop, issue, and administer an appropriate competitive procurement process for legal, governance, financial, operational, labor, and regulatory implications associated with:
1. Remaining organized as a County Special Revenue Fund;
2. Establishing a Community Mental Health Authority pursuant to Michigan law; and
3. Operating under an Enterprise Fund structure.

MOTION CARRIED

HWB 13-F - It was moved by Mr. Weestra, seconded by Mr. Hardy, to approve the HealthWest Board to authorize the Chief Finance Officer, or designee, to enter into an agreement with the National Association of Counties (NACo) for participation in the Professional Development Academy for HealthWest's remaining managers and supervisors, at a cost not to exceed $30,000.

MOTION CARRIED

HWB 14-F - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to authorize the HealthWest Executive Director to sign a contract with Cheyenne Kaufman for Speech Language Pathology services November 23rd, 2026, through April 30, 2027, in an amount not to exceed $25,000, to provide specialized clinical services related to dysphagia management, assessments, consultation, training, and clinical oversight for eligible HealthWest consumers.

MOTION CARRIED

HWB 15-F - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to authorize the HealthWest Executive Director to sign a contract with Golden Life AFC, LLC. Effective December 1, 2026, through September 30, 2027, to provide specialized residential services at the provider's Westshore AFC home in Grawn, MI. Funding will be paid through Medicaid within the approved HealthWest AFC Specialized Residential budget.

MOTION CARRIED

HWB 16-F - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to authorize the HealthWest Executive Director to sign an amendment to the contract with Procare Landscape Management Inc. to adjust snow and ice removal service rates as outlined above for the remainder of the contract term ending March 2028.

MOTION CARRIED

HWB 17-F - It was moved by Mr. Hardy, seconded by Ms. Thomas, to approve funding for the proposed home modifications and ramp installation by Lakeshore Barrier Free LLC in an amount not to exceed $49,000, utilizing approved HSW funds.

MOTION CARRIED

HWB 18-F - It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Board of Directors to approve the increase for the FY2026 contracted Vendors/Providers listed under the five funding sources. The total budget for the five funding services is $56,175,429 effective immediately for FY2026 services.

MOTION CARRIED

HWB 19-F - It was moved by Mr. Hardy, seconded by Mr. Weerstra, to authorize the HealthWest Board of Directors to approve eliminating Registered Nurse Positions N65008 and N65010 and layoff employee E93034121 and employee E93034616, effective December 18,
2026.

MOTION CARRIED

ITEMS FOR CONSIDERATION

HWB 21-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the above proposed 2027 Meeting Schedule of the HealthWest Board of Directors for the 2027 calendar year.

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.

Director's Update

MDHHS/CMS Updates:

- From the National Council for Mental Wellbeing - CMS is giving states optional flexibility to delay enforcement of HR1 Medicaid engagement requirements through **June 30, 2027**. States choosing to delay must still verify compliance and determine exclusions, but they may temporarily avoid denying or disenrolling otherwise eligible people who cannot demonstrate compliance. This flexibility applies only to enforcement of the Community-engagement requirement. Other HR 1 provisions scheduled for January 1 are not delayed, including reduced retroactive Medicaid coverage for new expansion applicants and semiannual eligibility renewals. These community-engagement requirements are the Medicaid work-or-activity requirement for adults to demonstrate 80 hours per month of one or a combination of qualifying activities which includes:
    - Paid work
    - Community Service/volunteering
    - An approved work or job-training program
    - Education (at least half time).
- MDHHS is getting close to presenting an amendment to the State Plan Amendment for CCBHC. I am hearing this will be coming out soon. Some things we hope to find out when MDHHS releases their recommendation for CCBHC are:
    - Will they maintain the current PPS1 payment methodology or move to PPS2 and to a monthly payment structure versus daily visit calculation?
    - Will it remain a carve-out from PIHP and still be paid directly to the CCBHCs?
    - Will there be a tiered model or different rates for higher level of care in CCBHC versus mild-to-moderate?

