

NETWORK180 BOARD AGENDA

Monday, July 11, 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 | Commissioner Stek |
| II. ROLL CALL | Commissioner Stek |
| III. PUBLIC COMMENT (Limited to agenda items) | Commissioner Stek |
| IV. APPROVAL OF AGENDA | Commissioner Stek |
| V. CONSENT AGENDA | Commissioner Stek |

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. June 6, 2022 Board Meeting Minutes
- B. Approve Disbursements
 - i. May 2022 Disbursements

VI. MOTIONS

- A. Consider the slate of Board Officers
- B. Appoint a delegate to the LRE Executive Committee

- | | |
|----------------------------------|-------------------|
| VII. CHAIRPERSON'S REPORT | Commissioner Stek |
|----------------------------------|-------------------|

VIII. FINANCE & HUMAN RESOURCE COMMITTEE ITEMS

Larry Oberst

- A. June 6, 2022 Finance & HR Committee Meeting Minutes
- B. N180 May 2022 Financial Statements and Bucket Report
- C. 2022 Administrative Contracts over \$50,000

IX. EXECUTIVE DIRECTOR'S REPORT

William Ward

X. PUBLIC COMMENTS

XI. BOARD COMMENTS

XII. ADJOURNMENT

Next meeting dates:

- August 1, 2022 – 4:00 PM – Finance Committee
- August 1, 2022 – 4:45 PM – Board Meeting
- August 8, 2022 – 4:00 PM – Executive Committee
- August 29, 2022 – 4:45 PM – Program Committee & 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, July 11, 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. June 6, 2022 Finance & HR Committee meeting minutes

B. N180 May 2022 Financial Statements and Bucket Report

C. May 2022 Disbursements

D. 2022 Administrative Contract(s) over \$50,000

V. INFORMATION ITEMS

A. LRE April 2022 Bucket Report

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**

June 6, 2022

LOCATION: Hybrid Virtual/Eaglecrest Office

MEMBERS PRESENT: Donna Moore-Brown, Larry Oberst, Melissa LaGrand

OTHER BOARD MEMBERS PRESENT: Jon Campbell (virtual), John Matias,

MEMBERS ABSENT: None

NETWORK180 STAFF: Amy Rottman, Edward Wilson, Jennifer Pullum, Jill Thompson, Joan Brown, Jon Campbell, Kristin Spykerman, Kristin Kopec, Annette Tuitel, Mark Madrilejo, Ross Buitendorp, Stacey O'Toole, Stephanie McMillen, Bill Ward, Susan Webber

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 4:04 PM.

II. PUBLIC COMMENT

None

III. APPROVAL OF THE AGENDA

Moved: LaGrand

Supported: Moore-Brown

Motion carried.

IV. MOTION ITEMS

- A. The Finance and Human Resources Committee recommends approval of the meeting minutes for May 2, 2022.

Moved: LaGrand

Supported: Moore-Brown

Motion carried.

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

Moved: Moore-Brown

Supported: LaGrand

Motion carried.

- C. The Finance and Human Resources Committee recommends that the Network180 Board approve the March 2022 disbursements of \$13,882,168.28.

Moved: LaGrand

Supported: Moore-Brown

Motion carried.

V. INFORMATIONAL ITEMS

- A. LRE March 2022 Bucket Report

Ms. Rottman reviewed the document and was available for questions.

VI. HR UPDATE

None

VII. PUBLIC COMMENT

None

VIII. ADJOURNMENT

Mr. Oberst adjourned the meeting at 4:22 PM.

WW/sm

Network180 Finance Committee

FINANCE & HUMAN RESOURCES COMMITTEE

SUBJECT:

May 31, 2022
Financial Statements
July 11, 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 May 31, 2022 are explained as follows:

REVENUE

Autism: Under budget by \$4,684,135 or 17%

- 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 \$2,747,258 or 22%

- See the detail on the expenditure section below.

Local Revenue: Under budget by \$852,968 or 13%

- 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 \$2,216,352 or 10%

- There are many open positions across the organization. The departments most impacted are Mobile Crisis, Supports Coordination, ACT, and Integrated Case Management.

