

NETWORK180 BOARD AGENDA

Monday, August 7, 2023 - 4:45 PM

Location: Hybrid – Virtual/Kent County Health Department

The Network180 Board, to protect the public health, will conduct its meeting via electronic communications in combination with a limited amount of people at the Kent County Health Department. 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: 126 672 483#**

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

- | | | |
|-------------|---|-----------------|
| I. | CALL TO ORDER | Chairman Oberst |
| II. | WELCOME NEW BOARD MEMBER | Chairman Oberst |
| | A. Jarred Sper | |
| III. | ROLL CALL | Chairman Oberst |
| IV. | PUBLIC COMMENT (Limited to agenda items) | Chairman Oberst |
| V. | APPROVAL OF AGENDA | Chairman Oberst |
| VI. | 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 Meeting Minutes | |
| | i. July 10, 2023 Board Meeting Minutes | |
| | ii. July 17, 2023 Executive Committee Meeting Minutes | |
| | B. Approve Disbursements | |
| | i. June 2023 Disbursements | |
| VII. | PRESENTATIONS | |
| | A. FY2024 Budget Process Overview | Amy Rottman |
| VIII. | MOTIONS | Chairman Oberst |
| | A. None | |

IX. FINANCE & HUMAN RESOURCE COMMITTEE ITEMS

Chairman Oberst

B. FY Grant & Admin Contracts over \$50,000

C. N180 June 2023 Financial Statements and Bucket Report

X. CHAIRPERSON'S REPORT

Chairman Oberst

XI. EXECUTIVE DIRECTOR'S REPORT

William Ward

XII. PUBLIC COMMENTS

XIII. BOARD COMMENTS

XIV. ADJOURNMENT

Next meeting dates:

- August 14, 2023 – 4:00 PM – Executive Committee Meeting @ Virtual Only
- August 21, 2023 – 4:45 PM – Program Committee & Board Work Session @ Kent County Health Department.

NETWORK180 BOARD
FINANCE & HUMAN RESOURCES COMMITTEE AGENDA

Monday, August 7, 2023 - 4:00 PM

Location: Hybrid – Virtual/Kent County Health Department

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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 10, 2023 Finance Committee Meeting Minutes
 - B. Contracts over \$50,000
 - C. June 2023 Disbursements
 - D. N180 June 2023 Financial Statements and Bucket Report
- V. INFORMATION ITEMS**
 - A. LRE May 2023 Combined Monthly FSR Summary Report
 - B. FY2024 Budget Process Overview
- VI. HR UPDATE**
 - A. None
- 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**

JUNE 26, 2023

LOCATION: HYBRID – VIRTUAL & IN PERSON @ KCHD

MEMBERS PRESENT: Melissa LaGrand, Larry Oberst, Stan Stek

**OTHER BOARD MEMBERS
PRESENT:** Joe Stone, Tony Baker, Brandyn Heugel

**MEMBERS ABSENT:
NETWORK180 STAFF:** Amanda Higgins, Annette Tuitel, Beverly Ryskamp, Ed Wilson, Jill Thompson, Kristin Spykerman, Ross Buitendorp, Saicia Jones, Stacey O’Toole, Stephanie McMillen, Susan Webber

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

I. CALL TO ORDER

Committee Chair LaGrand called the meeting to order at 4:02 PM.

II. PUBLIC COMMENT

None

III. APPROVAL OF THE AGENDA

Moved: Stek

Supported: Oberst

Motion carried.

IV. MOTION ITEMS

A. The Finance and Human Resources Committee approves the June 26, 2023 Finance Committee meeting minutes.

Moved: Oberst

Supported: Stek

Motion carried

B. The Finance and Human Resources Committee approves the Executive Director to enter into contracts over \$50,000.

Moved: Oberst

Supported: Stone

Motion Carried.

C. The Finance and Human Resources Committee approves the May 2023 disbursements of \$17,428,781.00.

Moved: Oberst

Supported: Stone

Motion carried.

D. The Finance and Human Resources Committee approves the N180 May 2023 Financial Statements and Bucket Report.

Moved: Oberst

Supported: Stone

Motion carried

V. INFORMATIONAL ITEMS

A. LRE April 2023 FSR Summary/Bucket Report – Ms. Rottman reviewed the document and was available for questions.

VI. HR UPDATE

An Interim Human Resources Director has been selected and will start this week. This individual will assist in finding a permanent director for this position.

VII. PUBLIC COMMENT

None

VIII. ADJOURNMENT - Chairman LaGrand adjourned the meeting at 4:42 PM.

WW/sm

Network180

FINANCE COMMITTEE MOTION REQUEST

SUBJECT: FY23 Grant & Admin Contracts over \$50,000

MEETING DATE:

August 7, 2023

PREPARED BY:

Amy Rottman, Chief Financial Officer

RECOMMENDED MOTION:

Management requests Board approval for the Executive Director to enter the following contracts for FY23:

Provider & Description	Grant/ Budget	Original Approved Amount	Change	Requested Funding
<u>Locum Tenens</u> -ACT Psychiatrist Contract	Direct Services Budget	\$ -	\$95,592	\$95,592
<u>Rehmann</u> -CFO Services (6/1/23-5/31/24)	Board Administration and Access Center Budget	\$389,760	\$13,440	\$403,200

STAFF: Amy Rottman, Chief Financial Officer

DATE: 8/7/2023

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FINANCE & HUMAN RESOURCES COMMITTEE ACTION REQUEST

SUBJECT:
MEETING DATE:
PREPARED BY:

June 2023 Disbursements

August 7, 2023

Jill Thompson, Finance Director

RECOMMENDED MOTION:

The Finance Committee recommends that the Network180 Board approve the June 2023 disbursements of \$20,845,994.