LRE Level Updates:

- LRE Executive Board Meeting updates:

- The LRE Board approved the RMS – Risk Management Strategy plan to be submitted to MDHHS. This includes an estimate of 15% drop in HMP enrollment which does lower the LRE revenue slightly from the rates released by Milliman. Our region wants to be conservative in our estimate and not overstate revenue and potentially run into trouble later. The Risk Management Plan remains the same with minimal changes from the previous plan submitted to MDHHS. CMHSP partners who are projecting deficits will review utilization, and any overages will be covered by the ISF - Internal Service Fund.
- The LRE board has created a new committee to focus on advocacy. The group is comprised of LRE staff, CMHSP CEO, and 3 LRE board members. The group is hoping to work on Residential Rates, Timeliness of Milliman rates, Legislative monitoring, Crisis Stabilization Unit funding, and workforce shortages and retention.
- There was some discussion surrounding the FSR for September as the deficit for the region increased:

Lakeshore Regional Entity Combined Monthly FSR Summary
FY 2026
September 2026 Reporting Month
Reporting Date: 11/09/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Total Distributed Medicaid/HMP Revenue (plus 1st & 3rd Party Collections)	79,821,105	198,240,732	33,362,220	54,721,068	27,068,603	6,584,219	399,797,946
Total Capitated Expense	74,920,381	208,850,836	32,249,199	65,332,304	22,954,308	6,584,219	410,891,247
Actual Surplus (Deficit)	4,900,724	(10,610,104)	1,113,021	(10,611,236)	4,114,295	-	(11,093,301)
% Variance	6.14%	-5.35%	3.34%	-19.39%	15.20%	0.00%	

- The LRE actual deficit grew significantly from August FSR. The regional deficit worsened from $6.6M to $12.6M using the June revenue projection about $4.8M worse. Ottawa's deficit was a significant factor moving from $5.58M to $10.68M, about a $5M increase. N180's deficit grew only by $810K.
- The LRE continues to procure a need-based funding model review. DTMB confirmed the LRE can use the HMA MiDEAL contract for actuarial support.
- LRE Oversight Policy Board Intergovernmental Agreement is being renewed for FY27. This is the agreement that Counties signs to receive PA2 dollars. The LRE is proposing evergreening the contract for administrative efficiency. This does not mean the agreement cannot be reviewed or modified if needed.

CMH Level Updates:

- CCBHC IA grant – We were hoping to again receive and continue our IA grant which was for $1M this year. However, we did receive notice yesterday that HW was not selected. Most of the awardees from Michigan were newer CCBHCs and we knew it would be competitive. We received a total of 8 years funding including 4 years funding before becoming a CCBHC which was the goal of the grant and another 4 years while in demonstration. Not receiving this grant does not reflect a weakness in our application in fact it suggests a very mature CCBHC. Our implementation of Urgent Care, Same Day Access, Mobile Crisis, ASAM 1.7, care coordination, and substantial data/analytics capability means we are doing very well with CCBHC. This includes receiving high-performance marks in CCBHC quality performance measure incentive bonus where we received about $1.5M and our PPS rate going up while so many CMHSPs rates went down.

- Pine Rest contract – The LRE along with N180 have done an excellent job in negotiating our inpatient rates with Pine Rest. The region agreed to a 1% increase until January 31, 2027, when the contract rates will be reviewed again based on LRE revenue and the impacts of HR1.
- No update on the CSU – we are still waiting to hear back on the CDS – Congressional Designated Spending but will hear during the first quarter of 2027.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:20a.m.