Grants: Under budget by \$2,477,388 or 20%

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

Grant Name	Annual Budget	Budget YTD	Actual 5/31/22	Variance
First episode psychosis	\$ 2,170,792	\$ 1,447,195	\$ 1,019,138	\$ 428,057
FEP COVID Supplemental	\$ 1,212,000	\$ 808,000	\$ 252,355	\$ 555,645
SOR 2	\$ 389,465	\$ 259,643	\$ 40,455	\$ 219,188
CCBHC Program	\$ 909,391	\$ 606,262	\$ 467,896	\$ 138,366
CCBHC Direct Services	\$ 976,723	\$ 651,149	\$ 410,026	\$ 241,123
COVID-19 Supplemental Block Gr	\$ 975,000	\$ 650,001	\$ 65,407	\$ 584,594

STAFF: Amy Rottman, Chief Financial Officer

DATE: July 6, 2022

Network 180

Statement of Net Position

May 31, 2022

	FY 2022	FY 2021
Assets:		
Cash and investments	\$ 22,915,341	\$ 33,771,895
Due from Lakeshore Regional Partners	7,300,877	(19,441)
All other assets	8,454,200	7,767,777
Total assets	<u>38,670,418</u>	<u>41,520,231</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>\$ 39,923,073</u>	<u>\$ 42,805,699</u>
Liabilities:		
Due to Lakeshore Regional Entity	\$ 2,783,352	\$ 8,080,411
All other liabilities	29,460,390	28,846,902
Total liabilities	<u>32,243,742</u>	<u>36,927,313</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	4,799,440	4,313,654
Unrestricted	1,070,073	1,227,579
Total net position	<u>5,869,513</u>	<u>5,541,233</u>
Total liabilities and net position	<u>\$ 39,923,073</u>	<u>\$ 42,805,699</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 8 Months Ended May 31, 2022

	FY2022			
	Annual Budget	YTD Budget	YTD Actual	YTD Surplus (Deficit)
Revenues:				
Medicaid	\$ 126,631,128	\$ 84,420,752	\$ 87,635,108	\$ 3,214,356
Healthy Michigan	25,654,684	17,103,123	13,955,711	(3,147,412)
General fund	7,149,632	4,766,421	4,766,420	(1)
Autism benefit	27,563,327	18,375,551	13,691,416	(4,684,135)
Grants	12,716,513	8,477,675	5,730,417	(2,747,258)
Local	6,391,123	4,260,749	3,407,781	(852,968)
	<u>206,106,407</u>	<u>137,404,271</u>	<u>129,186,853</u>	<u>(8,217,418)</u>
Expenses:				
Provider network service costs	154,081,533	102,721,022	97,727,198	(4,993,824)
Direct run services	20,902,727	13,935,151	11,718,799	(2,216,352)
Grants	12,241,022	8,160,682	5,683,294	(2,477,388)
Earned contracts	1,843,612	1,229,074	1,177,830	(51,244)
Board administration and access center	17,037,514	11,358,343	12,105,072	746,729
Total expenses	<u>206,106,407</u>	<u>137,404,272</u>	<u>128,412,193</u>	<u>(8,992,079)</u>
Increase (decrease) in net position	<u>(0)</u>	<u>(1)</u>	<u>774,660</u>	<u>774,661</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>\$ 5,094,852</u>	<u>\$ 5,869,513</u>	<u>\$ 774,661</u>

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Network 180

Statement of Revenues and Expenses

For the 8 Months Ended May 31, 2022

	YTD FY 2022 Actual	YTD FY 2021 Actual	Difference
Revenues:			
Medicaid	\$ 87,635,108	80,849,751	\$ 6,785,357
Healthy Michigan	13,955,711	14,209,541	(253,830)
General fund	4,766,420	4,437,923	328,497
Autism benefit	13,691,416	14,327,261	(635,845)
Grants	5,730,417	4,584,707	1,145,710
Local	3,407,781	3,897,765	(489,984)
	<u>129,186,853</u>	<u>122,306,948</u>	<u>6,879,905</u>
Expenses:			
Service provision	109,445,997	105,708,764	3,737,233
Grants	5,683,294	4,541,844	1,141,450
Earned contracts	1,177,830	888,160	289,670
Board administration and access center	12,105,072	9,726,287	2,378,785
Total expenses	<u>128,412,193</u>	<u>120,865,055</u>	<u>7,547,138</u>
Increase (decrease) in net position	<u>774,660</u>	<u>1,441,893</u>	<u>(667,233)</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>\$ 5,869,513</u>	<u>\$ 5,541,233</u>	<u>\$ (1,662,746)</u>

