

Board of Directors Meeting

September 12, 2017 - 5:00 p.m.

Newaygo County Mental Health Center

BOARD MEETING AGENDA

1. Call to Order
2. Roll Call
3. **ACTION ITEM:** Approval of the Agenda for September 12, 2017

MSHN 16-17-043: APPROVAL OF AGENDA FOR SEPTEMBER 12, 2017

4. **ACTION ITEM:** Consent Agenda (Items 4.1 to 4.9.9, Pages 3-72)

MSHN 16-17-044: APPROVAL OF CONSENT AGENDA

- Approval of MSHN Board Meeting Minutes, 07.11.2017 (Item 4.1)
- Approval of SUD Oversight Policy Advisory Board Minutes, 06.21.17 (Item 4.2)
- Receive Board Executive Committee Minutes 07.21.17 (Item 4.3)
- Receive Board Executive Committee Minutes 08.18.17 (Item 4.4)
- Receive Board Policy Committee Minutes 07.25.17 (Item 4.5)
- Receive Board Nominating Committee Minutes 08.01.17 (Item 4.6)
- Receive Operations Council Key Decisions 07.17.2017 (Item 4.7)
- Receive Operations Council Key Decisions 08.21.17 (Item 4.8)
- Policy Approval (Items 4.9.1 to 4.9.9)
 - Finance: Cash Management Healthy Michigan Plan 1.0 (4.9.1)
 - Human Resources: Employee Compensation 2.0 (4.9.2)
 - Human Resources: Performance Evaluation 1.0 (4.9.3)
 - Human Resources: Personnel Manual 4.0 (4.9.4)
 - Human Resources: Reimbursement of Credentials/Licensure/Memberships 1.0 (4.9.5)
 - Human Resources: Separation 1.0 (4.9.6)
 - Human Resources: Succession Planning 1.0 (4.9.7)
 - Information Technology: Information Management 1.0 (4.9.8)
 - Information Technology: Record Retention 1.0 (4.9.9)

5. Public Comment (3 minutes per speaker)
6. **ACTION ITEM:** Public Hearing – FY18 MSHN Internal and Regional Budget
(See Separate Public Hearing Agenda)

MSHN 16-17-045: MOTION TO RECESS THE BOARD OF DIRECTORS REGULAR BUSINESS MEETING, AND CONVENE PUBLIC HEARING

MSHN 16-17-046: MOTION TO RECONVENE REGULAR BUSINESS MEETING

7. **ACTION ITEM:** Approval of FY 2018 Original Budget (Items 7-7.1, Pages 73-76)

MSHN 16-17-047: MOTION TO APPROVE FY 2018 ORIGINAL BUDGET, AS PRESENTED

8. MSHN Board Chair Update
9. Board Executive Committee Report
 - CEO Performance Evaluation (Hardcopy within Board Member Folders)
 - **ACTION ITEM:** CEO Employment Contract (Item 9.4, Page 77)

MSHN 16-17-048: APPROVAL TO EXTEND THE CURRENT CONTRACT FOR EMPLOYMENT OF THE CHIEF EXECUTIVE OFFICER TO JANUARY 31, 2018

MSHN

MEETING PURPOSE/GOALS

- Provide Strategic Direction
- Establish MSHN Policy
- Assure Compliance
- Monitor MSHN Performance



MEETING LOCATION

Newaygo County Mental Health
1049 Newell
White Cloud, MI

TELECONFERENCE INFORMATION:

Call in: 1.888.585.9008
Conference Room: 182 260 353

Please call/email Merre Ashley to
confirm your attendance
517.253.7525
merre.ashley@midstatehealthnetwork.org



FY 2018 Board Meetings

- **November 7, 2017**
Gratiot Integrated Health Network
608 Wright Avenue, Alma
- **January 9, 2018**
Gratiot Integrated Health Network
608 Wright Avenue, Alma
- **March 6, 2018**
Gratiot Integrated Health Network
608 Wright Avenue, Alma
- **May 1, 2018**
LifeWays Community Mental Health
1200 N. West Avenue, Jackson
- **July 10, 2018**
Huron Behavioral Health
1375 R. Dale Wertz Dr., Bad Axe
- **September 11, 2018**
The Right Door
375 Apple Tree Dr., Ionia

10. **ACTION ITEM:** Board Self-Assessment (Items 10-10.1, Pages 78-80)