Respectfully,

Janet Thomas
Board Chair
/hb

HealthWest
Muskegon's Behavioral Wellness Connection

TO: **HealthWest Board Members**

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

SUBJECT: **Full Board Meeting**
November 20, 2026
376 E. Apple Ave., Muskegon, MI 49442
https://healthwest.zoom.us/j/94259223301?pwd=1jL64lYh445eFUkwvH4v06Q4ahLLjI.1 One tap mobile: (309)205-3325, *942 5922 3301# Passcode:* 997543

AGENDA

1) Call to Order — Action

2) Approval of Agenda — Action

3) Approval of Minutes

A) Approval of the Full Board Minutes of October 23, 2026 — Action
(Attachment #1 – pg. 1-4)

4) Public Comment (on an agenda item)

5) Committee Reports

A) Finance Committee — Action
(Attachment #2 – pg. 5-8)

6) Items for Consideration

A) Authorization to Approve the HealthWest Board of Directors 2027 Meeting Schedule — Action
(Attachment #3 pg. 9)

7) Old Business

8) New Business

9) Communication

A) December Meeting Notice — Information
(Attachment #4 – pg. 10)

B) Director's Report — Information
(Attachment #5 – pg. 11-12)

10) Public Comment

11) Adjournment — Action

/hb

HEALTHWEST

FULL BOARD MINUTES

October 23, 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, Janice Hilleary, John Weerstra, Remington Sprague, M.D., Thomas Hardy, Charles Nash, Michelle Hazekamp, Mary Vazquez

Members Absent: Chris McGuigan, Jeff Fortenbacher, Tamara Madison

Others Present: Rich Francisco, Holly Brink, Gina Maniaci, Christy LaDronks, Kristi Chittenden, Carly Hysell, Melina Barrett, Jackie Farrar, Helen Dobb, Casey Olson, Jennifer Hoeker, Kim Davis, Amber Berndt, Gary Ridley, Lea Streblow, Rebecca StClair, Calvin Davis, Devan Peterson, Kelly Betts, Chianti Brown, Danielle Bush, Suzanne Beckeman, Anissa Goodno, Gina Kim

Guests Present: Angela Gasiewski, Donata Kidd, Stephanie VanDerKooi

MINUTES

HWB 1-B - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the minutes of the September 25, 2026 Full Board meeting as written.

MOTION CARRIED

HWB 2-B - It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the minutes of the September 11, 2026 Finance Committee meeting as written.

ITEMS FOR CONSIDERATION

HWB 3-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve expenditures for the month of September 2026, in the total amount of $10,499,634.99.

MOTION CARRIED

Monthly Report from the Chief Financial Officer

Ms. Hysell, Finance Director, presented the August report, noting an overall cash balance of $6,405,856.56 as of August 31, 2026.

HWB 4-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve HealthWest to enter into lease agreements with Enterprise Fleet Management for three (3) vehicles for amount not to exceed $2,150 per month for a five (5) year (60 months) term for each lease and authorize administration signature of the lease.

MOTION CARRIED

HWB 5-B – It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve the purchase 136 new Lenovo ThinkPad T16 Gen 5 laptops, including a 3-year warranty, from CDW-G, an approved reseller for the Sourcewell cooperative agreement, contract # 121923, at a cost not to exceed $245,700.32.

MOTION CARRIED

HWB 6-B – It was moved by Mr. Hardy, seconded by Mr. Weerstra, to approve Snare licenses for 600 workstations, 35 servers, 1 SQL database server, and the centralized storage system from CDW-G, an approved reseller for the Sourcewell cooperative agreement, contract #121923, for the 12-month term 12-16-2026 to 12-17-2026 at a cost not to exceed $33,901.28.

MOTION CARRIED

HWB 7-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve the contract with ICIMS to provide reference-checking software for HealthWest and authorize the HealthWest Chief Financial Officer to sign the agreement for a three-year term, October 31, 2026, through October 31, 2029, at a cost not to exceed $28,963.60.

MOTION CARRIED

HWB 8-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve a new temporary Director of Data Architecture and Analytics position, Wage Grade HW13, to be eliminated upon the retirement of Employee E93001101, effective upon Board approval.

MOTION CARRIED

HWB 9-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve a new temporary Interim Director of Integrated Health position, Wage Grade HW13, and to eliminate that position upon permanent Director of Integrated Health being hired and trained, not to exceed six months, effective upon Board Approval.