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Network180
FY2022 Summary Bucket Report for the LRE
as of May 31, 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	77,664,487	2,654,340	10,870,675	6,256,701	18,706,581	558,010	1,354,794	4,766,420	3,407,781	3,486,021	2,244,396	131,970,206
Expense	84,121,171	2,323,330	10,445,465	3,510,246	13,691,416	703,791	486,817	3,434,868	3,546,151	3,904,543	2,244,396	128,412,193
Difference	(6,456,684)	331,010	425,210	2,746,455	5,015,165	(145,781)	867,977	1,331,552	(138,370)	(418,522)	-	3,558,013
Due from/(to) LRE	6,456,684	(331,010)	(425,210)	(2,746,455)	(5,015,165)	145,781	(867,977)	-	-	-	-	(2,783,353)
Variance	-	-	-	-	-	-	-	1,331,552	(138,370)	(418,522)	-	774,660
Redirects	-	-	-	-	-	-	-	(376,670)	(41,852)	418,522	-	-
Total Variance	-	-	-	-	-	-	-	954,882	(180,222)	-	-	774,660
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	131,100,323	3,484,995	15,874,121	5,265,369	21,391,291	1,079,980	733,730	5,639,991	5,319,227	7,157,612	4,584,236	201,630,875
Difference	(9,490,088)	607,521	713,821	4,200,412	6,473,575	(297,072)	1,335,719	1,516,896	747,207	-	-	5,807,991
Due from (to) LRE	9,490,088	(607,521)	(713,821)	(4,200,412)	(6,473,575)	297,072	(1,335,719)	-	-	-	-	(3,543,887)

RECOMMENDED MOTION:

The Finance Committee recommends that the Network180 Board approve the May 2022 disbursements of \$19,654,577.27.

SUMMARY OF REQUEST/INFORMATION:

<u>Vendor Name</u>	<u>Amount</u>
Lakeshore Regional Entity - PA2 & Block Grant Cost Settlements	4,333,606.54
Salaries & Wages	1,904,655.17
PINE REST CHRISTIAN MH SERVICE	1,294,337.27
SPECTRUM COMMUNITY SERVICES	1,010,450.84
HOPE NETWORK BEHAVIORAL	1,006,401.32
HOPE NETWORK WEST MICHIGAN	743,844.10
THRESHOLDS	642,621.45
ARBOR CIRCLE CORPORATION	603,943.61
BHT&D-GUSCO MONEY MGMNT LLC	539,685.98
MOKA CORPORATION	502,866.16
CENTRIA HEALTHCARE LLC	467,778.67
ACORN HEALTH OF MICHIGAN, LLC	370,007.24
WESTERN MI HEALTH INSURANCE POOL	366,479.75
REAL LIFE LIVING SERVICES	356,324.06
FLATROCK MANOR, INC.	351,002.38
POSITIVE BEHAVIOR SUPPORTS CORPORATION	290,655.00
CHERRY STREET SERVICES INC	257,715.18
FAMILY OUTREACH CENTER	256,071.78
FOREST VIEW PSYCHIATRIC HOSPITAL, INC	234,044.14
GUARDIANTRAC, LLC	207,999.45
D A BLODGETT FOR CHILDREN	195,994.78

TURNING LEAF RESIDENTIAL	182,564.67
BEACON SPECIALIZED LIVING SERVICES	160,876.88
DEVELOPMENTAL ENHANCEMENT PLC	135,795.86
JACQUELYN FAYLESE WILLIAMS	125,022.33
WEDGWOOD CHRISTIAN SERVICES	109,038.70
MUNICIPAL EMPLOYEES RETIREMENT	106,764.40
SAINT MARY'S MERCY MEDICAL CTR	106,010.00
MI DEPT OF HUMAN SERVICES	102,076.00
CONSULT2.CLOUD	98,734.93
STATE OF MICHIGAN-DEPT OF HEALTH & HUMAN SERVICES	97,352.32
LOCUMTENENS HOLDINGS, LLC	85,775.00
SPARKS BEHAVIORAL SERVICES LLC	68,130.00
BRIGHTSIDE LIVING LLC	65,891.00
Fringes	63,329.74
REHMANN LLC	61,704.00
INDIAN TRAILS CAMP INC	60,112.08
MERCY HEALTH PARTNERS	59,658.00
FULL CIRCLE CARE	58,874.97
GOODWILL INDUSTRIES OF GREATER GRAND RAPIDS	57,393.92
REACH FOR RECOVERY	56,619.48
MERAKEY MIDWEST	53,520.74
HAVENWYCK HOSPITAL	49,528.59
EASTER SEALS MICHIGAN INC	46,863.42
CENTER FOR AUTISM AND RELATED DISORDERS, LLC	45,950.06
BALLA, SABRI	44,785.87
IRIS TELEHEALTH MEDICAL GROUP, PA	43,264.00
TURNING POINT PROGRAMS	42,341.48
TAYLOR, THURMAN J	40,012.94
EAGLE NUMBER TWO, LLC	39,920.94