MSHN 16-17-049: APPROVAL TO RECEIVE AND FILE RESULTS OF THE BOARD SELF-ASSESSMENT

11. Special Order: Board Officer Election (Hardcopy within Board Member Folders)

- **ACTION ITEM:** Board Nominating Committee Report

MSHN 16-17-050: APPROVAL TO RECEIVE BOARD NOMINATING COMMITTEE REPORT

- **ACTION ITEM:** Election of Officers
 - Election of Chairperson
 - Election of Vice-Chairperson
 - Election of Secretary
 - Recognition of Immediate Past Chairperson

12. **ACTION ITEM:** Finance Report (Items 12.1-12.4, Pages 81-93)

- FY 2017 Amended Budget (Items 12.1-12.2)
- Financial Status Report of July 31, 2017 (Items 12.3-12.4)

MSHN 16-17-051: APPROVAL OF FY 2017 BUDGET AMENDMENT, AS PRESENTED

MSHN 16-17-052: APPROVAL TO RECEIVE AND FILE THE STATEMENT OF NET POSITION, STATEMENT OF ACTIVITIES, AND STATEMENT OF CASH FLOWS FOR THE PERIOD ENDING JULY 31, 2017

13. Deputy Director Report

14. **ACTION ITEM:** FY17 and FY18 Contract Listings (Items 14.1-14.4, Pages 94-102)

MSHN 16-17-053: APPROVAL OF FY17 CONTRACT LISTING (Items 14.1-14.2)

MSHN 16-17-054: APPROVAL OF FY18 CONTRACT LISTING (Items 14.3-14.4)

15. MSHN Chief Executive Officer (CEO) Report (Item 15.1, Page 103)

- MCHE Membership Meeting
- Independent Audit & Compliance Audit
- Regional Resource Management

16. Other Business

17. Public Comment (3 minutes per speaker)

18. Adjourn

**Mid-State Health Network (MSHN) Board of Directors Meeting
Tuesday, July 11, 2017, 5:00 P.M.**

Saginaw County Community Mental Health – Lower Level Room 001

Meeting Minutes

1. Call to Order

Chairperson Ed Woods called the MSHN Board of Directors Meeting to order at 5:04 p.m.

2. Roll Call

Secretary Jim Anderson provided the Roll Call for Board Members in attendance.

Board Member(s) Present: Jim Anderson (Bay-Arenac), Brad Bohner (LifeWays), Joe Brehler (CEI), Bruce Cadwallender (Shiawassee) (via phone), David Griesing (Tuscola), Phil Grimaldi (Saginaw), Dan Grimshaw (Tuscola), Tina Hicks (Gratiot), John Johansen (Montcalm), Steve Johnson (Newaygo), Pam Kahler (Huron), Colleen Maillette (Bay-Arenac), Deb McPeek-McFadden (Ionia), Gretchen Nyland (Ionia), Irene O'Boyle (Gratiot), Kurt Peasley (Montcalm), Joe Phillips (CMH for Central Michigan)(via phone), Kay Pray (CEI), Kerin Scanlon (CMH for Central Michigan), Robyn Spencer (Shiawassee), Leola Wilson (Saginaw), Beverly Wiltse (Huron), and Ed Woods (LifeWays)

Board Member(s) Absent: Mike Hamm (Newaygo)

Staff Members Present: Joe Sedlock (CEO), Amanda Horgan (Deputy Director), Leslie Thomas (Chief Financial Officer), Kim Zimmerman (Director of Quality, Compliance & Customer Service), Dan Dedloff (Customer Service and Recipient Rights Specialist), and Merre Ashley (Executive Assistant)

3. Approval of Agenda for July 11, 2017

Board approval was requested for the Agenda of the July 11, 2017 Regular Business Meeting.

MSHN 16-17-034 MOTION BY DEB MCPEEK-MCFADDEN, SUPPORTED BY JOHN JOHANSEN, FOR APPROVAL OF THE AGENDA OF THE JULY 11, 2017 REGULAR BUSINESS MEETING, AS PRESENTED. MOTION CARRIED: 21-0.

4. Approval of Consent Agenda

Board approval was requested for Draft Minutes of the May 2, 2017 Regular Business Board Meeting, Draft Meeting Minutes of the April 21, 2017 SUD Oversight Policy Advisory Board Meeting, Draft Minutes of the June 16, 2017 Board Executive Committee Meeting, Board Executive Committee Action Review and June 21, 2017 Board Executive Committee Meeting, Draft Minutes of the May 24, 2017 Board Policy Committee Meeting, Draft Minutes of the June 15, 2107 Board Nominating Committee Meeting, Key Decisions of the May 15, 2017, and June 19, 2017 Operations Council, and Policies, as presented.

