

NETWORK180 BOARD AGENDA

Monday, August 1, 2022 - 4:45 PM

Location: Hybrid – Virtual/Eaglecrest Office

The Network180 Board, in order to protect the public health, will conduct its meeting via electronic communications in combination with a limited amount of people at the Eaglecrest Office. Any member of the public wishing to listen to the proceedings or provide public comment may do so by using the following internet connection or phone number and pass code or attend in person.

[Click here to join the meeting](#) – link to attend with video capability.

Telephone [+1 616-552-9539](#) and then dial the **Conference ID: 266 948 275#**

If you require special accommodations to attend the virtual meeting, please contact stephanie.mcmillen@network180.org by Monday at noon.

- | | | |
|-------------|---|-----------------|
| I. | CALL TO ORDER | Chairman Oberst |
| II. | ROLL CALL | Chairman Oberst |
| III. | PUBLIC COMMENT (Limited to agenda items) | Chairman Oberst |
| IV. | APPROVAL OF AGENDA | Chairman Oberst |
| V. | CONSENT AGENDA | Chairman Oberst |

All items listed under the Consent Agenda are routine and will be enacted by one motion. There will not be separate discussion on these items. If discussion is desired, the item will be removed from the consent agenda upon request of any board member and will be considered separately.

- A. Approve Minutes
 - i. July 11, 2022 Board Meeting Minutes
- B. Approve Disbursements
 - i. June 2022 Disbursements

VI. PRESENTATIONS & UPDATES

- | | |
|---|-----------------------------|
| A. Procurement Presentation | Amy Rottman/Ross Buitendorp |
| B. FY2023 Budget Process Overview | Amy Rottman |
| C. Update on the LRE Bylaws and Operating Agreement | Stan Stek |

VII. MOTIONS

- A. None

VIII. CHAIRPERSON'S REPORT

Chairman Oberst

IX. FINANCE & HUMAN RESOURCE COMMITTEE ITEMS

Emily Helder

A. July 11, 2022 Finance & HR Committee Meeting Minutes

B. N180 June 2022 Financial Statements and Bucket Report

X. EXECUTIVE DIRECTOR'S REPORT

William Ward

XI. PUBLIC COMMENTS

XII. BOARD COMMENTS

XIII. ADJOURNMENT

Next meeting dates:

August 8, 2022 – 4:00 PM – Executive Committee

August 29, 2022 – 4:45 PM – Program Committee & Work Session

September 12, 2022 – 4:00 PM – Finance Committee

September 12, 2022 – 4:45 PM – Board Meeting

September 19, 2022 – 4:45 PM – Program Committee & Board Work Session

Board Members – If you are unable to attend, please contact Stephanie McMillen at 616.855.5204 or stephanie.mcmillen@network180.org.



NETWORK180 BOARD
FINANCE & HUMAN RESOURCES COMMITTEE AGENDA

Monday, August 1, 2022 - 4:00 PM

Location: Hybrid – Virtual/Eaglecrest Office

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- I. CALL TO ORDER**
- II. PUBLIC COMMENT**
- III. APPROVAL OF THE AGENDA**
 - A. Additions, Corrections and Deletions
- IV. MOTION ITEMS**
 - A. July 11, 2022 Finance & HR Committee meeting minutes
 - B. N180 June 2022 Financial Statements and Bucket Report
 - C. June 2022 Disbursements
- V. INFORMATION ITEMS**
 - A. LRE May 2022 Bucket Report
 - B. FY2023 Budget Process Overview
- VI. HR UPDATE**
- VII. PUBLIC COMMENT**
- VIII. ADJOURNMENT**

Note: If you have any questions as you review this material, please contact Amy Rottman at 616.855.5230 or amy.rottman@network180.org so that research can be completed before the meeting.

Finance & HR Committee Members - Please contact Stephanie McMillen at 616.855.5204 or stephanie.mcmillen@network180.org if you are unable to attend the meeting.

**MINUTES OF THE
NETWORK180 FINANCE & HUMAN RESOURCES COMMITTEE**

July 11, 2022

LOCATION: Hybrid Virtual/Eaglecrest Office

NO QUORUM – DISCUSSION ONLY, DEFERRED ACTION TO BOARD MEETING

MEMBERS PRESENT: Larry Oberst

OTHER BOARD MEMBERS PRESENT: Jon Campbell, Caroline Dellenbusch

MEMBERS ABSENT: Emily Helder, Donna, Moore-Brown, Stan Stek

NETWORK180 STAFF: Amy Rottman, Edward Wilson, Jill Thompson, Joan Brown, Kristin Kopec, Annette Tuitel, Ross Buitendorp, Stacey O'Toole, Susan Webber, Millie Russell-Emery, Michelle Goraj

OTHERS PRESENT: Attendees were not identified as meeting was held virtually and no sign in was required.

I. CALL TO ORDER

Chairman Oberst called the meeting to order at 4:05 PM. There was not a quorum of members; items were discussed, but action was deferred to the Board Meeting.