BETHANY CHRISTIAN SERVICES	39,219.78
PETER CHANG ENTERPRISES, INC	37,635.12
COMMUNITY LIVING SERVICES, INC	36,969.80
MADISON NATIONAL LIFE INSURANCE COMPANY, INC	36,874.12
HARBOR HOUSE MINISTRIES	36,471.74
SAKSHAUG GROUP HOME LLC	35,970.10
ARTHUR, MARLENE	35,363.05
ETCH	35,057.21
RELIANCE COMM CARE PARTNERS	32,274.85
UNLIMITED ALTERNATIVES	30,283.68
LA BENEDICTION CO LLC	30,241.80
CRC RECOVERY, INC	27,832.15
NEW HOPE GROUP LLC	27,578.17
COMPREHENSIVE PROF SERV INC	27,369.28
RODRIGUEZ, SHERRY	25,193.69
DELTA DENTAL PLAN OF MICH	23,342.90
ZAWADI USA LLC	21,746.81
TRIVALENT GROUP	21,543.40
MEL TROTTER MINISTRIES	20,997.77
BOSHNJAKU, NAILE	20,542.42
GRAND RAPIDS RED PROJECT	20,234.16
DAVID'S HOUSE MINISTRIES	19,975.68
PURDY, LAURA L	17,869.33
KALAMAZOO PROBATION ENHANCEMENT PROGRAM	17,539.02
BOARD OF TRUSTEES OF MICHIGAN STATE UNIVERSITY	16,826.00
CSM NEWCO, LLC	16,728.31
WALLOON LAKE RECOVERY LODGE, LLC	16,654.98
MEDENDORP, WILLIAM	16,500.00
SAKSHAUG, WARREN E	16,457.67

VISEL AFC INC	16,450.08
DUHADWAY KENDALL & ASSOCIATES, INC.	16,439.14
RECOVERY ROAD LLC	16,291.10
VISA CREDIT CARD	16,095.83
LEONARD AND MONROE LLC	15,992.00
SWANBERG AFC INC	14,901.34
RHOADES MCKEE PC	14,626.00
WILSON & WYNN INTERVENTIONS, PLC	14,318.55
CARIN HANDS 2 LLC	13,729.28
HERITAGE HOMES, INC	12,599.38
HOPE NETWORK SE	12,213.33
HANSMA, STEPHANIE	12,154.90
COVENANT ENABLING RESIDENCES	11,778.28
JASON MURIITHI	11,413.50
COMMUNITY MENTAL HEALTH AUTHORITY OF CLINTON EATON INGHAM COUNT	10,726.62
HOPE DISCOVERY ABA SERVICES, LLC	10,675.13
FALCO CORPORATION	10,642.00
ENRICHED LIVING	10,340.88
DIGNIFIED CARE LLC	10,251.96
HOLTON MANAGEMENT LLC	10,202.01
NEUROBEHAVIORAL HOSPITAL, LLC	10,200.00
298 vendor payments below \$10,000 each	416,845.78
TOTAL DISBURSEMENTS	19,654,577.27

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

STAFF: Joan Brown, Finance Director

DATE: June 27, 2022

Network180

FINANCE COMMITTEE MOTION REQUEST

SUBJECT: 2022 Administrative Contracts over
\$50,000

MEETING DATE:

July 11, 2022

PREPARED BY:

Amy Rottman, Chief Financial Officer

RECOMMENDED MOTIONS:

Management requests Board approval for the Executive Director to enter into agreement with Trinity Health-Saint Marys and Hegira Health Inc. Also, to amend the contract with Family Outreach Center for Jail Mental Health Services.

<u>Description/Purpose</u>	<u>Amount</u>
Trinity Health-Saint Marys contract is for preconstruction costs incurred for the new Crisis Services Unit. These preconstruction costs will be covered with COVID-19 block grant funding thru MDHHS.	\$85,000
Hegira Health, Inc. (Wayne County) was selected thru a request for applications to find an appropriate agency to provide services utilizing the evidence based NAVIGATE model for providing services. After discussing this funding opportunity with several organizations Hegira Health was the only organization to apply. The FY 22 funding will allow Hegira to have staff in place in FY 23 with funding for a full year in FY23. The funding source for this program is Early onset Psychosis Set Aside COVID-19 Comprehensive Services for Behavioral Health-2022 (American Rescue Plan) thru MDHHS.	\$72,882 (FY 22)
Family Outreach Center contract is being amended to increase the allowable salaries for staff to ensure Jail Mental Health Services is fully staffed. The annual increase is \$190,079 funded 50% by Kent County and 50% General Fund.	\$47,520 (FY22)
Family Outreach Center contract to build upon an existing Seeking Safety group which focuses on black and brown men, and expanding it to women/girls with American Rescue Plan Act funding (ARPA) thru LRE.	\$100,000