Vendor Name	Vendor Category	Total
Salaries & Wages	Salaries & Fringes	\$ 2,174,923
PINE REST CHRISTIAN MH SERVICE	Service Provider	2,017,018
CHERRY STREET SERVICES INC	Service Provider	1,365,469
MOKA CORPORATION	Service Provider	1,033,791
HOPE NETWORK WEST MICHIGAN	Service Provider	1,028,756
THRESHOLDS	Service Provider	870,953
SPECTRUM COMMUNITY SERVICES	Service Provider	839,709
CENTRIA HEALTHCARE LLC	Service Provider	739,785
HOPE NETWORK BEHAVIORAL	Service Provider	733,455
ARBOR CIRCLE CORPORATION	Service Provider	705,209
BHT&D-GUSCO MONEY MGMNT LLC	Service Provider	609,055
FOREST VIEW PSYCHIATRIC HOSPITAL, INC	Service Provider	501,609
FLATROCK MANOR, INC.	Service Provider	480,064
ACORN HEALTH OF MICHIGAN, LLC	Service Provider	442,304
WESTERN MI HEALTH INSURANCE POOL	Salaries & Fringes	404,780
POSITIVE BEHAVIOR SUPPORTS CORPORATION	Service Provider	401,039
REAL LIFE LIVING SERVICES	Service Provider	385,160
FAMILY OUTREACH CENTER	Service Provider	314,585
SAINT MARY'S MERCY MEDICAL CTR	Service Provider	281,086
CRC RECOVERY, INC	Service Provider	272,150
DEVELOPMENTAL ENHANCEMENT PLC	Service Provider	251,061
BEACON SPECIALIZED LIVING SERVICES	Service Provider	232,273
WEDGWOOD CHRISTIAN SERVICES	Service Provider	185,657
TURNING LEAF RESIDENTIAL	Service Provider	176,946
GUARDIANTRAC, LLC	Service Provider	174,260
HAVENWYCK HOSPITAL	Service Provider	170,534
DAVID'S HOUSE MINISTRIES	Service Provider	141,995
DIGNIFIED CARE LLC	Service Provider	129,341
D A BLODGETT FOR CHILDREN	Service Provider	118,759
MUNICIPAL EMPLOYEES RETIREMENT	Salaries & Fringes	113,700
OUR HOPE ASSOCIATION	Service Provider	107,653
STATE OF MICHIGAN-DEPT OF HEALTH & HUMAN SERVICES	State Inpatient	105,482
REACH FOR RECOVERY	Service Provider	96,393
TAYLOR, THURMAN J	Service Provider	95,394
BENJAMIN'S HOPE	Service Provider	85,219
MI DEPT OF HUMAN SERVICES	Accounting	72,152
ARTHUR, MARLENE	Service Provider	68,403
BRIGHTSIDE LIVING LLC	Service Provider	64,583
TURNING POINT PROGRAMS	Service Provider	64,170
FULL CIRCLE CARE	Service Provider	63,887
KALAMAZOO PROBATION ENHANCEMENT PROGRAM	Service Provider	63,089
LOCUMTENENS HOLDINGS, LLC	Psychiatric Services	61,456
LA BENEDICTION CO LLC	Service Provider	59,058
ENRICHED LIVING	Service Provider	59,006
REHMANN TECHNOLOGY SOLUTIONS LLC	IT	58,796
SPARKS BEHAVIORAL SERVICES LLC	Service Provider	55,713