MSHN 16-17-035 MOTION BY KURT PEASLEY, SUPPORTED BY DEB MCPEEK-MCFADDEN, TO APPROVE THE DRAFT MINUTES OF THE MAY 2, 2017 REGULAR BUSINESS BOARD MEETING, DRAFT MEETING MINUTES OF THE APRIL 21, 2017 SUD OVERSIGHT POLICY ADVISORY BOARD MEETING, DRAFT MINUTES OF THE JUNE 16, 2017 BOARD EXECUTIVE COMMITTEE MEETING, BOARD EXECUTIVE COMMITTEE ACTION REVIEW, AND JUNE 21, 2017 BOARD EXECUTIVE COMMITTEE MEETING, DRAFT MINUTES OF THE MAY 24, 2017 BOARD POLICY COMMITTEE MEETINGS, DRAFT MINUTES OF THE JUNE 15, 2017 BOARD NOMINATING COMMITTEE MEETING, KEY DECISIONS OF THE MAY 15, 2017 AND JUNE 19, 2017 OPERATIONS COUNCIL MEETINGS, AND POLICIES, AS PRESENTED. MOTION CARRIED: 21-0.

Mr. Bruce Cadwallender joined the meeting by phone at 5:06 p.m.

5. Public Comment

Ms. Kay Pray voiced concerns related to the cost of mailing hardcopy of Board Executive Committee Meeting materials. Following discussion, consensus was made to adopt a universal approach for all board members related to distribution of board-related material. Effective immediately, only hardcopy of Board Meeting packets would be sent to all board members via USPS. All other Board of Director business and related materials will be communicated via email.

Ms. Kerin Scanlon arrived at 5:13 p.m.

6. MSHN Board Chair Update

Chairperson Woods addressed the following:

- Memoriam of James D. Anderson, Sr.
- Introduction of Mr. Jim Anderson for the Board Nominating Committee Update
 - Mr. Anderson provided information on the following:
 - Review of Board Nominating Committee Meeting minutes of June 15, 2017 teleconference

- Update to Board Officer Nominations and Elections Procedure
- Survey Process Overview
- Election Process to Occur at September 12, 2017 Meeting
- Introduction of Mr. Joseph Sedlock, on behalf of the executive committee, for presentation of Board Executive Committee Historical Action Summary
 - Mr. Sedlock voiced his appreciation of board member participation in recent Board Executive Committee meetings. He stated that in follow-up to the July Board of Directors meeting, an analysis of executive committee activity was performed. Outcomes and findings of the analysis culminated in the Historical Action Summary (Item 4.3a) report. He reviewed all segments of the summary, and encouraged comments and feedback. Members voiced the following recommendations:
 - Reaffirm executive committee role and function
 - Mr. Dan Grimshaw recommended consideration of appointing four (4) board members on a rotating basis to the executive committee to broaden the knowledge base and gain member input. Mr. Joe Brehler concurred.
 - Mr. John Johansen stated that the executive committee previously called for four (4) members; prior to the resignation of past Chairperson Mary Anderson, executive committee membership included ex-officio. Consideration was recommended to increase membership of the executive committee.
 - Adoption of governance policy to address board meeting cancellations
 - Ms. Pam Kahler recommended policy be adopted, dictating that in the event of board meeting cancellation, the cancelled meeting be rescheduled as soon as possible
 - Authorization related to PIHP/MDHHS and all revenue contracts with critical timing requirements and/or deadlines which do not align with board of directors' meetings
 - Mr. Kurt Peasley recommended amendment to the MSHN Delegation to the Chief Executive Officer and Executive Limitations policy to allow its CEO to sign revenue contracts as necessary to stay within required timelines.
 - Following discussion, Chairperson Woods thanked members for their feedback and stated the executive committee would review recommendations pertaining to the executive committee role and function, and will evaluate

which aligns best with the board's bylaws. The topic will be brought back to the full board for further consideration.

- FY18 Board Meeting Calendar

7. FY18 Board Meeting Calendar

Chairperson Woods recommended the FY18 Board Meeting Calendar for board approval, as presented.