MOTION CARRIED

HWB 10-B – It was moved by Mr. Hardy, seconded by Dr. Sprague, to approve to approve the HealthWest Executive Director to provide HealthWest employee incentive programs to eligible HealthWest staff at a total cost not to exceed $1,225,000, effective October 1, 2026, through September 30, 2027, and to approve providing the new County incentive programs beginning October 1, 2026.

MOTION CARRIED

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

COMMUNICATION

Ms. Kidd, County Director for DHHS, provided an HR 1 presentation.

DIRECTOR'S COMMENTS

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

MDHHS Updates:

- 4 PIHP Lawsuits – now 5 PIHP, due to the LRE being included in it by Judge Patel because of our recent case with FY22 Cost settlement. My last update regarding this case was that they are now in the "discovery phase." Taft Law represents the LRE, and the most recent update is that the LRE generated a list of individuals that could provide insight and information on how the 7.5% was selected for the ISF.
- MDHHS continues to hold listening sessions related to CCBHC demonstrations and prepares for it to eventually become part of capitation or some sort of waiver. In addition, CMHA is also holding CCBHC Caucus meetings with current CCBHCs to continue to improve the system and make recommendations to MDHHS.

LRE Level Updates:

- LRE Executive committee and Ops meeting was held on 10/21/2026.
  - Regional FY27 rates discussion – LRE is reviewing multiple scenarios for what the LRE will consider our budget. The final rates that Milliman provided estimated to be about a 10% decline in HMP enrollment and that estimate according to LRE/CMHSPs is an incredibly low estimate because of the impact of HR1 and Medicaid enrollment dropping. The LRE is preparing a 12.5%, 15%, 18% and 30% scenario. The LRE already ran the numbers for 15% and 30% and there was not much difference. For the LRE Risk Management Strategy submission, the region will utilize the 15% estimate.
  - FY26 rate adjustment – there is going to be a rate adjustment for FY26 (last year). This will narrow the gap for CMHSPs that predicted a shortfall; however, it will not be enough to cover all the deficit.

CMH Level Updates: Update from Quality Improvement team – Pam Kimble

- HealthWest received strong marks in our FY26 CMHSP site review, demonstrating high levels of compliance and quality across multiple areas. The organization received perfect scores in several desk audit categories: Member rights and information, Health Information Systems, and Behavior Treatment Plan Review Committee. Others program areas that also received 100 percent Fiscal Management Services, Self Direction, and Trauma-Informed Care.
  - 100% validation of all audited Critical Incidents and Risk Events.

- An overall Credentialing and Training audit score of 98.84% (NOTE: all citations were contracted provider citations. HealthWest, as a provider, was 100% in this area).
- An overall Clinical Audit score of 97.18%, reflecting strong documentation, assessments, and care coordination practices.
- Positive performance in the Crisis Residential Unit review and no corrective action required in SUD Prevention services.
- The review also identified opportunities for improvement in service availability, authorization processes, and select clinical documentation practices. Corrective action plans will address these areas while building on the many strengths recognized throughout the review.
- Corrective Action Plan is due to LRE on 10/9/26.

- Preparation has started for FY26 Waiver audit. MDHHS will be auditing HealthWest October 28 – November 6.
- CARF – initiated a permanent change of our organization's accreditation date following analysis of anticipated upcoming surveys. The new date expiration is 10/31/27 (Previously 5/21/27). This means our audit is pushed back to August/Sept of 2027 and so will be using the new 2027 standards which will be coming out in Jan. 2027
- HR1 review, analysis, and preparation. HealthWest continues to prepare for HR1. Finance, clinical, and the communications team have been making efforts to ensure that our clients do not lose eligibility. The impact of HR1 on our budget is also being looked at closely, especially on GF funds. There is greater emphasis on the GF funding bucket because we do not have as much GF as other funding (Medicaid).
- CSU update: We have been working with TBD on the feasibility study for the CSU and TDB solutions presented the data to the executive team. In the future, I hope to share the report as well have TBD present the data and information the board.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

There being no further business to come before the board, the meeting adjourned at 8:58 a.m.