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ARTHUR J GALLAGHER RISK	Insurance	51,806
NEW HOPE GROUP LLC	Service Provider	51,478
PHC OF MICHIGAN	Service Provider	50,000
SAKSHAUG GROUP HOME LLC	Service Provider	49,306
BALLA, SABRI	Service Provider	48,882
MERAKEY MIDWEST	Service Provider	48,207
INDIAN TRAILS CAMP INC	Service Provider	48,137
Flex/HSA	Flex/HSA	47,677
BETHANY CHRISTIAN SERVICES	Service Provider	45,104
CMH AUTHORITY OF CLINTON EATON INGHAM COUNTI	FEP Grant	42,942
BERGMARK CONSULTING, LLC	Service Provider	41,500
EASTER SEALS MICHIGAN INC	Service Provider	41,492
BCA OF DETROIT LLC	Service Provider	39,077
PETER CHANG ENTERPRISES, INC	IT	37,649
AMWAY HOTEL CORPORATION	Training	37,402
BLUEWATER TECHNOLOGIES GROUP INC	IT	37,347
UNLIMITED ALTERNATIVES	UA Grant	36,517
MERCY HEALTH PARTNERS	Service Provider	35,208
ZAWADI USA LLC	Service Provider	34,427
PLANTE & MORAN CRESA, LLC	General Admin	34,178
B & V MECHANICAL INC	Facilities	32,785
RODRIGUEZ, SHERRY	Service Provider	32,570
WALLOON LAKE RECOVERY LODGE, LLC	Service Provider	31,620
PROFESSIONAL REHABILITATION SERVICES, INC	Service Provider	31,556
VISA CREDIT CARD	N180 Credit Card	30,957
SAKSHAUG, WARREN E	Service Provider	30,230
JACQUELYN FAYLESE WILLIAMS	Service Provider	30,077
RELIANCE COMM CARE PARTNERS	Service Provider	28,424
COMMUNITY LIVING SERVICES, INC	Service Provider	28,397
COVENANT ENABLING RESIDENCES	Service Provider	27,813
COMPREHENSIVE PROF SERV INC	Service Provider	27,086
DUHADWAY KENDALL & ASSOCIATES, INC.	Facilities	26,550
HANSMA, STEPHANIE	Service Provider	26,456
MICHAEL D WAGNER	Service Provider	25,597
KALAMAZOO COUNTY CMH AUTHORITY	Service Provider	24,720
CARIN HANDS 2 LLC	Service Provider	24,392
STRONG365 LAB LLC	FEP Grant	24,000
DELTA DENTAL PLAN OF MICH	Salaries & Fringes	23,862
BOSHNIJAKU, NAILE	Service Provider	23,283
MICHAEL CHAFFEE	Service Provider	23,212
ETCH	FEP Grant	22,956
GOODWILL INDUSTRIES OF GREATER GRAND RAPIDS	Service Provider	22,455
MEL TROTTER MINISTRIES	Service Provider	22,364
CMH AUTHORITY OF CLINTON EATON INGHAM COUNT	Service Provider	21,960
MADISON NATIONAL LIFE INSURANCE COMPANY, INC	Salaries & Fringes	20,962
CLUTCH SOLUTIONS LLC	IT	20,629
REHMANN LLC	Accounting	20,595
HARBOR HOUSE MINISTRIES	Service Provider	20,173
PURDY, LAURA L	Service Provider	18,343
RHOADES MCKEE PC	General Admin	18,336
VISEL AFC INC	Service Provider	18,188
KLECK, CONNALEE	Service Provider	17,247
IRIS TELEHEALTH MEDICAL GROUP, PA	Psychiatric Services	16,692
FALCO CORPORATION	Service Provider	16,276
1140 MONROE LLC	Facilities	16,151
DEMING, AMANDA	Service Provider	15,398
IKAZE HOME	Service Provider	14,831
APPLIED BEHAVIORAL SCIENCE INSTITUTION LLC	Service Provider	14,285
CEDAR SANDS	Service Provider	14,037

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MENGISTU, TENAGNE	Service Provider	13,809
ZYLEMA, ANDREA	Service Provider	13,031
JASON MURIITHI	Service Provider	12,977
UAW LOCAL 2600	Salaries & Fringes	12,971
SWANBERG AFC INC	Service Provider	12,752
LIAISON LINGUISTICS, LLC	Translation	12,595
HOPE NETWORK SE	Service Provider	12,574
HERITAGE HOMES, INC	Service Provider	11,983
HOLTON MANAGEMENT LLC	Service Provider	11,778
GUARDADO, MARTHA	Service Provider	11,664
RECOVERY ROAD LLC	Service Provider	11,068
AUTOMATIC DATA PROCESSING INC	HR	11,045
IDA MAE'S GROUP HOMES LLC	Service Provider	10,862
PRO CARE UNLIMITED, INC	Service Provider	10,722
CYRACOM LLC	Translation	10,344
ANDREE, DEBRA L	Service Provider	10,312
REA LLC	Data Analysis	10,250
311 vendor payments below \$10,000 each		405,570
TOTAL DISBURSEMENTS		\$ 20,845,994

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

STAFF: Jill Thompson, Finance Director

DATE: August 7, 2023

Network180 Finance Committee

FINANCE & HUMAN RESOURCES COMMITTEE

SUBJECT: June 30, 2023 Financial Statements
MEETING DATE: August 7, 2023
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 2023 are explained as follows:

REVENUE

- The receivable recovery of \$14,565,065 is a result of the LRE Board motion to settle FY18 – FY21 balances with the CMHs. Network180 reversed the FY22 year-end allowance for doubtful accounts set up for the FY18/FY19 LRE receivable balance. The LRE issued payment for 80% of this balance in June 2023.
- Grant revenue is under budget by \$1,948,791, or 16% due to the following:

Grant	Annual Budget	Budget YTD	Actual YTD	Variance
FEP - ARP	(1,143,843)	(857,882)	(424,366)	(433,516)
FEP COVID Supplemental	(400,000)	(300,000)	(152,583)	(147,417)
First episode psychosis	(2,076,326)	(1,557,245)	(1,340,573)	(216,672)
Subtotal FEP Grants	(3,620,169)	(2,715,127)	(1,917,521)	(797,606)
COVID-19 Supplemental Block Gr	(1,182,140)	(886,605)	(480,654)	(405,951)
SUDBG - Treatment	(2,285,720)	(1,714,290)	(1,262,709)	(451,581)
SUDBG - State Disability Asst	(267,070)	(200,303)	(97,627)	(102,676)
SUDBG - Womens Specialty Svcs	(173,253)	(129,940)	(108,847)	(21,093)
Subtotal SUD Block Grant	(2,726,043)	(2,044,533)	(1,469,183)	(575,350)

- Local revenue is over budget by \$1,883,771, or 30% due to the following:

Program	Annual Budget	Budget YTD	Actual YTD	Variance
Performance Based Incentive Plan	-	-	(1,446,953)	1,446,953
Insurance Proceeds	-	-	(237,745)	237,745
Training	(101,700)	(76,275)	(205,862)	129,587

EXPENDITURES

- Grant expenditures are under budget by \$1,647,691, or 14%. See details above.
- Earned Contract expenditures are under budget by \$227,314, or 9% due to the following:

Program	Annual Budget	Budget YTD	Actual YTD	Variance
Jail Mental Health Services	993,367	745,026	587,417	157,609

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Statement of Net Position

June 30, 2023

	FY 2023	FY 2022
Assets:		
Cash and investments	\$ 25,602,584	\$ 23,574,743
Due from Lakeshore Regional Partners	7,909,743	6,915,547
All other assets	8,302,072	8,606,958
Total assets	41,814,399	39,097,248
Deferred outflows of resources:		
Pension related items	694,485	1,252,655
OPEB related items	186,572	-
Total deferred outflows of resources	881,057	1,252,655
Total assets and deferred outflows of resources	\$ 42,695,456	\$ 40,349,903
Liabilities:		
Due to Lakeshore Regional Entity	\$ 1,377,588	\$ 866,766
All other liabilities	31,701,945	31,489,758
Total liabilities	33,079,533	32,356,524
Deferred inflows of resources:		
Pension related items	3,343,551	1,335,298
OPEB related items	205,668	474,520
Total deferred inflows of resources	3,549,219	1,809,818
Net position:		
Investment in capital assets	5,336,317	4,765,334
Unrestricted	730,387	1,418,227
Total net position	6,066,704	6,183,561
Total liabilities and net position	\$ 42,695,456	\$ 40,349,903

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

Network 180

Statement of Revenue, Expenses, and Changes in Fund Net Position

For the 9 Months Ended June 30, 2023

	FY2023			
	Annual Budget	YTD Budget	YTD Actual	YTD Surplus (Deficit)
Revenues:				
Medicaid	\$ 133,605,725	\$ 100,204,294	\$ 108,126,092	\$ 7,921,798
Healthy Michigan	26,053,723	19,540,292	19,133,828	(406,464)
General fund	7,642,377	5,731,783	6,065,870	334,087
Autism benefit	25,564,866	19,173,649	18,533,251	(640,398)
Grants	12,009,179	9,006,884	7,058,093	(1,948,791)
Local	6,357,115	4,767,836	6,651,607	1,883,771
Receivable Recovery	-	-	14,565,065	14,565,065
	<u>211,232,985</u>	<u>158,424,738</u>	<u>180,133,806</u>	<u>21,709,068</u>
Expenses:				
Provider network service costs	155,623,847	116,717,885	122,388,770	5,670,885
Direct run services	21,085,353	15,814,014	15,641,182	(172,832)
Grants	11,709,488	8,782,116	7,134,425	(1,647,691)
Earned contracts	2,457,807	1,843,356	1,616,042	(227,314)
Board administration and access center	20,356,491	15,267,368	14,889,558	(377,810)
Total expenses	<u>211,232,985</u>	<u>158,424,739</u>	<u>161,669,977</u>	<u>3,245,238</u>
Increase (decrease) in net position	<u>(0)</u>	<u>(1)</u>	<u>18,463,829</u>	<u>18,463,830</u>
Total net position (beginning of year)	<u>(12,397,125)</u>	<u>(12,397,125)</u>	<u>(12,397,125)</u>	<u>(12,397,125)</u>
Total net position (end of period)	<u>\$ (12,397,125)</u>	<u>\$ (12,397,126)</u>	<u>\$ 6,066,704</u>	<u>\$ 6,066,705</u>

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Network 180

Statement of Revenue, Expenses, and Changes in Fund Net Position

For the 9 Months Ended June 30, 2023

	YTD FY 2023 Actual	YTD FY 2022 Actual	Difference
Revenues:			
Medicaid	\$ 108,126,092	99,794,636	\$ 8,331,456
Healthy Michigan	19,133,828	15,665,288	3,468,540
General fund	6,065,870	5,362,223	703,647
Autism benefit	18,533,251	15,747,999	2,785,252
Grants	7,058,093	6,224,149	833,944
Local	6,651,607	3,831,917	2,819,690
Receivable Recovery	14,565,065	-	14,565,065
	<u>180,133,806</u>	<u>146,626,212</u>	<u>33,507,594</u>
Expenses:			
Service provision	138,029,952	124,425,133	13,604,819
Grants	7,134,425	6,130,120	1,004,305
Earned contracts	1,616,042	1,322,069	293,973
Board administration and access center	14,889,558	13,660,182	1,229,376
Total expenses	<u>161,669,977</u>	<u>145,537,504</u>	<u>16,132,473</u>
Increase (decrease) in net position	<u>18,463,829</u>	<u>1,088,708</u>	<u>17,375,121</u>
Total net position (beginning of year)	<u>(12,397,125)</u>	<u>5,094,853</u>	<u>17,491,978</u>
Total net position (end of period)	<u>\$ 6,066,704</u>	<u>\$ 6,183,561</u>	<u>\$ (116,857)</u>

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Network180
FY2023 Summary Bucket Report for the Board
as of June 30, 2023