MSHN 16-17-036 MOTION BY IRENE O'BOYLE, SUPPORTED BY COLLEEN MAILLETTE, TO APPROVE THE FY18 BOARD MEETING CALENDAR, AS PRESENTED. MOTION CARRIED: 23-0.

8. Board Annual Self Evaluation

Mr. Sedlock provided an overview of the Board Member Annual Evaluation process, directing members to hardcopy of the evaluation, provided within board member folders. Members were encouraged to complete an evaluation, and submit to the MSHN Executive Assistant before departing the meeting. Those members who prefer to complete assessments offsite and submit, were asked to do so prior to August 7, 2017.

9. Finance Report

Mr. Sedlock provided information on the FY18 CMHSP/Regional Budget, to include:

- Target Smoothing Plan Amounts (Medicaid)
- Target PEPM Allocation, Less Administration and Taxes (Healthy Michigan Plan)

Ms. Leslie Thomas provided an overview and information on the Financial Status Report to include the Statement of Net Position, Statement of Activities and Statement of Cash Flows for the period ending May 31, 2017, recommended for Board approval to receive and file, as presented.

MSHN 16-17-037 MOTION BY DEB MCPEEK-MCFADDEN, SUPPORTED BY LEOLA WILSON, FOR APPROVAL TO RECEIVE AND FILE THE STATEMENT OF NET POSITION, STATEMENT OF ACTIVITIES, AND STATEMENT OF CASH FLOWS FOR THE PERIOD ENDING MAY 31, 2017, AS PRESENTED. MOTION CARRIED: 23-0.

10. Deputy Director Report

Ms. Amanda Horgan provided an update and overview of the Balanced Scorecard, recommended for Board approval to receive and file, as presented.

MSHN 16-17-038 MOTION BY COLLEEN MAILLETTE, SUPPORTED BY JOE PHILLIPS, FOR APPROVAL TO RECEIVE AND FILE THE BALANCED SCORECARD, AS PRESENTED. MOTION CARRIED: 23-0.

11. Chief Executive Officer Update

Mr. Sedlock acknowledged Saginaw County Community Mental Health's staff and entire organization for hosting the July meeting. He provided information and updates on the following:

- Congratulations to LifeWays Community Mental Health on the recent passage of their Mental Health Millage
- Introduction of Dan Dedloff, MSHN Customer Service and Recipient Rights Specialist
- Congratulations to The Right Door on the opening of their Autism Center in Belding
- Veteran's Navigator Program
 - Engaged with The Right Door for the services of a regional Veteran's Navigator. The funding for the position is being provided by a grant through MDHHS. Kevin Thompson will serve in a full-time, salaried position, and will provide regional support and assistance to veterans
- MSHN Chief Medical Officer
 - Proposed contract with Dr. Zakia Alavi, staff psychologist at LifeWays Community Mental Health, included on the contract listing for board approval
 - Dr. Alavi will work with MSHN between 12-20 hours per month, and assist to strengthen medical oversight across the region
- 'State Targeted Response' Grant
- Opioid "RFI" Funding
- Board Newsletters
 - Board Newsletters will be released during months the Board of Directors does not have a meeting scheduled, on or about the second Tuesday
- FY17 Budget Update
- Section 298
- Inpatient Psychiatric Bed Registry and Inpatient Access
 - MSHN has been working diligently to improve access to psychiatric inpatient care for quite some time, and is pleased to see positive forward movement, brought on by the following:
 - Recent establishment of a statewide workgroup by MDHHS to address inpatient access issues. One of the first things that occurred at the state workgroup meeting was presentation by MSHN and Health Management Associates (HMA) on establishing an inpatient psychiatric bed registry statewide to create efficiencies around connection to

available inpatient beds. The concept achieved universal support by stakeholders, and will move forward. Funds have been appropriated by the state for that activity; next steps involve workgroup assessment of the specifics of what the program should look like and other resources we would like to see available for individuals who are experiencing crisis

- Beginning in August, a 100-day period (called a “sprint”) will occur, during which a number of subgroups, who are part of the state workgroup, will be assembled to identify and address access to this level of care, and make recommendations to the workgroup

12. FY17 Contract Listing

Ms. Horgan provided information and overview of the contract listing of July 11, 2017, recommended for Board approval, as presented, contingent upon SUD Oversight Policy Advisory Board approval of any applicable PA2 allocations.