STAFF: Amy Rottman, Chief Financial Officer

DATE: 7/6/2022

FY2022 April 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	Total
Oct - April															
Net Med: 1115/HSW/CW/SED	504,514	(1,767,575)	(6,240,275)	(2,688,215)	(210,705)	728,054	(9,674,202)	243,522	52,161	515,389	143,155	19,429	190,462	1,164,118	(8,510,084)
Net Med: HealthyMI	199,262	803,312	502,969	2,594,104	179	(319,714)	3,780,112	521,959	1,377,505	2,626,058	777,300	290,586	262,062	5,855,470	9,635,582
Net Autism	1,065,059	523,752	4,757,723	975,909	221,711	75,275	7,619,429	-	-	-	-	-	-	-	7,619,429
Net General Fund	22,934	(109,461)	1,143,067	855,837	(22,819)	-	1,889,558	-	-	-	-	-	-	-	1,889,558
Net Block Grant	-	-	-	-	-	-	-	15,298	(107,237)	-	(201,294)	-	105,815	(187,418)	(187,418)
Net PA2	-	-	-	-	-	-	-	-	-	-	(66,272)	-	-	(66,272)	(66,272)
Net Medicaid Savings Proje	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net ISF Projection	1,364,110	3,162,589	1,065,498	2,096,299	1,071,885	-	8,760,382	164,832	444,263	1,073,958	279,561	155,304	-	2,117,917	10,878,300
Subtotal	3,155,879	2,612,617	1,228,982	3,833,934	1,060,251	483,615	12,375,280	945,611	1,766,691	4,215,405	932,450	465,320	558,339	8,883,815	21,259,095
April															
Full Year Projection															
Net Med: 1115/HSW/CW/SED	(2,309,233)	(2,331,938)	(12,444,004)	1,085,900	(529,370)	-	(16,528,645)	270,004	(174,839)	917,648	136,263	(149,391)	-	999,685	(15,528,960)
Net Med: DCW Lapse	509,035	(2,177,952)	(2,187,452)	(402,007)	(611,666)	-	(4,870,042)	-	(78,111)	(244,678)	-	-	-	(322,789)	(5,192,831)
Net Med: HealthyMI	484,022	1,619,872	619,405	1,335,864	137,760	-	4,196,922	631,729	2,055,930	4,348,283	728,698	462,797	-	8,227,437	12,424,359
Net Autism	830,178	833,950	6,441,486	436,479	(42,746)	-	8,499,348	-	-	-	-	-	-	-	8,499,348
Net General Fund	294,623	(81,126)	1,479,113	-	-	-	1,692,610	-	-	-	-	-	-	-	1,692,610
Net Block Grant	-	-	-	-	-	-	-	101,553	359,296	-	-	158,442	-	619,291	619,291
Net PA2	-	-	-	-	-	-	-	-	-	-	-	74,964	-	74,964	74,964
Net Medicaid Savings Proje	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	2,338,475	5,421,582	12,786,063	3,593,656	1,837,518	-	25,977,293	164,832	444,263	1,073,958	279,561	155,304	-	2,117,917	28,095,210
Total	2,779,294	4,540,606	9,663,883	6,873,866	911,600	-	24,769,249	1,131,665	2,706,530	6,333,244	1,205,098	1,050,242	-	12,426,778	37,196,028
Risk excluding DCW	(995,033)	121,884	(5,383,113)	2,858,243	(434,356)	-	(3,832,375)	901,733	1,881,091	5,265,931	864,961	313,407	-	9,227,122	5,394,747
%of Budget	-3.41%	0.20%	-3.22%	6.37%	-2.01%	0.00%	-1.21%	43.76%	33.86%	39.21%	24.75%	16.14%	0.00%	33.01%	PENDING

FY Changes in Projected Med/HMP Spending

	March 2022 MH	April 2022 MH	Difference	%of Budget	FY21 Spend
OnPoint	28,421,651	28,421,651	-	0.00%	25,469,646
Healthwest	57,495,993	57,777,989	281,996	0.49%	55,025,900
N180	163,417,278	163,583,996	166,719	0.11%	155,094,698
Ottawa	40,886,025	39,454,220	(1,431,805)	-3.38%	32,981,495
West MI	20,503,786	20,721,483	217,696	1.07%	20,272,938
LRE & Beacon	10,473,293	10,653,072	179,778	1.69%	9,391,031
	321,198,027	320,612,411	(585,616)		298,235,708