	<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	95,632,719	3,484,697	14,760,726	7,693,329	17,064,956	510,988	1,556,402	6,578,870	6,138,607	4,489,385	2,568,708	160,479,387
Expense	103,438,770	3,293,788	14,815,162	4,318,666	18,533,251	679,414	714,122	4,113,835	3,582,520	5,611,742	2,568,708	161,669,977
Difference	(7,806,051)	190,909	(54,436)	3,374,663	(1,468,295)	(168,426)	842,280	2,465,035	2,556,087	(1,122,357)	-	(1,190,590)
Due from/(to) LRE	7,806,051	(190,909)	54,436	(3,374,663)	1,468,295	168,426	(842,280)	-	-	-	-	5,089,355
Variance	-	-	-	-	-	-	-	2,465,035	2,556,087	(1,122,357)	-	3,898,765
Redirects	-	-	-	-	-	-	-	(1,010,121)	(112,236)	1,122,357	-	-
Total Variance	-	-	-	-	-	-	-	1,454,914	2,443,851	-	-	3,898,765

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 as of 6/30/23	132,500,379	5,040,635	19,869,119	9,881,316	21,938,741	689,992	2,009,876	7,976,465	6,585,957	5,985,847	4,205,002	216,683,329
Expense Projections	138,010,385	4,576,996	19,499,460	5,664,271	24,070,779	928,164	968,252	6,235,650	4,776,693	7,482,323	4,205,002	216,417,975
Difference	(5,510,007)	463,639	369,659	4,217,045	(2,132,038)	(238,172)	1,041,624	1,740,815	1,809,263	(1,496,475)	-	265,354
Due from (to) LRE	5,510,007	(463,639)	(369,659)	(4,217,045)	2,132,038	238,172	(1,041,624)	-	-	-	-	1,788,250

Lakeshore Regional Entity Combined Monthly FSR Summary
 FY 2023
 May 2023 Reporting Month
 Reporting Date: 07/19/2023

ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Distributed Medicaid/HMP Revenue							
Medicaid	30,655,754	89,737,366	16,872,585	25,226,746	9,837,980	2,972,218	175,302,649
Autism	6,215,394	15,160,594	2,693,174	4,388,500	1,769,973	385,140	30,612,775
Healthy Michigan	5,974,696	19,922,743	2,955,601	5,488,204	3,405	484,617	34,829,266
Total Distributed Medicaid/HMP Revenue	42,845,844	124,820,703	22,521,360	35,103,450	11,611,358	3,841,975	240,744,690
Capitated Expense							
Medicaid	29,883,742	95,210,403	17,152,553	22,990,037	9,782,775	2,972,218	177,991,727
Autism	1,518,307	16,064,365	1,387,442	3,182,344	526,593	385,140	23,064,191
Healthy Michigan	5,106,113	16,574,138	2,737,558	3,079,802	1,039,126	484,617	29,021,354
Total Capitated Expense	36,508,161	127,848,906	21,277,553	29,252,183	11,348,494	3,841,975	230,077,273
Actual Surplus (Deficit)	6,337,683	(3,028,203)	1,243,807	5,851,267	262,864	-	10,667,418
% Variance	14.79%	-2.43%	5.52%	16.67%	2.26%	0.00%	
Information regarding Actual (Threshold: Surplus of 5% and deficit of 1%)	Spending is in line with our initial spending plan and planned positive variance.	Deficit projected in previous months' reporting is now showing in actuals due to MAT reconsiderations that occurred in May. This resulted in higher YTD claims expenses.	Spending is in line with board approved budget and initial spending plan. Surplus is consistent with prior month, as expected.	April and May revenue payments were booked in May and the last 2 weeks of payroll and provider payables posted on 6/2.	Less than threshold for explanation		
PROJECTION:							
LRE Revenue Projections as of:							
May							
Medicaid	47,846,083	139,270,937	25,989,107	39,469,724	13,682,294	14,573,351	280,831,496
Autism	8,914,849	21,676,909	3,847,356	6,363,428	2,533,303	1,966,125	45,301,970
Healthy Michigan	8,470,272	28,666,331	4,253,035	8,069,973	1,558,639	2,312,486	53,330,736
Total Projected Medicaid/HMP Revenue	65,231,204	189,614,177	34,089,497	53,903,125	17,774,236	18,851,963	379,464,202
	(0)						
Expense Projections							
Medicaid	47,825,613	143,255,092	26,758,264	40,534,844	15,015,013	14,573,351	287,962,177
Autism	3,075,184	23,805,748	2,297,237	6,352,937	1,352,427	1,966,125	38,849,658
Healthy Michigan	7,785,618	24,459,396	3,925,366	5,712,953	1,497,756	2,312,486	45,693,575
Total Capitated Expense Projections	58,686,415	191,520,237	32,980,867	52,600,734	17,865,195	18,851,963	372,505,410
Projected Surplus (Deficit)	6,544,789	(1,906,060)	1,108,630	1,302,391	(90,959)	-	6,958,792
% Variance	10.03%	-1.01%	3.25%	2.42%	-0.51%	0.00%	
Information regarding Projections (Threshold: Surplus of 5% and deficit of 1%)	Spending is 2% higher than the surplus that we are aiming for. HealthWest's spending plan has a planned 5.8% positive variance built in for last minute items due to historical swings and expected revenue reductions. We anticipate expense will continue to go up and remain within our 5.8% goal.	See explanation on SUD rate increases and projected impact for the remainder of FY23.	OnPoint does a full projection update quarterly, this update has been completed based on known actual and authorization data through June 30, 2023.	Less than threshold for explanation	Less than threshold for explanation		
PROPOSED SPENDING PLAN:							
Submitted to the LRE as of:							
Medicaid/HMP Revenue							
Medicaid	50,592,580	138,477,148	26,226,787	37,997,693	13,748,030	14,637,966	281,680,204
Autism	8,877,222	21,807,343	3,848,342	6,663,994	2,533,303	1,962,200	45,692,404
Healthy Michigan	9,801,631	28,885,568	4,320,883	8,381,507	1,583,863	2,239,706	55,213,158
Total Budgeted Medicaid/HMP Revenue	69,271,433	189,170,059	34,396,012	53,043,194	17,865,195	18,839,873	382,585,766
Capitated Expense							
Medicaid	52,832,547	136,680,342	26,869,897	40,534,844	15,015,013	14,637,966	286,570,609
Autism	2,409,949	22,686,387	1,961,305	6,002,636	1,352,427	1,962,200	36,374,903
Healthy Michigan	8,177,941	27,916,973	3,063,222	5,878,693	1,497,756	2,239,706	48,774,291
Total Budgeted Capitated Expense	63,420,437	187,283,702	31,894,424	52,416,174	17,865,195	18,839,873	371,719,804
Budgeted Surplus (Deficit)	5,850,996	1,886,358	2,501,588	627,021	0	-	10,865,962
% Variance	8.45%	1.00%	7.27%	1.18%	0.00%	0.00%	
Information regarding Spending Plans (Threshold: Surplus of 5% and deficit of 1%)	Based on Board approved budget.	Less than threshold for explanation	Based on Board approved budget.	Less than threshold for explanation	Less than threshold for explanation		
Variance between Projected and Proposed Spending Plan	693,793	(3,792,417)	(1,392,958)	675,371	(90,959)	-	(3,907,171)
% Variance	1.00%	-2.00%	-4.05%	1.27%	-0.51%	0.00%	
Explanation of variances between Projected and Proposed Spending Plan (Threshold: Surplus of 5% and deficit of 1%)	Less than threshold for explanation	Spending Plan expenses match N180 FY23 Board Approved Budget on 9/19/22, plus increase for H0020 to \$19 per unit and 3% SUD Rate increase. Projection matches LRE revenue projection, which was finalized after the N180 Board approved budget	Budget was prepared at the beginning of the year before SUD rate changes were known. OnPoint has also added a number of positions based on increased utilization, and worked with contracted service providers to supplement staffing vacancies, resulting in current projections being higher than initial spending plan	Less than threshold for explanation	Less than threshold for explanation		