MSHN 16-17-039 MOTION BY BRAD BOHNER, SUPPORTED BY DEB MCPEEK MCFADDEN, TO AUTHORIZE ITS CEO TO SIGN AND FULLY EXECUTE THE CONTRACTS, AS PRESENTED AND LISTED ON THE FY17 CONTRACT LISTING, CONTINGENT UPON SUD OVERSIGHT POLICY ADVISORY BOARD APPROVAL OF ANY APPLICABLE PA2 ALLOCATIONS. MOTION CARRIED: 23-0.

13. MDHHS FY17 Contract Amendment No. 2

Mr. Sedlock advised the Board of changes implemented in the FY17 Contract Amendment No. 2, and requested Board approval to sign and fully execute, as presented.

MSHN 16-17-040 MOTION BY KURT PEASLEY, SUPPORTED BY BRAD BOHNER, TO AUTHORIZE ITS CEO TO ENTER INTO A CONTRACTUAL AGREEMENT WITH THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES (MDHHS) FOR AMENDMENT NO. 2 OF THE FY17 MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT 1915 (b)/(c) WAIVER PROGRAM(S), THE HEALTHY MICHIGAN PROGRAM, AND SUD COMMUNITY GRANT PROGRAMS CONTRACT, AS PRESENTED. MOTION CARRIED: 23-0.

14. PIHP MDHHS FY18 Contract

Mr. Sedlock stated the PIHP-MDHHS FY18 Contract is recommended for Board approval to sign and fully execute, as presented.

MSHN 16-17-041 MOTION BY DAN GRIMSHAW, SUPPORTED BY IRENE O'BOYLE, TO AUTHORIZE ITS CEO TO ENTER INTO A CONTRACTUAL AGREEMENT WITH THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES (MDHHS) FOR THE FY18 MEDICAID MANAGED SPECIALTY SUPPORTS AND SERVICES CONCURRENT 1915 (b)/(c) WAIVER PROGRAM(S), THE HEALTHY MICHIGAN PROGRAM, FLINT 115 WAIVER AND SUD COMMUNITY GRANT PROGRAMS CONTRACT, AS PRESENTED. MOTION CARRIED: 23-0.

15. Other Business

Board members were encouraged to take part in the brief tour of Saginaw County CMH facilities.

16. Public Comment

There was no public comment.

17. Adjourn

MSHN 16-17-042 MOTION BY LEOLA WILSON, SUPPORTED BY PHIL GRIMALDI, TO ADJOURN THE JULY 11, 2017 REGULAR BUSINESS MEETING. MOTION CARRIED: 23-0.

The MSHN Regional Board of Directors Meeting adjourned at 6:20 p.m.

Meeting minutes submitted respectfully by:

Merre Ashley, MSHN Executive Assistant

Mid-State Health Network SUD Oversight Policy Advisory Board

Wednesday, June 21, 2017, 4:00 p.m.

Michigan Association of CMH Boards (MACMHB)

Meeting Minutes

1. Call to Order

Chairperson Hunter called the MSHN SUD Regional Oversight Policy Board of Directors Meeting to order at 4:00 p.m.

Board Member(s) Present: Lisa Ashley (Gladwin), Bruce Caswell (Hillsdale), Larry Emig (Osceola), Steve Glaser (Midland), Richard (Dick) Gromaski (Bay), Christina Harrington (Saginaw), John Hunter (Tuscola), Jerry Jaloszynski (Isabella), Carol Koenig (Ingham), Bryan Kolk (Newaygo), Tom Lindeman (Montcalm), Carl Rice (Jackson), Leonard Strouse (Clare), Sabrina Sylvain (Gratiot), Debbie Thalison (Ionia), Kim Thalison (Eaton), Kam Washburn (Clinton), and Virginia Zygiel (Arenac)

Alternate Member(s) Present: John Kroneck (Montcalm)

Board Member(s) Absent: Clark Elftman (Huron), Susan Guernsey (Mecosta), and Vicky Schultz (Shiawassee)

Staff Members Present: Amanda Horgan (Deputy Director), Dr. Dani Meier (Chief Clinical Officer), Merre Ashley (Executive Assistant)

2. Roll Call

Secretary Carol Koenig provided the Roll Call for Board Attendance.

3. Approval of Agenda for June 21, 2017

Board approval was requested for the Agenda of the June 21, 2017 Regular Business Meeting, as presented.