Respectfully,

Janet Thomas
Board Chair

/hb

PRELIMINARY MINUTES
To be approved at the Full Board Meeting on
November 20, 2026

HEALTHWEST

FINANCE COMMITTEE REPORT TO THE BOARD

via Jeff Fortenbacher, Committee Chair

1. The Finance Committee met on November 13, 2026.

*2 It was recommended, and I move to approve expenditures for the month of October 2026 totaling $2,609,206.59 and expenditures for September 2026 totaling $4,585,454.17.

*3. It was recommended, and I move to approve the HealthWest Board of Directors to approve HealthWest to develop, issue, and administer an appropriate competitive procurement process for legal, governance, financial, operational, labor, and regulatory implications associated with:

- Remaining organized as a County Special Revenue Fund;
- Establishing a Community Mental Health Authority
- Operating under an Enterprise Fund structure.

*4. It was recommended, and I move to approve the HealthWest Board to authorize the Chief Finance Officer, or designee, to enter into an agreement with the National Association of Counties (NACo) for participation in the Professional Development Academy for HealthWest's remaining managers and supervisors, at a cost not to exceed $30,000.

* 5. It was recommended, and I move to approve the HealthWest Executive Director to sign a contract with Cheyenne Kaufman for Speech Language Pathology services November 23rd, 2026, through April 30, 2027, in an amount not to exceed $25,000, to provide specialized clinical services related to dysphagia management, assessments, consultation, training, and clinical oversight for eligible HealthWest consumers.

*6. It was recommended, and I move to approve the HealthWest Executive Director to sign a contract with Golden Life AFC, LLC. Effective December 1, 2026, through September 30, 2027, to provide specialized residential services at the provider’s Westshore AFC home in Grawn, MI. Funding will be paid through Medicaid within the approved HealthWest AFC Specialized Residential budget.

*7. It was recommended, and I move to approve the HealthWest Executive Director to sign an amendment to the contract with Procare Landscape Management Inc. to adjust snow and ice removal service rates as outlined above for the remainder of the contract term ending March 2028.

*8 It was recommended, and I move to approve funding for the proposed home modifications and ramp installation by Lakeshore Barrier Free LLC in an amount not to exceed $49,000, utilizing approved HSW funds.

*9. It was recommended, and I move to approve the HealthWest Board of Directors to approve the increase for the FY2026 contracted Vendors/Providers listed under the five funding sources. The total budget for the five funding services is $56,175,429 effective immediately for FY2026 services.

*10. It was recommended, and I move to approve the HealthWest Board of Directors to approve eliminating Registered Nurse Positions N65008 and N65010 and layoff employee E93034121 and employee E93034616, effective December 18, 2026.

/hb

HEALTHWEST

FINANCE COMMITTEE MEETING MINUTES

November 13, 2026
8:00 a.m.

CALL TO ORDER

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

ROLL CALL

Committee Members Present:	Jeff Fortenbacher, Janet Thomas, Thomas Hardy, John M. Weerstra
Committee Members Absent:	Charles Nash, Michelle Hazekamp, Remington Sprague, M.D.
Also Present:	Rich Francisco, Holly Brink, Brandy Carlson, Gina Maniaci, Melina Barrett, Kristi Chittenden, Linda Anthony, Kim Davis, Lea Streblow, Helen Dobb, Stephanie Baskin, Kris Redman, Gina Kim, Anissa Goodno, Suzanne Beckeman, Jennifer Hoeker, Chris McGuigan

ITEMS FOR CONSIDERATION

A. *Approval of Expenditures for October 2026 and September 2026*

It was moved by Mr. Hardy, seconded by Ms. Thomas, to approve expenditures for the month of October 2026 totaling $2,609,206.59 and expenditures for September 2026 totaling $4,585,454.17.