Lakeshore Regional Entity Combined Monthly FSR Summary
 FY 2023
 May 2023 Reporting Month
 Reporting Date: 07/19/2023

CCBHC ACTIVITY							
ACTUAL:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Distributed Medicaid/HMP CCBHC Revenue							
Medicaid CCBHC Base Capitation	7,963,984				4,352,832		12,316,817
Medicaid CCBHC Supplemental	2,824,408				1,235,235		4,059,642
Healthy Michigan CCBHC Base Capitation	1,872,483				1,590,399		3,462,882
Healthy Michigan CCBHC Supplemental	879,157				473,262		1,352,419
Total Distributed Medicaid/HMP CCBHC Revenue	13,540,031	-	-	-	7,651,728	-	21,191,760
Capitated CCBHC Expense							
Medicaid CCBHC	10,788,392				5,588,067		16,376,459
Healthy Michigan CCBHC	2,751,639				2,063,661		4,815,301
Total Capitated CCBHC Expense	13,540,031	-	-	-	7,651,728	-	21,191,760
Actual CCBHC Surplus (Deficit)	-	-	-	-	-	-	-
% Variance	0.00%				0.00%		
Information regarding CCBHC Actual (Threshold: Surplus of 5% and deficit of 1%)	Less than threshold for explanation				Less than threshold for explanation		
PROJECTION:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
LRE CCBHC Revenue Projections *							
Medicaid CCBHC Base Capitation	11,945,977				6,529,249		18,475,225
Medicaid CCBHC Supplemental	4,236,611				1,852,852		6,089,464
Healthy Michigan CCBHC Base Capitation	2,808,724				2,385,599		5,194,323
Healthy Michigan CCBHC Supplemental	1,318,735				709,893		2,028,628
Total Projected Medicaid/HMP CCBHC Revenue	20,310,047				11,477,593	-	31,787,640
Capitated CCBHC Expense Projections							
Medicaid CCBHC	16,182,588				8,382,101		24,564,689
Healthy Michigan CCBHC	4,127,459				3,095,492		7,222,951
Total Capitated CCBHC Expense Projections	20,310,047	-	-	-	11,477,593	-	31,787,640
Projected CCBHC Surplus (Deficit)	-	-	-	-	-	-	-
% Variance	0.00%				0.00%		
Information regarding CCBHC Projections (Threshold: Surplus of 5% and deficit of 1%)	Less than threshold for explanation				Less than threshold for explanation		
PROPOSED SPENDING PLAN:	HealthWest	Network180	OnPoint	Ottawa	West Michigan	LRE	Total
Submitted to the LRE as of:	12/8/2022	9/19/2022	10/18/2022	6/9/2023	6/9/2023		
Medicaid/HMP Revenue							
Medicaid CCBHC Base Capitation	9,239,326				6,463,513		15,702,839
Medicaid CCBHC Supplemental	4,126,582				1,978,533		6,105,115
Healthy Michigan CCBHC Base Capitation	1,747,430				2,360,375		4,107,805
Healthy Michigan CCBHC Supplemental	1,369,610				731,510		2,101,120
Total Budgeted Medicaid/HMP CCBHC Revenue	16,482,949				11,533,930	-	28,016,879
Capitated Expense							
Medicaid CCBHC	13,365,909				8,442,045		21,807,954
Healthy Michigan CCBHC	3,117,041				3,091,885		6,208,925
Total Budgeted Capitated CCBHC Expense	16,482,949				11,533,930	-	28,016,879
Budgeted Surplus (Deficit)	-				-	-	-
% Variance	0.00%				0.00%		
Information regarding CCBHC Spending Plans (Threshold: Surplus of 5% and deficit of 1%)	Less than threshold for explanation				Less than threshold for explanation		
Variance between CCBHC Projected and Proposed Spending Plan	-				-	-	-
% Variance	0.00%				0.00%		
Explanation of variances between CCBHC Projected and Proposed Spending Plan (Threshold: Surplus of 5% and deficit of 1%)	Less than threshold for explanation				Less than threshold for explanation		