II. PUBLIC COMMENT

None

III. APPROVAL OF THE AGENDA

IV. MOTION ITEMS

- A. The Finance and Human Resources Committee recommends approval of the meeting minutes for June 6, 2022.
- B. The Finance and Human Resources Committee recommends approval of the May 2022 Financial Statements and Bucket Report.
- C. The Finance and Human Resources Committee recommends that the Network180 Board approve the May 2022 disbursements of \$19,654,577.27.
- D. Management requests Board approval for the Executive Director to enter into agreement with Trinity Health-Saint Mary and Hegira Health, Inc. and to amend the contract with Family Outreach Center for Jail Mental Health Services for contracts over \$50,000.

V. INFORMATIONAL ITEMS

- A. LRE April 2022 Bucket Report

VI. HR UPDATE

None

VII. PUBLIC COMMENT

None

VIII. ADJOURNMENT

Mr. Oberst adjourned the meeting at 4:29 PM.

WW/sm

Network180 Finance Committee

FINANCE & HUMAN RESOURCES COMMITTEE

SUBJECT:

June 30, 2022
Financial Statements
August 1, 2022

MEETING DATE:

PREPARED BY:

Amy Rottman, Chief Financial Officer

Significant revenue and expense variances that exceed \$100,000 and 5% of line item budget at the end of June 30, 2022 are explained as follows:

REVENUE

Autism: Under budget by \$4,924,496 or 18%

- Revenue is recorded based on actual expenses for eligible individuals and services. The number of people served in the first and second quarter of FY 2022 has dropped by about 50 people. This decrease has resulted in less cost.

Grants: Under budget by \$3,313,236 or 23%

- See the detail on the expenditure section below.

Local Revenue: Under budget by \$961,425 or 15%

- Local revenue is under budget because the collections of service revenue to Medicare, commercial payers and other counties is less than expected. This is due to fewer services provided to individuals funded by these paying sources. One reason is slower ramp up in the CCBHC expansion program than initially expected.

EXPENDITURES

Direct Run: Under budget by \$2,481,749 or 12%

- Network180 has many vacant positions. The departments most impacted are Mobile Crisis, Supports Coordination, ACT, and Integrated Case Management.

Grants: Under budget by \$3,050,647 or 25%

- The significant underspend is due primarily due to underspending in the following grants:

Row Labels	Sum of Annual Budget	Sum of Budget YTD	Sum of Adjusted	Sum of Variance
COVID-19 Supplemental Block Gr	975,000	731,250	85,436	645,814
FEP COVID Supplemental	1,212,000	909,001	274,776	634,226
First episode psychosis	2,170,792	1,628,096	1,144,808	483,288
SUDBG - Treatment	2,139,505	1,604,629	1,327,044	277,584
CCBHC Direct Services	976,723	732,542	471,624	260,918
SOR 2	389,465	292,101	67,745	224,356
CCBHC Program	909,391	682,042	496,421	185,622

Network 180

Statement of Net Position

June 30, 2022

	FY 2022	FY 2021
Assets:		
Cash and investments	\$ 23,574,743	\$ 27,934,824
Due from Lakeshore Regional Partners	6,915,547	-
All other assets	8,606,960	7,533,244
Total assets	<u>39,097,250</u>	<u>35,468,068</u>
Deferred outflows of resources:		
Pension related items	1,252,655	1,239,715
OPEB related items	-	45,753
Total deferred outflows of resources	<u>1,252,655</u>	<u>1,285,468</u>
Total assets and deferred outflows of resources	<u>\$ 40,349,905</u>	<u>\$ 36,753,536</u>
Liabilities:		
Due to Lakeshore Regional Entity	\$ 866,766	\$ 653,726
All other liabilities	31,489,760	30,049,890
Total liabilities	<u>32,356,526</u>	<u>30,703,616</u>
Deferred inflows of resources:		
Pension related items	1,335,298	-
OPEB related items	474,520	337,153
Total deferred inflows of resources	<u>1,809,818</u>	<u>337,153</u>
Net position:		
Investment in capital assets	4,765,334	4,425,778
Unrestricted	1,418,227	1,286,989
Total net position	<u>6,183,561</u>	<u>5,712,767</u>
Total liabilities and net position	<u>\$ 40,349,905</u>	<u>\$ 36,753,536</u>

For internal use only. These financial statements have not been audited, and no assurance is provided.

Network 180

Statement of Revenues and Expenses

For the 9 Months Ended June 30, 2022

	FY2022			
	Annual Budget	YTD Budget	YTD Actual	YTD Surplus (Deficit)
Revenues:				
Medicaid	\$ 126,631,128	\$ 94,973,346	\$ 99,794,636	\$ 4,821,290
Healthy Michigan	25,654,684	19,241,013	15,665,288	(3,575,725)
General fund	7,149,632	5,362,224	5,362,223	(1)
Autism benefit	27,563,327	20,672,495	15,747,999	(4,924,496)
Grants	12,716,513	9,537,385	6,224,149	(3,313,236)
Local	6,391,123	4,793,342	3,831,917	(961,425)
	<u>206,106,407</u>	<u>154,579,805</u>	<u>146,626,212</u>	<u>(7,953,593)</u>
Expenses:				
Provider network service costs	154,081,533	115,561,149	111,229,837	(4,331,312)
Direct run services	20,902,727	15,677,045	13,195,296	(2,481,749)
Grants	12,241,022	9,180,767	6,130,120	(3,050,647)
Earned contracts	1,843,612	1,382,709	1,322,069	(60,640)
Board administration and access center	17,037,514	12,778,135	13,660,182	882,047
Total expenses	<u>206,106,407</u>	<u>154,579,805</u>	<u>145,537,504</u>	<u>(9,042,301)</u>
Increase (decrease) in net position	<u>(0)</u>	<u>-</u>	<u>1,088,708</u>	<u>1,088,708</u>
Total net position (beginning of year)	<u>5,094,853</u>	<u>5,094,853</u>	<u>5,094,853</u>	<u>-</u>
Total net position (end of period)	<u>\$ 5,094,853</u>	<u>\$ 5,094,853</u>	<u>\$ 6,183,561</u>	<u>\$ 1,088,708</u>