	March 2022 SUD	April 2022 SUD	Difference	%of Budget	FY21 Spend
OnPoint	1,158,997	1,158,997	-	0.00%	1,586,665
Healthwest	3,635,564	3,674,500	38,937	0.70%	4,079,154
N180	8,373,728	8,164,023	(209,705)	-1.56%	8,098,231
Ottawa	2,630,260	2,630,260	-	0.00%	1,850,758
West MI	1,845,891	1,628,194	(217,696)	-11.21%	1,342,753
LRE & Beacon	1,474,578	1,473,064	(1,514)	-0.10%	1,720,794
	19,119,018	18,729,039	(389,979)		18,678,355

Total Medicaid Surplus/(Deficit) Projection (Med 1115/HSW/CW/SED + Autism), Excluding DCW (7,029,612)

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: 46,807,804

Healthy Michigan Plan Surplus/(Deficit) Projection 12,424,359

Projected MDHHS Performance Bonus 2,726,969

Projected Reserve Total At Year End: 61,959,132

ISF @ 7.5% \$ 28,095,210.09
Savings @ 7.5% \$ 28,095,210.09

Total Max Allowed \$ 56,190,420.18

Network180 Board Minutes - DRAFT
Location: Hybrid Virtual/Eaglecrest Office
June 6, 2022

Network180 Board Present:	Tom Dooley, Melissa LaGrand, John Matias, Donna Moore-Brown, Larry Oberst, Stan Stek
Network180 Board Absent:	Caroline Dellenbusch, Emily Helder
Network180 Non-voting Board Members Present:	Jon Campbell (virtual), Brandyn Heugel
Network180 Non-voting Board Members Absent:	Samuel Jones
Network180 Staff Present:	Annette Tuitel, Amy Rottman, Clark Bowman, Edward Wilson, Jill Thompson, Joan Brown, Kristin Spykerman, Kristin Kopec, Mark Madrilejo, Regina Salmi, Ross Buitendorp, Stacey O'Toole, Stephanie McMillen, Bill Ward, Susan Webber
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: Matias Supported: Dooley
Motion carried.

V. CONSENT AGENDA

a. **Approval of Prior Minutes**

- i. Board Meeting – May 2, 2022

b. Approval of Disbursements

- i. April 2022 disbursements of \$13,882,168.28.

Moved: Oberst Supported: LaGrand
Motion carried.

VI. MOTIONS

- a. Management recommends that the Network180 Board approve Network180 to establish a contract with the city of Grand Rapids to provide clinicians for the Mobile Crisis Co-Response Team, effective from July 1, 2022 – June 30, 2023.

Moved: Moore-Brown

Supported: Dooley

Motion carried.

- b. Management recommends that the Network180 Board approves a resolution authorizing the Executive Director to execute contractual agreements with the City of Grand Rapids.

Moved: Oberst

Supported: LaGrand

Motion carried.

VII. CHAIRPERSON'S REPORT

Chairperson Stek reviewed the amendments to the Lakeshore Regional Entity (LRE) bylaws and operating agreement which are being considered by each of the CMHs.

Stek stated that the Nominating Committee will be meeting to discuss and make recommendations for Board Officers.

VIII. FINANCE AND HUMAN RESOURCES COMMITTEE REPORT

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

Moved: Oberst

Supported: LaGrand

Motion carried.

IX. EXECUTIVE DIRECTOR'S REPORT

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

X. PUBLIC COMMENT

None

XI. BOARD COMMENT

Tom Dooley stated that he attended

XII. ADJOURNMENT

Mr. Oberst adjourned the meeting at 5:19 PM.

The Nominating Committee recommends the following slate of Offices for the Network180 Board

Chairman – Larry Oberst

Vice Chairman – John Matias

Treasurer – Emily Helder

Secretary – Donna Moore-Brown

Executive Director – BOARD REPORT

William J. Ward, July 2022

COVID-19

As of July 8th, the seven-day average for Kent County is down to 106 cases per day that is a decrease of 21 cases per seven-day average from last month. Network180 has removed its mask mandate for all non-clinical areas. Network180 is maintaining its mask mandate for all clinical areas in accordance with CDC guidelines. Network180 continues to monitor COVID-19 and will adjust protocols depending on transmission rates of COVID-19.

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. Through Network180's Counsel it was determined that the controlling Bylaws were in fact the 2016 LRE Bylaws not the 2018 LRE Bylaws, which vested the power to change Bylaws with the LRE Executive Committee not individual CMHs. Therefore, the only question before the Network180 Board of Directors is to nominate a delegate to the LRE Executive Committee for the purposes of deliberation and ultimately casting a vote on behalf of Network180. Network180's Board of Directors will consider that nomination at its Board of Directors meeting on July 11th.