*CCBHC Projected Revenue is based on the State's projections in the FY22 Rate Certification Letter.

**MINUTES OF THE
NETWORK180 BOARD MEETING**

JULY 10, 2023

LOCATION: HYBRID – VIRTUAL & IN PERSON @ KCHD

MEMBERS PRESENT: Tony Baker, Jon Campbell, Katie Deboer, Emily Helder, Melissa LaGrand, John Matias, Donna Moore-Brown, Larry Oberst, Stan Stek, Joe Stone

MEMBERS ABSENT: Shellie Cole-Mickens

NON-VOTING MEMBERS PRESENT: Brandyn Heugel

NON-VOTING MEMBERS ABSENT: None

NETWORK180 STAFF: Amanda Higgins, Annette Tuitel, Beverly Ryskamp, Ed Wilson, Jill Thompson, Kristin Spykerman, Kristin Kopec, Michelle Goraj, Millie Russell-Emery, Regina Salmi, Stacey O'Toole, Stephanie McMillen

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 4:47PM.

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

III. PUBLIC COMMENT

None

IV. APPROVAL OF THE AGENDA, AS AMENDED

Moved: LaGrand

Supported: Stone

Motion carried.

V. APPROVAL OF THE CONSENT AGENDA

A. Approval of Minutes

- i. June 26, 2023 Board Meeting Minutes

B. Approval of Disbursements

- i. May 2023 disbursements of \$17,428,781.00.

Moved: Helder

Supported: LaGrand

Motion carried.

VI. MOTIONS

- A. None

VII. CHAIRPERSON'S REPORT - Chairman Oberst gave his report and was available for questions.

VIII. FINANCE AND HUMAN RESOURCES COMMITTEE REPORT

- A. The Network180 Board approves the Executive Director to enter into contracts over \$50,000.

Moved: Stek

Supported: Campbell

Motion Carried.

- B. The Network180 Board approves the May 2023 Financial Statements and Bucket Report.

Moved: Matias

Supported: Stone

Motion carried.

IX. EXECUTIVE DIRECTOR'S REPORT – Mr. Ward reviewed the report and was available for questions.

X. PUBLIC COMMENT

None

XI. BOARD COMMENT

None

XII. ADJOURNMENT - Mr. Oberst adjourned the meeting at 5:22 PM.

NETWORK180 EXECUTIVE COMMITTEE MINUTES

**Monday, July 17, 2023
Virtual Meeting**

Committee Members Present: Emily Helder, Larry Oberst, Melissa LaGrand

Committee Members Absent: John Matias, Shellie Cole-Mickens

Other Board Members Present: Brandyn Heugel, Joe Stone, Jon Campbell

Others Present: Bill Ward, Amy Rottman, Stephanie McMillen

I. CALL TO ORDER

Larry Oberst called the meeting to order at 4:01 PM.

II. PUBLIC COMMENT

None

III. PROVIDER NETWORKS

Bill updated the Committee on the current needs/requests from the providers and Network180's current fiscal projections for the remainder of FY23 and into FY24.

IV. PUBLIC COMMENT

None

V. BOARD COMMENT

Executive Director Ward shared that Network180 is partnering with the City of Grand Rapids, Kent County, and MDHHS to address the increase in the unhoused population.

VI. ADJOURNMENT

Larry Oberst adjourned the meeting at 4:40 PM.

WW/sm



Executive Director – BOARD REPORT

William J. Ward, August 2023

Community Outreach

Network180 continues to undertake an effort to reengage with the community as well as statewide stakeholders. Network180 attended the Directors Forum in Lansing in July.

Directors Forum is the quarterly meeting in which all Community Mental Health and the Pre-Paid Health Plan Directors meet to discuss the pressing issues in the CMH system. It is also an opportunity for the directors to have an in-depth conversation with the Michigan Department of Health and Human Services (MDHHS) leadership. The Directors Forum devoted half of one day to discuss pressing issues with MDHHS, including issues ranging from the Certified Community Behavioral Health Clinic (CCBHC), to Crisis Stabilization Units (CSU), to the State of Michigan Budget. These conversations help to keep on going dialogue with MDHHS. Additionally, Network180 continues to meet with advocacy groups in July, specifically the National Alliance for Mental Illness of Michigan (NAMI).