MOTION CARRIED

B. *Monthly Report from the Chief Financial Officer*

Ms. Carlson, Chief Financial Officer, presented the September report, noting an overall cash balance of $8,286,685.17 as of September 30, 2026.

C. *Authorization to Seek Legal Counsel*

It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Board of Directors to approve HealthWest to develop, issue, and administer an appropriate competitive procurement process for legal, governance, financial, operational, labor, and regulatory implications associated with:
1. Remaining organized as a County Special Revenue Fund;
2. Establishing a Community Mental Health Authority pursuant to Michigan law; and
3. Operating under an Enterprise Fund structure.

MOTION CARRIED

D. *Authorization to Enter Agreement with National Association of Counties*

It was moved by Mr. Weestra, seconded by Mr. Hardy, to approve the HealthWest Board to authorize the Chief Finance Officer, or designee, to enter into an agreement with the National Association of Counties (NACo) for participation in the Professional Development Academy for HealthWest's remaining managers and supervisors, at a cost not to exceed $30,000.

MOTION CARRIED

E. *Authorization to Cheyenne Kaufman*

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to authorize the HealthWest Executive Director to sign a contract with Cheyenne Kaufman for Speech Language Pathology services November 23rd, 2026, through April 30, 2027, in an amount not to exceed $25,000, to provide specialized clinical services related to dysphagia management, assessments, consultation, training, and clinical oversight for eligible HealthWest consumers.

MOTION CARRIED

F. *Authorization to Contract with Golden Life, AFC*

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to authorize the HealthWest Executive Director to sign a contract with Golden Life AFC, LLC. Effective December 1, 2026, through September 30, 2027, to provide specialized residential services at the provider's Westshore AFC home in Grawn, MI. Funding will be paid through Medicaid within the approved HealthWest AFC Specialized Residential budget.

MOTION CARRIED

G. *Authorization to Amend Contract with Procare Landscape Management Inc.*

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to authorize the HealthWest Executive Director to sign an amendment to the contract with Procare Landscape Management Inc. to adjust snow and ice removal service rates as outlined above for the remainder of the contract term ending March 2028.

MOTION CARRIED

H. *Authorization to Approve Funding for Home Modifications.*

It was moved by Mr. Hardy, seconded by Ms. Thomas, to approve funding for the proposed home modifications and ramp installation by Lakeshore Barrier Free LLC in an amount not to exceed $49,000, utilizing approved HSW funds.

MOTION CARRIED

I. *Authorization to Increase Five Funding Sources*

It was moved by Mr. Hardy, seconded by Ms. Thomas, to authorize the HealthWest Board of Directors to approve the increase for the FY2026 contracted Vendors/Providers listed under the five funding sources. The total budget for the five funding services is $56,175,429 effective immediately for FY2026 services.

MOTION CARRIED

J. *Authorization to Approve Position Changes*

It was moved by Mr. Hardy, seconded by Mr. Weerstra, to authorize the HealthWest Board of Directors to approve eliminating Registered Nurse Positions N65008 and N65010 and layoff employee E93034121 and employee E93034616, effective December 18, 2026.

MOTION CARRIED

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

COMMUNICATIONS

There was no communication.

DIRECTOR'S COMMENTS

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

- **MDHHS/LRE updates:**
  - The LRE from the finance ROAT has now completed developing their budget projection for FY27. In a previous update, I stated that LRE received their final rates from Milliman with a pretty low estimate for our region for enrollment drops in HMP. The region decided to go with a higher drop rate which makes our revenue lower and not overstated. The LRE is going to use a 15% drop rate in enrollment for the estimate, as it is more realistic estimate when compared to other states. The impact of HR1 is still unknown, which is why the estimate the LRE recommends is higher than what the Milliman rate projects.
- **CMH Level updates:**
  - I have been meeting with various Commissioners and HealthWest board members to discuss the procurement for legal counsel as it relates to authority status, HealthWest's role, and the county role in the administration of the public mental health system. So far, I have talked to five of the commissioners and still have meetings left with two more. Thus far, all have been in favor of the procurement to provide an evaluation and analysis for HW and the county to better understand if pursuing an authority at this point is the direction both boards would like to go. The goal is that after procurement of legal counsel, there will be an evaluation, and then we will schedule a board work session for both boards (combined) to attend and get the information presented and questions answered.