Michigan Legislature and Fiscal Year 2023 Budget

In a marathon legislative session on June 29th and June 30th both Chambers (MI House and MI Senate) passed the FY2023 Budget at 3:00am on June 30th. Below is a summary of the Mental Health Budget for 2023:

FY23 Conference Report – Final Budget

Specific Mental Health/Substance Abuse Services Line items

	<u>FY'21 (Final)</u>	<u>FY'22 (Final)</u>	<u>FY'23 (Final)</u>
-CMH Non-Medicaid services	\$125,578,200	\$125,578,200	\$125,578,200
-Medicaid Mental Health Services	\$2,653,305,500	\$3,124,618,700	\$3,044,743,000
-Medicaid Substance Abuse services	\$87,663,200	\$83,067,100	\$94,321,800
-State disability assistance program	\$2,018,800	\$2,018,800	\$2,018,800
-Community substance abuse (Prevention, education, and treatment programs)	\$108,333,400	\$79,705,200	\$79,705,200

-Health Homes Program	\$26,769,700	\$33,005,400	\$61,337,400
-Autism services	\$271,721,000	\$339,141,600	\$292,562,600
-Healthy MI Plan (Behavioral health)	\$589,941,900	\$603,614,300	\$570,067,600
-CCBHC	\$0	\$25,597,300	\$101,252,100
-Total Local Dollars	\$20,380,700	\$15,285,600	\$10,190,500

Other Highlights of the FY23 Final Budget:

ITEMS OF INTEREST

- Included \$101.2 million for CCBHC
- Included \$61.3 million for Health Homes to increase the number of behavioral health homes from 37 to 42 and the number of opioid health homes from 40 to 49.
- Included Opioid Settlement Fund (\$23.2 million Gross)
- Local match drawn down phase out – \$5 million GF (brings to year 3 of 5-year phase out)

Direct Care Worker Wage Increase and Report

Sec. 231 Requires DHHS to increase wages by up to \$2.35 per hour paid to direct care workers funded by DHHS appropriations, and states specific workers and wage increases to be supported. Includes provisions if a worker elects to reject the increase. Requires contractor quarterly reporting and requires DHHS to report by March 1 including details on wages paid.

Conference concurs with the House, and **changes contractor reporting to annual, removes the market rate survey, and includes minor edits.**

House original recommendation: revises to require Medicaid managed care organizations of MI Choice, MI Health Link, and PIHPs to continue the direct care wage increase and to report quarterly to DHHS on direct care salaries paid, require DHHS to perform a market rate survey, and remove references to private child caring institutions, area agencies on aging, and long-term care (which is moved to new Sec. 1644).

Michigan Crisis and Access Line (MiCAL)

- Conference concurs with the House and adds \$3.0 million GF/GP to continue to MiCAL statewide, a behavioral health crisis intervention and support call center and also provides primary coverage in regions where a regional national suicide prevention 988 lifeline center does not provide coverage and for statewide secondary coverage for 988.

Opioid Healing and Recovery Fund

- Conference includes \$23.2 million based on updated settlement amounts of restricted funds from court settlements between the state and opioid manufacturers and distributors.

Families Against Narcotics (FAN)

- Conference includes \$5.0 million GF/GP on one-time basis.

Court-Appointed Guardians

- Conference includes \$5.0 million to reimburse CMHSPs for the cost of court appointed public guardians.

Medicaid Methadone Bundled Services Rate Increase

- Conference adds \$16.2 million Gross (\$4.1 million GF/GP) based on updated cost estimates to increase the Medicaid bundled reimbursement rate for administering and servicing methadone to \$19.00.

Behavioral Health Inpatient Capacity and Operations

- Conference includes \$41.0 million GF/GP and authorizes 87.0 FTE positions to increase capacity at Hawthorn and to reimburse private providers of intensive psychiatric treatments.

New Non-State Behavioral Health Facility Capacity

Conference adds \$170.6 million GF/GP for House items listed above, \$50.0 million for competitive pediatric psychiatric infrastructure grants, \$5.0 million for Detroit Children's Hospital psychiatric, and \$2.5 million for Insight Behavioral Health in Flint.
(Complete list of projects on pages 673-678 of the budget bill)