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Network 180

Statement of Revenues and Expenses

For the 9 Months Ended June 30, 2022

	YTD FY 2022 Actual	YTD FY 2021 Actual	Difference
Revenues:			
Medicaid	\$ 99,794,636	80,849,751	\$ 18,944,885
Healthy Michigan	15,665,288	14,209,541	1,455,747
General fund	5,362,223	4,437,923	924,300
Autism benefit	15,747,999	14,327,261	1,420,738
Grants	6,224,149	4,584,707	1,639,442
Local	3,831,917	3,897,765	(65,848)
	<u>146,626,212</u>	<u>122,306,948</u>	<u>24,319,264</u>
Expenses:			
Service provision	124,425,133	105,708,764	18,716,369
Grants	6,130,120	4,541,844	1,588,276
Earned contracts	1,322,069	888,160	433,909
Board administration and access center	13,660,182	9,726,287	3,933,895
Total expenses	<u>145,537,504</u>	<u>120,865,055</u>	<u>24,672,449</u>
Increase (decrease) in net position	<u>1,088,708</u>	<u>1,441,893</u>	<u>(353,185)</u>
Total net position (beginning of year)	<u>5,094,853</u>	<u>4,099,340</u>	<u>(995,513)</u>
Total net position (end of period)	<u>\$ 6,183,561</u>	<u>\$ 5,541,233</u>	<u>\$ (1,348,698)</u>

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Network180
FY2022 Summary Bucket Report for the LRE
as of June 30, 2022

	<u>Medicaid-MH</u>	<u>Medicaid-SUD</u>	<u>Healthy MI-MH</u>	<u>Healthy MI-SUD</u>	<u>Autism</u>	<u>SED Waiver</u>	<u>Childrens Waiver</u>	<u>General Fund</u>	<u>Local Revenue & Earned Contracts</u>	<u>Grants</u>	<u>SUD</u>	<u>Total</u>
Revenue	87,006,874	2,959,001	12,106,654	6,959,287	20,780,529	647,448	1,614,896	5,362,223	3,831,917	3,494,961	2,729,188	147,492,978
Expense	96,058,828	2,391,713	11,877,394	3,787,894	15,747,999	790,072	554,023	3,659,843	3,615,228	4,325,324	2,729,188	145,537,506
Difference	(9,051,954)	567,288	229,260	3,171,393	5,032,530	(142,624)	1,060,873	1,702,380	216,689	(830,363)	-	1,955,472
Due from/(to) LRE	9,051,954	(567,288)	(229,260)	(3,171,393)	(5,032,530)	142,624	(1,060,873)	-	-	-	-	(866,766)
Variance	-	-	-	-	-	-	-	1,702,380	216,689	(830,363)	-	1,088,706
Redirects	-	-	-	-	-	-	-	(747,327)	(83,036)	830,363	-	-
Total Variance	-	-	-	-	-	-	-	955,054	133,652	-	-	1,088,706
PROJECTION:												
	<u>Medicaid-MH</u>	<u>Medicaid-SUD</u>	<u>Healthy MI-MH</u>	<u>Healthy MI-SUD</u>	<u>Autism</u>	<u>SED Waiver</u>	<u>Childrens Waiver</u>	<u>General Fund</u>	<u>Local Revenue & Earned Contracts</u>	<u>Grants</u>	<u>SUD</u>	<u>Total</u>
LRE Revenue projection	121,610,235	4,092,516	16,587,942	9,465,781	27,864,866	782,907	2,069,449	7,156,887	6,066,434	7,157,612	4,584,236	207,438,865
Expense Projections	132,997,005	3,188,951	16,042,449	5,050,525	21,951,499	1,077,722	742,202	5,367,479	4,820,304	7,157,612	4,584,236	202,979,985
Difference	(11,386,770)	903,565	545,493	4,415,256	5,913,367	(294,815)	1,327,247	1,789,408	1,246,130	-	-	4,458,880
Due from (to) LRE	11,386,770	(903,565)	(545,493)	(4,415,256)	(5,913,367)	294,815	(1,327,247)	-	-	-	-	(1,423,343)

Network180

**FINANCE & HUMAN
RESOURCES
COMMITTEE
ACTION REQUEST**

SUBJECT:
MEETING DATE:
PREPARED BY:

June 30, 2022, Disbursements
August 1, 2022
Joan Brown, Finance Director

RECOMMENDED MOTION:

The Finance Committee recommends that the Network180 Board approve the June 2022 disbursements of \$19,593,444.17.