AUDIENCE PARTICIPATION

There was no audience participation.

ADJOURNMENT

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

Respectfully,

Jeff Fortenbacher
Committee Chair

/hb

REQUEST FOR HEALTHWEST CONSIDERATION AND AUTHORIZATION

COMMITTEE Full Board	BUDGETED NON-BUDGETED PARTIALLY BUDGETED	
REQUESTING DIVISION Administration	REQUEST DATE November 20, 2026	REQUESTOR SIGNATURE Rich Francisco, Executive Director

SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)

Approval of the 2027 HealthWest Board of Muskegon County Meeting Schedule is being requested. Meetings will be held as follows:

Program/Personnel Committee	Recipient Rights Committee	Finance Committee	Full Board
**	**	January 15, 2027	January 22, 2027
February 12, 2027	February 12, 2027	February 19, 2027	February 26, 2027
**	**	March 19, 2027	March 26, 2027
April 2, 2027*	April 2, 2027*	April 16, 2027	April 30, 2027***
**	**	May 14, 2027*	May 21, 2027*
June 4, 2027*	June 4, 2027*	June 11, 2027*	June 25, 2027
**	**	July 16, 2027	July 30, 2027*
August 13, 2027	August 13, 2027	August 20, 2027	August 27, 2027
**	**	September 10, 2027*	September 24, 2027*
October 8, 2027	October 8, 2027	October 15, 2027	October 22, 2027
**	**	November 12, 2027*	November 19, 2027*
December 3, 2027 *	December 3, 2027 *	December 10, 2027*	December 17, 2027*

*Due to holiday or event
** Only meets even numbered months
*** Annual Meeting
Finance Committee & Full Board Together

SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)

I move to approve the above proposed 2027 Meeting Schedule of the HealthWest Board of Directors for the 2027 calendar year.

COMMITTEE DATE	COMMITTEE APPROVAL _____ Yes _____ No _____ Other
BOARD DATE November 20, 2026	BOARD APPROVAL _____ Yes _____ No _____ Other

HWB 21-B

November 20, 2026

MEETING NOTICE DECEMBER 2026

The HealthWest Board will meet in the following sessions during the month of December 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,	December 4, 2026
Recipient Rights Committee	Friday,	December 4, 2026
Finance Committee	Friday,	December 11, 2026
Full Board Meeting	Friday,	December 11, 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/

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cc: HealthWest Board Members

MEMORANDUM

Date: 11/20/2026

To: HealthWest Board of Directors

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

From: Rich Francisco, Executive Director

Subject: **Director's Update**

MDHHS/CMS Updates:

- From the National Council for Mental Wellbeing - CMS is giving states optional flexibility to delay enforcement of HR1 Medicaid engagement requirements through **June 30, 2027**. States choosing to delay must still verify compliance and determine exclusions, but they may temporarily avoid denying or disenrolling otherwise eligible people who cannot demonstrate compliance. This flexibility applies only to enforcement of the Community-engagement requirement. Other HR 1 provisions scheduled for January 1 are not delayed, including reduced retroactive Medicaid coverage for new expansion applicants and semiannual eligibility renewals. These community-engagement requirements are the Medicaid work-or-activity requirement for adults to demonstrate 80 hours per month of one or a combination of qualifying activities which includes:
    - Paid work
    - Community Service/volunteering
    - An approved work or job-training program
    - Education (at least half time).
- MDHHS is getting close to presenting an amendment to the State Plan Amendment for CCBHC. I am hearing this will be coming out soon. Some things we hope to find out when MDHHS releases their recommendation for CCBHC are:
    - Will they maintain the current PPS1 payment methodology or move to PPS2 and to a monthly payment structure versus daily visit calculation?
    - Will it remain a carve-out from PIHP and still be paid directly to the CCBHCs?
    - Will there be a tiered model or different rates for higher level of care in CCBHC versus mild-to-moderate?