Certified Community Behavioral Health Clinic (CCBHC)

In February of 2020, Network180 submitted an application to the Substance Abuse and Mental Health Services Administration (SAMHSA) to enter the Certified Community Behavioral Health Clinic (CCBHC) expansion grant. Network180's application to SAMSHA was successful in being awarded \$2 million dollars which covered activities for FY 2021 and 2022. SAMSHA extended Network180 for FY 2023 with an additional \$1 million dollar grant. This past May Network180 was notified that they were eligible to apply to join MDHHS statewide CCBHC demonstration program. This program has sustainable funding for the CCBHC program through FY2026 and will allow Network180 to fully open its doors to all persons in the community. The application for the CCBHC program was due on July 1st; and Network180 will be notified no later than September 1st if Network180 is accepted into the program.

Behavioral Health Crisis Center Update

This past May Network180 and Trinity Health Grand Rapids held the groundbreaking for the new Behavioral Health Crisis Center. It was attended by over 100 community stakeholders and there was a ceremonial "Wall Breaking." Simultaneously, Network180 was soliciting for construction bids for the new facility. The bids were received in early July and they were slightly under budget. Construction commenced in July with an anticipated completion date near the end of 2023 or early 2024.

State of Michigan Budget for FY 23-24

As reported last month the Governor and the Legislature agreed on a budget on June 28. Governor Whitmer signed the budget officially on July 31. Below are the details of the budget.

FY24 Final Budget

Specific Mental Health/Substance Abuse Services Line items

	<u>FY'22 (Final)</u>	<u>FY'23 (Final)</u>	<u>FY'24 (Final)</u>
-CMH Non-Medicaid services	\$125,578,200	\$125,578,200	\$125,578,200
-Medicaid Mental Health Services	\$3,124,618,700	\$3,044,743,000	\$3,160,958,400
-Medicaid Substance Abuse services	\$83,067,100	\$94,321,800	\$95,264,000
-State disability assistance program	\$2,018,800	\$2,018,800	\$2,018,800
-Community substance abuse (Prevention, education, and treatment programs)	\$79,705,200	\$79,705,200	\$79,599,700
-Health Homes Program	\$33,005,400	\$61,337,400	\$53,400,100
-Autism services	\$339,141,600	\$292,562,600	\$279,257,100
-Healthy MI Plan (Behavioral health)	\$603,614,300	\$570,067,600	\$590,860,800
-CCBHC	\$25,597,300	\$101,252,100	\$386,381,700
-Total Local Dollars	\$15,285,600	\$10,190,500	\$10,190,500

Other Highlights of the FY24 Final Budget:

Medicaid Actuarial Soundness – estimated 2.5% actuarial soundness adjustment for prepaid inpatient health plans (PIHPs)

Direct Care Wage Increase – Conference includes \$120.2 million Gross (\$42.7 million GF/GP) to support a \$0.85 per hour wage increase

Behavioral Health Recruiting and Retention – Conference includes \$2.5 million SFRF on a one-time basis for recruitment and retention programs for behavioral health professionals.

Behavioral Health Accelerated Degree Program – Conference includes \$5.0 million GF/GP on a one-time basis to provide grants to individuals who agree to enter into an accelerated social work degree program and to work for at least 2 years within the public behavioral health sector after completion of their degree.

Certified Community Behavioral Health Clinics – Conference includes \$279.7 million Gross (\$65.4 million GF/GP) to expand the current 13 CCBHC provider organizations/sites by 19 additional provider organizations/sites.

Local Match draw down – not included in the conference report

Court-Appointed Guardian Reimbursements – Conference eliminates \$5.0 million GF/GP allocated for court-appointed guardian reimbursements. Funding for a workgroup to determine funding method is included in FY 2022-23 supplement.

Behavioral Health – One-time funding – Conference includes \$79.8 million GF/GP for the following:

- ACCESS substance use disorder clinic (\$10.0 million)
- Multicultural integration funding (\$8.6 million)
- Corewell Health/Beaumont psychiatric outpatient clinic (\$8.0 million)
- Child and Family Services Ingham behavioral health campus (\$6.0 million)
- Families Against Narcotics (\$5.0 million)
- First responder mental health funding (\$5.0 million)
- Michigan Crisis and Access Line (MiCAL) (\$5.0 million)
- CEI CMH (4.0 million)
- Western Michigan University Autism Center (\$4.0 million)
- Biomarker testing Team Wellness (\$3.5 million)
- Sacred Heart Rehabilitation Center (\$3.5 million)
- Tecumseh Psychiatric Hospital (\$3.0 million)
- Jail Diversion Fund (\$2.5 million)
- Kalasho Education and Youth Services (KEYS) (\$2.5 million)
- Michigan Clinical Consultation and Care (MC3) (\$2.5 million)
- Altarum behavioral health integration software (\$2.0 million)
- Recovery Community Organization (\$1.8 million)
- Hype Athletics SUD (\$1.0 million)
- Developmental milestones toolkit (\$500,000)
- Michigan Osteopathic Association – Safe Opioid Use Task Force (\$500,000)
- Preserve Independence adult day center (\$500,000)
- Dutton Farms (\$250,000)
- Living and Learning Center (\$150,000)