SUMMARY OF REQUEST/INFORMATION:

<u>Vendor Name</u>	<u>Amount</u>
Salaries & Wages	1,995,144.35
SPECTRUM COMMUNITY SERVICES	1,539,019.54
PINE REST CHRISTIAN MH SERVICE	1,531,324.80
HOPE NETWORK BEHAVIORAL	1,354,527.46
HOPE NETWORK WEST MICHIGAN	1,065,111.98
MOKA CORPORATION	971,993.90
ARBOR CIRCLE CORPORATION	894,693.89
CENTRIA HEALTHCARE LLC	841,158.95
CHERRY STREET SERVICES INC	603,353.21
BHT&D-GUSCO MONEY MGMNT LLC	598,304.39
FLATROCK MANOR, INC.	593,576.12
THRESHOLDS	492,342.62
ACORN HEALTH OF MICHIGAN, LLC	432,604.98
FOREST VIEW PSYCHIATRIC HOSPITAL, INC	378,675.85
WESTERN MI HEALTH INSURANCE POOL	375,196.57
POSITIVE BEHAVIOR SUPPORTS CORPORATION	323,088.75
D A BLODGETT FOR CHILDREN	283,770.26
BEACON SPECIALIZED LIVING SERVICES	274,366.20
FAMILY OUTREACH CENTER	255,572.49
KALAMAZOO COUNTY CMH AUTHORITY	245,880.83
SAINT MARY'S MERCY MEDICAL CTR	244,853.00

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GUARDIANTRAC, LLC	228,066.27
TURNING LEAF RESIDENTIAL	204,372.85
OUR HOPE ASSOCIATION	203,327.07
WEDGWOOD CHRISTIAN SERVICES	162,246.57
FULL CIRCLE CARE	131,382.79
TURNING POINT PROGRAMS	126,989.22
REACH FOR RECOVERY	113,882.95
BENJAMIN'S HOPE	107,468.55
DAVID'S HOUSE MINISTRIES	103,184.49
MUNICIPAL EMPLOYEES RETIREMENT	98,070.69
DIGNIFIED CARE LLC	95,403.48
HAVENWYCK HOSPITAL	89,368.30
DEVELOPMENTAL ENHANCEMENT PLC	89,365.93
LOCUMTENENS HOLDINGS, LLC	88,627.13
BCA OF DETROIT LLC	87,743.00
GOODWILL INDUSTRIES OF GREATER GRAND RAPIDS	85,348.00
MERCY HEALTH PARTNERS	78,240.00
ENRICHED LIVING	74,059.89
Fringes	67,321.75
BRIGHTSIDE LIVING LLC	59,098.16
CLUTCH SOLUTIONS LLC	59,082.94
STATE OF MICHIGAN-DEPT OF HEALTH & HUMAN SERVICES	57,924.36
BETHANY CHRISTIAN SERVICES	52,546.11
SAKSHAUG GROUP HOME LLC	50,089.42
SPARKS BEHAVIORAL SERVICES LLC	45,890.00
EASTER SEALS MICHIGAN INC	43,929.37
ZAWADI USA LLC	42,892.11
CONSULT2.CLOUD	42,708.93
PRADER-WILLI HOMES OF	42,627.97

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COMMUNITY LIVING SERVICES, INC	41,728.18
VISA CREDIT CARD	41,420.07
ETCH	41,328.10
TRIVALENT GROUP	38,512.61
PETER CHANG ENTERPRISES, INC	38,146.90
CENTER FOR AUTISM AND RELATED DISORDERS, LLC	36,905.49
EAGLE NUMBER TWO, LLC	35,995.93
REHMANN LLC	35,104.00
WRIKE, INC.	34,999.20
MERAKEY MIDWEST	34,167.00
MI DEPT OF HUMAN SERVICES	34,024.00
INDIAN TRAILS CAMP INC	32,769.50
LA BENEDICTION CO LLC	32,444.73
RELIANCE COMM CARE PARTNERS	30,982.85
MICHAEL CHAFFEE	29,697.32
CRC RECOVERY, INC	28,384.36
CARIN HANDS 2 LLC	27,117.67
NEW HOPE GROUP LLC	27,020.49
COMPREHENSIVE PROF SERV INC	26,936.40
UNLIMITED ALTERNATIVES	26,726.02
COVENANT ENABLING RESIDENCES	25,897.70
EXTENDED CARE AT RAMSDELL	23,788.32
CEDAR SANDS	23,742.82
DELTA DENTAL PLAN OF MICH	22,823.28
BOSHNIJAKU, NAILE	22,031.31
MADISON NATIONAL LIFE INSURANCE COMPANY, INC	21,066.71
GRAND VALLEY STATE UNIVERSITY	20,700.00
SERENITY HOMES NORTH LLC	19,157.49
SAKSHAUG, WARREN E	17,947.44