LRE Level Updates:

- LRE Executive Board Meeting updates:
    - The LRE Board approved the RMS – Risk Management Strategy plan to be submitted to MDHHS. This includes an estimate of 15% drop in HMP enrollment

which does lower the LRE revenue slightly from the rates released by Milliman. Our region wants to be conservative in our estimate and not overstate revenue and potentially run into trouble later. The Risk Management Plan remains the same with minimal changes from the previous plan submitted to MDHHS. CMHSP partners who are projecting deficits will review utilization, and any overages will be covered by the ISF - Internal Service Fund.

- The LRE board has created a new committee to focus on advocacy. The group is comprised of LRE staff, CMHSP CEO, and 3 LRE board members. The group is hoping to work on Residential Rates, Timeliness of Milliman rates, Legislative monitoring, Crisis Stabilization Unit funding, and workforce shortages and retention.
- There was some discussion surrounding the FSR for September as the deficit for the region increased:

Lakeshore Regional Entity Combined Monthly FSR Summary
FY 2026
September 2026 Reporting Month
Reporting Date: 11/09/26

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Total Distributed Medicaid/HMP Revenue (plus 1st & 3rd Party Collections)	79,821,105	198,240,732	33,362,220	54,721,068	27,068,603	6,584,219	399,797,946
Total Capitated Expense	74,920,381	208,850,836	32,249,199	65,332,304	22,954,308	6,584,219	410,891,247
Actual Surplus (Deficit)	4,900,724	(10,610,104)	1,113,021	(10,611,236)	4,114,295	-	(11,093,301)
% Variance	6.14%	-5.35%	3.34%	-19.39%	15.20%	0.00%	

- The LRE actual deficit grew significantly from August FSR. The regional deficit worsened from $6.6M to $12.6M using the June revenue projection about $4.8M worse. Ottawa's deficit was a significant factor moving from $5.58M to $10.68M, about a $5M increase. N180's deficit grew only by $810K.
- The LRE continues to procure a need-based funding model review. DTMB confirmed the LRE can use the HMA MiDEAL contract for actuarial support.
- LRE Oversight Policy Board Intergovernmental Agreement is being renewed for FY27. This is the agreement that Counties signs to receive PA2 dollars. The LRE is proposing evergreening the contract for administrative efficiency. This does not mean the agreement cannot be reviewed or modified if needed.

CMH Level Updates:

- CCBHC IA grant – We were hoping to again receive and continue our IA grant which was for $1M this year. However, we did receive notice yesterday that HW was not selected. Most of the awardees from Michigan were newer CCBHCs and we knew it would be competitive. We received a total of 8 years funding including 4 years funding before becoming a CCBHC which was the goal of the grant and another 4 years while in demonstration. Not receiving this grant does not reflect a weakness in our application in fact it suggests a very mature CCBHC. Our implementation of Urgent Care, Same Day Access, Mobile Crisis, ASAM 1.7, care coordination, and substantial data/analytics capability means we are doing very well with CCBHC. This includes receiving high-performance marks in CCBHC quality performance measure incentive bonus where we received about $1.5M and our PPS rate going up while so many CMHSPs rates went down.
- Pine Rest contract – The LRE along with N180 have done an excellent job in negotiating our inpatient rates with Pine Rest. The region agreed to a 1% increase until January 31, 2027, when the contract rates will be reviewed again based on LRE revenue and the impacts of HR1.
- No update on the CSU – we are still waiting to hear back on the CDS – Congressional Designated Spending but will hear during the first quarter of 2027.