- Pine Rest pediatric behavioral health center (\$38.0 million)
- Detroit Wayne Integrated Health Network psychiatric campus (\$45.0 million)
- Establishing crisis stabilization units (CSUs) (\$32.0 million)
- U of M Medicine children's emergency psychiatry and day program for children and adults (\$11.0 million)
- Establishing psychiatric residential treatment facilities (\$10.0 million)
- Team Wellness adolescent behavioral wraparound health care program (\$8.0 million)
- McLaren Northern Michigan adolescent partial hospitalization (\$5.0 million)
- Bay County pediatric psychiatric inpatient (\$5.0 million)
- Kalamazoo or Berrien County pediatric psychiatric inpatient (\$5.0 million)
- War Memorial psychiatric inpatient (\$3.6 million)
- McLaren emergency psychiatric assessment, treatment, and healing (EmPATH) unit (\$8.0 million)

Clinical and CMHSP Integration Readiness Initiatives

- One-Time funding Conference includes a total of \$50.0 million GF/GP for grants to facilities and providers that wish to clinically integrate physical and behavioral health services and providers and to CMHSPs for system, IT, staffing, and administrative improvements for integration readiness. Sec. 1984. states funds are not available for expenditure until legislatively transferred.

FULL BOILERPLATE LANGUAGE

- Sec. 1984. The funds appropriated in part 1 for clinical integration fund and community mental health services programs integration readiness shall not be available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Central Administrative Support for State Psychiatric Hospitals and Centers

- Conference concurs with the Executive and includes a net increase of \$1.1 million GF/GP and authorizes a net 8.0 FTE positions to increase administrative support for admission and discharges, the Michigan Community Transition Program, and Psychiatric Residential Treatment Facilities.

Behavioral Health One-Time Funding - \$34.5 million

Conference includes:

- Jail Diversion Fund (\$10.0 million)
- Multicultural integration funding (\$8.6 million)
- Salvation Army Safe Harbor (\$8,333,300)
- Easter seals - autism comprehensive care center (\$2.5 million)
- First responder mental health funding (\$2.5 million)
- Western Upper Peninsula CMHSP health professionals in schools (\$1.0 million)
- Altarum substance use disorder programming (\$600,000)
- Easter seals – Parent/Family stress programs (\$500,000)
- Great Lakes Recovery Center (\$250,000)
- Blue Water Recovery and Outreach (\$150,000)
- Endeavor to Persevere – teen walk-in mental health (\$50,000)
- Mediation services (\$40,000)

Boilerplate Items

Sec. 908. Uniform Community Mental Health Credentialing – RETAINED States that contracts with PIHPs and CMHSPs must work toward implementing section 206b of the Mental Health Code on uniform community mental health services credentialing.

Sec. 912. Salvation Army Harbor Light Program – RETAINED Requires DHHS to contract with the Salvation Army Harbor Light Program for providing non-Medicaid substance use disorder services, if program meets standard of care.

Sec. 924. Autism Services Fee Schedule – REVISED Requires DHHS to maintain a fee schedule for autism services by not allowing expenditures used for actuarially sound rate certification to exceed the identified fee schedule, also sets behavioral technician fee schedule at not less than \$50.00 per hour and not more than \$55.00 per hour. Conference changes hourly rates to \$52.35 and \$57.35.

Sec. 927. Uniform Behavioral Health Service Provider Audits – RETAINED Requires DHHS to create a uniform community mental health services auditing process for CMHSPs and PIHPs, outlines auditing process requirements, and requires a report.

Sec. 960. Autism Services Cost Containment – RETAINED Requires DHHS to continue to cover all autism services that were covered on January 1, 2019; to restrain costs required DHHS to develop written guidance for standardization; and requires 3-year reevaluations, unless a clinician recommended an earlier reevaluation, and require maintenance of statewide provider trainings, limits practitioners who can perform a diagnostic evaluation and requires evaluations performed by a master's level practitioner to be reviewed by a second practitioner, provide fidelity reviews and secondary approvals, and prohibit specific providers from providing both evaluation and treatment; requires a report.

Sec. 970. Skill Building Assistance Services – REVISED Requires DHHS to maintain skill building assistance services policies in effect on October 1, 2018 and requires DHHS to continue to seek federal matching funds for skill building assistance services. Conference make technical revisions.

Sec. 1062. 5-Year Inpatient Psychiatric Bed Plan – DELETED Requires DHHS to report a 5-year plan to address need for public and private inpatient psychiatric beds for adults and children.

The Michigan Department of Health and Human Services budget contained \$32 million dollars of onetime funding for the establishment of Crisis Stabilization Units (CSU) which is part of Network 180 Crisis Continuum plan of action. Network 180 has been assured by the Michigan Legislature that Network 180 will have access to these funds for the establishment of the new CSU which will be operated in conjunction with Saint Mary's Trinity Health at its downtown location. The Legislative session was adjourned with no action taken on either the MI House or MI Senate mental health reform bills. These initiatives will most likely see some movement this fall when the legislature returns after the summer recess.