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PURDY, LAURA L	17,808.36
NEUROBEHAVIORAL HOSPITAL, LLC	17,736.00
VISEL AFC INC	17,293.08
KALAMAZOO PROBATION ENHANCEMENT PROGRAM	16,954.98
CSM NEWCO, LLC	16,728.31
DUHADWAY KENDALL & ASSOCIATES, INC.	16,531.24
IRIS TELEHEALTH MEDICAL GROUP, PA	16,484.00
LEONARD AND MONROE LLC	15,992.00
BLUEWATER TECHNOLOGIES GROUP INC	15,900.00
HOPE NETWORK SE	15,844.32
HERITAGE HOMES, INC	14,968.67
SWANBERG AFC INC	14,652.58
MEL TROTTER MINISTRIES	14,589.00
MOSS AUDIO CORP	13,974.93
RECOVERY ROAD LLC	12,691.00
JASON MURIITHI	12,678.07
UAW LOCAL 2600	12,428.92
KLECK, CONNALEE	12,227.54
COMMUNITY MENTAL HEALTH AUTHORITY OF CLINTON EATON INGHAM COUNT	11,591.67
HOLTON MANAGEMENT LLC	11,356.27
ICON ACQUISITIONS, LLC	11,160.77
Flex/HSA	10,879.92
PLEASANT VIEW MANOR INC	10,697.88
RHOADES MCKEE PC	10,161.00
MICHAEL D WAGNER	10,009.10
283 vendor payments below \$10,000 each	<u>344,720.23</u>
TOTAL DISBURSEMENTS	<u><u>19,593,444.17</u></u>

Network180

I affirm that all payments identified in the monthly summary above are for previously appropriated amounts.

STAFF: Joan Brown, Finance Director

DATE: July 26, 2022

FY2022 May Bucket Report - Full Year Projections Net Position By Member, By Fund Source

Time Period	Mental Health (MH)							Substance Use Disorder (SUD)							MH & SUD
	OnPoint	Healthwest	Network180	Ottawa	West MI	LRE & MCO Admin	Total	OnPoint	Healthwest	Network180	Ottawa	West MI	LRE & MCO Admin	Total	
Oct - May															
Net Med: 1115/HSW/CW/SED	(743,008)	(1,986,020)	(8,521,394)	4,183,586	1,034,135	931,327	(5,101,374)	271,011	4,756	485,704	229,952	(104,289)	215,297	1,102,431	(3,998,942)
Net Med: HealthyMI	74,278	378,882	425,210	3,055,014	(627,726)	(359,964)	2,945,694	589,377	1,455,905	2,746,455	1,060,543	310,919	303,434	6,466,633	9,412,327
Net Autism	1,123,563	338,733	5,015,165	1,545,846	366,425	91,930	8,481,662	-	-	-	-	-	-	-	8,481,662
Net General Fund	73,630	(483,026)	1,331,552	1,181,800	(122,315)	-	1,981,641	-	-	-	-	-	-	-	1,981,641
Net Block Grant	-	-	-	-	-	-	-	11,470	(37,827)	-	(283,091)	-	128,337	(181,112)	(181,112)
Net PA2	-	-	-	-	-	-	-	-	(9,450)	-	(73,429)	-	-	(82,879)	(82,879)
Net Medicaid Savings Proj	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net ISF Projection	1,579,029	3,657,576	8,618,824	2,425,329	1,235,264	-	17,516,022	166,003	446,400	1,081,739	282,981	156,008	-	2,133,132	19,649,154
Subtotal	2,107,491	1,906,145	6,869,357	12,391,575	1,885,782	663,293	25,823,645	1,037,861	1,859,784	4,313,898	1,216,956	362,639	647,067	9,438,206	35,261,851
May															
Full Year Projection															
Net Med: 1115/HSW/CW/SED	(3,644,800)	(1,575,069)	(12,538,149)	(1,198,194)	(596,226)	-	(19,552,438)	366,155	(198,508)	830,246	30,114	(156,583)	-	871,423	(18,681,015)
Net Med: DCW Lapse	(429,329)	(3,225,341)	(3,933,491)	(1,255,649)	(905,846)	-	(9,749,655)	-	(69,319)	(232,041)	-	-	-	(301,360)	(10,051,015)
Net Med: HealthyMI	387,305	910,552	692,629	1,001,996	144,185	-	3,136,666	808,695	1,972,597	4,183,024	549,999	463,402	-	7,977,717	11,114,384
Net Autism	1,805,288	518,527	6,437,105	(233,805)	(35,142)	-	8,491,974	-	-	-	-	-	-	-	8,491,974
Net General Fund	82,844	(362,851)	1,516,896	(477,402)	-	-	759,487	-	-	-	-	-	-	-	759,487
Net Block Grant	-	-	-	-	-	-	-	-	375,631	-	-	158,442	-	534,073	534,073
Net PA2	-	-	-	-	-	-	-	-	-	-	-	74,964	-	74,964	74,964
Net Medicaid Savings Proj	632,194	1,256,218	2,969,272	823,975	120,105	-	5,801,764	(36,453)	99,991	238,033	60,576	348,125	-	710,273	6,512,038
Net ISF Projection	2,368,543	5,486,364	12,928,236	3,637,994	1,852,895	-	26,274,032	166,003	446,400	1,081,739	282,981	156,008	-	2,133,132	28,407,164
Total	1,202,044	3,008,401	8,072,498	2,298,915	579,972	-	15,161,831	1,304,400	2,626,791	6,101,001	923,671	1,044,359	-	12,000,223	27,162,053
Risk excluding DCW	(1,452,208)	(145,990)	(5,408,415)	(430,003)	(487,183)	-	(7,923,798)	1,174,850	1,774,088	5,013,270	580,113	306,820	-	8,849,141	925,343
%of Budget	-4.91%	-0.23%	-3.20%	-0.95%	-2.23%	0.00%	-2.50%	56.59%	31.77%	37.05%	16.39%	15.73%	0.00%	31.42%	PENDING

FY Changes in Projected Med/HMP Spending

	April 2022 MH	May 2022 MH	Difference	%of Budget	FY21 Spend
OnPoint	28,421,651	28,843,092	421,441	1.54%	25,469,646
Healthwest	57,777,989	57,900,062	122,073	0.21%	55,025,900
N180	163,583,996	163,705,003	121,006	0.08%	155,094,698
Ottawa	39,454,220	42,735,431	3,281,211	7.76%	32,981,495
West MI	20,721,483	20,705,476	(16,007)	-0.08%	20,272,938
LRE & Beacon	10,653,072	10,829,583	176,512	1.63%	9,391,031
	320,612,411	324,718,646	4,106,236		298,235,708

	April 2022 SUD	May 2022 SUD	Difference	%of Budget	FY21 Spend
OnPoint	1,158,997	901,183	(257,814)	-12.42%	1,586,665
Healthwest	3,674,500	3,809,989	135,489	2.43%	4,079,154
N180	8,164,023	8,518,323	354,300	2.62%	8,098,231
Ottawa	2,630,260	2,959,045	328,785	9.29%	1,850,758
West MI	1,628,194	1,644,201	16,007	0.82%	1,342,753
LRE & Beacon	1,473,064	1,482,474	9,410	0.63%	1,720,794
	18,729,039	19,315,215	586,175		18,678,355

Total Medicaid Surplus/(Deficit) Projection (Med 1115/HSW/CW/SED + Autism), Excluding DCW (10,189,041)

Actual FY21 ISF/Medicaid Savings	26,499,692
Budgeted FY22 ISF/Medicaid Savings Contribution	27,337,724
Total Reserves:	53,837,416

Projected Medicaid ISF/Savings At Year End: **43,648,375**

Healthy Michigan Plan Surplus/(Deficit) Projection 11,114,384

Projected MDHHS Performance Bonus 2,726,969

Projected Reserve Total At Year End: **57,489,728**

ISF @ 7.5%	\$ 28,407,164.42
Savings @ 7.5%	\$ 28,407,164.42
Total Max Allowed	\$ 56,814,328.84

Network 180

Statement of Revenues and Expenses

FY22 Budget vs FY22 Projected vs FY23 Budget

	FY2022				FY2023		
	Approved Budget	Projected Balance	Variance to Approved	% Variance	Proposed Budget	Variance to Projected	% Variance
Revenues:							
Medicaid	\$ 126,631,128	\$ 128,718,720	\$ 2,087,592	1.65%	\$ 133,605,725	\$ 4,887,005	3.80%
Healthy Michigan	25,654,684	26,053,723	\$ 399,039	1.56%	26,053,723	\$ -	0.00%
General fund	7,149,632	7,149,632	\$ -	0.00%	7,149,632	\$ -	0.00%
Autism benefit	27,563,327	27,864,866	\$ 301,539	1.09%	25,564,866	\$ (2,300,000)	-8.25%
Grants	12,716,513	8,781,987	\$ (3,934,526)	-30.94%	11,745,428	\$ 2,963,442	33.74%
Local	6,391,123	5,245,396	\$ (1,145,727)	-17.93%	6,396,324	\$ 1,150,928	21.94%
	<u>206,106,407</u>	<u>203,814,323</u>	<u>(2,292,084)</u>	<u>-1.11%</u>	<u>210,515,698</u>	<u>6,701,375</u>	<u>3.29%</u>
Expenses:							
Provider network service costs	154,081,533	153,145,209	\$ (936,324)	-0.61%	155,623,847	2,478,638	1.62%
Direct run services	20,902,727	19,066,842	\$ (1,835,885)	-8.78%	20,883,238	1,816,396	9.53%
Grants	12,241,022	9,074,344	\$ (3,166,678)	-25.87%	11,402,001	2,327,657	25.65%
Earned contracts	1,843,612	1,779,604	\$ (64,008)	-3.47%	2,474,123	694,519	39.03%
Board administration and access center	17,037,514	19,324,982	\$ 2,287,468	13.43%	20,132,490	807,508	4.18%
Total expenses	<u>206,106,407</u>	<u>202,390,981</u>	<u>(3,715,427)</u>	<u>-1.80%</u>	<u>210,515,698</u>	<u>8,124,718</u>	<u>4.01%</u>
Lapse to LRE		<u>(1,423,343)</u>					
Increase (decrease) in net position		<u>(0)</u>			<u>-</u>		

For internal use only. These financial statements have not been audited, and no assurance is provided.

Network180 Board Minutes
Location: Hybrid Virtual/Eaglecrest Office
July 11, 2022

Network180 Board Present:	Jon Campbell, Shellie Cole-Mickens, Caroline Dellenbusch, Tom Dooley, Melissa LaGrand, Larry Oberst, Stan Stek
Network180 Board Absent:	Emily Helder, John Matias, Donna Moore-Brown
Network180 Non-voting Board Members Present:	Brandyn Heugel
Network180 Non-voting Board Members Absent:	Samuel Jones, Amanda Rostic
Network180 Staff Present:	Annette Tuitel, Amy Rottman, Edward Wilson, Jill Thompson, Joan Brown, Kristin Spykerman, Kristin Kopec, Mark Madrilejo, Regina Salmi, Ross Buitendorp, Stacey O'Toole, Stephanie McMillen, Bill Ward, Michelle Goraj, Beverly Ryskamp, Mille Russel-Emerly
Others Present:	Attendees were not identified as meeting was held virtually and no sign in was required.

I. CALL TO ORDER

Mr. Oberst called the meeting to order at 4:45 PM.

II. ROLL CALL was taken, and a quorum was reached.

III. PUBLIC COMMENT

None

IV. APPROVAL OF THE AGENDA

Moved: Oberst Supported: Dellenbusch
Motion carried.

V. CONSENT AGENDA

a. **Approval of Prior Minutes**

- i. Board Meeting – June 6, 2022
- ii. Finance & Human Resources Committee – June 6, 2022

b. Approval of Disbursements

- i. May 2022 disbursements of \$19,654,577.27.

Moved: Oberst Supported: Dellenbusch

Motion carried.

VI. MOTIONS

- a. The Nominating Committee recommends that the Network180 Board approved the following slate of Board Officers: Larry Oberst, Chair; John Matias, Vice Chair; Emily Helder, Treasurer; Donna Moore-Brown, Secretary.

Moved: Dooley

Supported: Dellenbusch

Motion carried.

- b. Network180 Board appoints Stan Stek to serve as the delegate to the LRE Executive Committee.

Moved: LaGrand

Supported: Dellenbusch

Motion carried.

VII. CHAIRPERSON'S REPORT

None

VIII. FINANCE AND HUMAN RESOURCES COMMITTEE REPORT

- a. The Finance and Human Resources Committee recommends approval of the May 2022 Financial Statements and Bucket Report.

Moved: LaGrand

Supported: Dellenbusch

Motion carried.

- b. Management requests Board approval for the Executive Director to enter into agreement with Trinity Health-Saint Mary and Hegira Health, Inc. and to amend the contract with Family Outreach Center for Jail Mental Health Services for contracts over \$50,000.

Moved: Dooley

Supported: Campbell

Motion carried.

IX. EXECUTIVE DIRECTOR'S REPORT

Mr. Ward reviewed his report and was available for questions.

X. PUBLIC COMMENT

None

XI. BOARD COMMENT

Caroline Dellenbusch – Expressed gratitude for Stan's service as chair.

Stan Stek – It was a great honor to serve as chair.

Tom Dooley – Congratulated and thanked Stan.

Shellie Cole-Mickens – Appreciates Stan's leadership and has learned a lot.

XII. ADJOURNMENT

Mr. Oberst adjourned the meeting at 5:36 PM.

Executive Director – BOARD REPORT

William J. Ward, August 2022

COVID-19

As of July 29th, the seven-day average for Kent County is up to 148 cases per day that is a increase of 42 cases per seven-day average from last month. Network180 is in the process evaluating Network180's current protocols and most likely be initiating some additional mitigation strategies for the fall.

Lakeshore Regional Entity (LRE)

In May of 2022, the LRE has asked each of the five Community Mental Health Service Programs (Allegan, Kent, Muskegon, Ottawa, and West Michigan) to consider Bylaw changes and a new Operating Agreement for the LRE. On June 27th the Board of Directors met with the LRE CEO and the LRE Counsel along with Network180's Counsel to consider the recommended changes to the LRE Bylaws and Operating Agreement. After that meeting it was determined that Network180's counsel was mostly correct that the 2016 Bylaws prevail and are the controlling documents. It was therefore recommended that each CMH appoint a member to the 2016 Bylaw defined Executive Committee. According to the 2016 Bylaws of the LRE the "reserved powers" to change the Bylaws rests with the Executive Committee and not the full LRE board nor the CMH Board of Directors. Network180 made its appointment at its July Board Study Session. LRE has stated that the Executive Committee vote will occur in August.

Michigan Legislature and Fiscal Year 2023 Budget

The Governor signed the FY2023 budget on July 20, 2022. Simultaneously, the LRE was presented with a preliminary rate letter from the MDHHS. The preliminary rate letter was extremely concerning due to the fact it was foreshadowing a 5% decrease in the LRE allocation. Even more concerning was the fact that the letter was also projecting an increase in Medicaid enrollment at a 6% rate. In an environment with 9% inflation and the reality that no person has been removed from Medicaid for the past two years due to the pandemic and the emergency orders, which eventually will end is most alarming. The reality is persons will begin to be removed from Medicaid in either 2022 or 2023. This drop in enrollment will result in less funding, coupled with the 5% decrease will result in a significant loss of funding for the LRE as well as Network180. Network180 has just recently emerged from years of underfunding only to see itself right back where it was in 2019. LRE has sought a meeting with MDHHS to better understand why rates have had such a dramatic shift. In a more positive news from the budget Network180 has recently been awarded \$5 million dollars to construct a Crisis Stabilization Unit in downtown Grand Rapids see attached press release.

FOR IMMEDIATE RELEASE: July 27, 2022

\$5 Million for Behavioral Health Crisis Center in Kent County Included in State Budget Signed by Governor Whitmer

GRAND RAPIDS, Mich. (July 26, 2022) - On July 20, 2022, Governor Whitmer signed the Fiscal Year 2023 state budget into law, including \$5 million for the construction of a new Behavioral Health Crisis Center (BHCC) in Kent County.

The BHCC is a private-public partnership between Network180 and Trinity Health Saint Mary's, Grand Rapids and will be located downtown on the Trinity Health Grand Rapids campus. The heart of the new BHCC will be a Crisis Stabilization Unit, which will allow for rapidly accessible intensive treatment that can stabilize most behavioral health crises within 24 hours. The goal is to open the BHCC in 2023.

For several years, there has been a broad community effort to create a Mental Health Crisis Center. In late 2017, Network180 created a Crisis Center Task Force to assess the community's need around crisis mental health services and to seek broad feedback on a crisis center concept. Leaders of Hope Network, Forest View Hospital, Kent County, Kent County Health Department, Mary Free Bed Rehabilitation Hospital, Network180, Pine Rest Christian Mental Health Services, Spectrum Health, Trinity Health Grand Rapids, University of Michigan Health – West, and many other organizations built upon the task force's findings to develop a comprehensive behavioral health crisis continuum and identify the financial costs and financial sustainability for the services.

"There has been a lot of hard work by individuals at the local, county, and state levels to bring expanded crisis services to West Michigan," said Network180 and Kent County Board of Commissioners Chair Stan Stek. "The funding included in the state budget will bring positive change for those experiencing mental health or substance use crises in our communities."

The ability to move forward with the Behavioral Health Crisis Center will provide residents a continuum of care that offers the "no wrong door" approach to behavioral healthcare services. Historically, individuals in behavioral health crises in Kent County have not been able to access care promptly and consistently in appropriate treatment settings. As a result, they often end up in an emergency department or correctional facility, leading to heightened anxiety, poor outcomes, and high costs.

The BHCC will dramatically reduce the delay in care that people in crisis currently experience by offering a safe and secure setting where behavioral intervention and medical assessment can occur at the same time.

“We are pleased to be opening a new facility dedicated to serving the behavioral health needs of our most vulnerable population,” said Trinity Health Grand Rapids President Matt Biersack MD. “This is a great step for our community as we start to develop a facility that will greatly improve access to much-needed behavioral health services in West Michigan.”

With \$5 million for the BHCC, along with the strides made in services over the past few years with the Certified Behavioral Healthcare Clinic grant from Substance Abuse and Mental Health Services Administration, expansion of Mobile Crisis Response to serve adults & youth, collaboration with the City of Grand Rapids on the Homeless Outreach Team and Co-Response with the Grand Rapids Police Department and the Kent County Sheriff’s Office, and recent implementation of the 988 Lifeline number, West Michigan residents will have access to an expanded and accessible continuum of crisis care to meet their behavioral health needs.

“We’re thankful our state legislators and Gov. Whitmer recognized the need for expanded behavioral health services in Michigan,” said Network180’s Executive Director Bill Ward. “This \$5 million will go directly into providing people the help they need, rather than leaving them caught between gaps in service.”

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About Network180:

Network180, Kent County's Community Mental Health Authority, connects adults, youth, and families to an array of services, resources, and support for those experiencing mental illness, substance use issues, or an intellectual or developmental disability. Our Access Center is available 24-hours/day, 365-days/year at **(616) 336-3909**. Whether an individual seeks a long-term care solution or is experiencing an immediate crisis, our clinicians are available to help. In addition to direct services, Network180 partners with local agencies for additional community-based resources to provide a full continuum of care to individuals throughout Kent County. Visit us at <https://Network180.org>.

About Trinity Health Grand Rapids

Trinity Health Grand Rapids is a regional, multi-campus, Catholic health care system serving West Michigan and the lakeshore with 3 hospital campuses, 736 hospital beds, and more than 8,000 colleagues, as well as hospice, home health and long-term care service offerings. Trinity Health Grand Rapids has annual operating revenues of about \$1.4 billion and returns about \$80 million to its communities annually through charity care and community benefit programs. Mercy Health Physician Partners, a multi-specialty medical group, employs more than 960 physicians and advanced practice professionals in more than 80 physician offices in Grand Rapids, Muskegon, Holland and along the West Michigan lakeshore. Trinity Health Grand Rapids, a member of Trinity Health, is committed to being a trusted health partner for life, transforming the communities we serve, by providing high-quality care that is the most accessible, compassionate and personalized in West Michigan. Visit us at <https://MercyHealth.com>