ROPB 16-17-025 MOTION BY VIRGINIA ZYGIEL, SUPPORTED BY DICK GROMASKI, FOR APPROVAL OF THE AGENDA OF THE JUNE 21, 2017 REGULAR BUSINESS MEETING, AS PRESENTED. MOTION CARRIED: 17-0.

4. Approval of Minutes from April 19, 2017 Regular Business Meeting

Board approval was requested for the draft meeting minutes of the April 19, 2017 Regular Business Meeting, as presented.

ROPB 16-17-026 MOTION BY LARRY EMIG, SUPPORTED BY BRYAN KOLK, FOR APPROVAL OF THE MINUTES OF THE APRIL 19, 2017 REGULAR BUSINESS MEETING, AS PRESENTED. MOTION CARRIED: 17-0.

5. Public Comment

There was no public comment.

6. Board Chair Report

Chairperson Hunter addressed the following:

- Welcome New Board Member, Christina Harrington
- FY18 Board Meeting Schedule

7. Approval of FY18 Board Meeting Calendar

Chairperson Hunter stated the FY18 Board Meeting calendar is representative of a continuation to the bi-monthly meeting schedule of the SUD Oversight Policy Advisory Board bi-monthly meetings, and is recommended for board approval as presented.

ROPB 16-17-027 MOTION BY DICK GROMASKI, SUPPORTED BY CAROL KOENIG, TO APPROVE THE FY18 SUD OVERSIGHT POLICY ADVISORY BOARD MEETING CALENDAR, AS PRESENTED. MOTION CARREID: 17-0.

8. Deputy Director Report

Ms. Amanda Horgan provided information and overview of materials related to the following:

- Section 298 Update
- FY2017 PA2 Use by County

9. Operating Update

Dr. Dani Meier provided information on the following:

- Block Grant RFI Awarded to MSHN
 - Grant is funded by SAMHSA, through MDHHS for opioid-related treatment and prevention services in four (4) categories:

- Prescription Drug and Opioid Overdose Prevention
- Opioid Overdose Recovery
- Innovative Strategies for Enhancing Treatment Services for Pregnant Women
- Drug Court Recovery Support Programs
- MSHN awarded \$1 million in funding to combat the opioid epidemic throughout the region
- Grant status and regional program updates will be provided as services become established and operational
- Overdose Death Regional Reports

Ms. Lisa Ashley arrived at 4:32 p.m.

- Narcan/Naloxone Regional Funding, Distribution and Sustainability
 - If a county within Region 5 needed more NARCAN than MSHN is able to provide through block grant funding, application by provider(s) for PA2 funding to obtain additional kits would be appropriate.
 - The Michigan State Police (MSP) Angel Program, which provides a trained volunteer within state police posts to provide assistance in getting individuals into treatment, has been implemented. MSHN is involved in meetings throughout the region with MSP Angel Program coordinators and officers.
 - MSHN's clinical team will research and provide additional information related to whether PA2 funds can be further utilized to expand the program to sheriff's offices, to allow individuals who reside in rural areas (without access to state police posts) the ability obtain the same type of service(s) through a visit to their local sheriff's office.
- Regional SUD Quarterly Report

10. Receive Substance Use Disorder (SUD) County-Specific FY17 Quarterly Report (Second Quarter)

Chairman Hunter referenced the county-specific reports, provided onsite within respective Board Member folders. The reports were recommended for approval, as presented.

ROPB 16-17-028 MOTION BY JERRY JALOCZYNSKI, SUPPORTED BY DICK GROMASKI, TO RECEIVE THE SUBSTANCE USE DISORDER (SUD) COUNTY-SPECIFIC FY17 QUARTERLY REPORT (SECOND QUARTER), AS PRESENTED AND PROVIDED. MOTION CARRIED: 18-0.

11. Other Business

Mr. John Kroneck provided Marijuana Fact Sheets, which included information for municipalities on concerns related to Medical Marijuana legalization and how locales could be impacted. Per request, MSHN's executive assistant was charged with distributing the documentation to board members electronically.

12. Public Comment

There was no public comment.

13. Board Member Comment

Mr. Bruce Caswell addressed the topic of marijuana legalization, stating no individual should have to live in pain, but anything that is put into the human body could and often does have adverse effects and/or consequences; the point is the implications of legalizing marijuana are unknown. The issue should be approached in a less emotional and more intelligent manner. He advised that the Michigan Association of Health Plans (MAHP) is working to effectively address the petition and legalization on the ballot.

Board members provided information on the following events, taking place within their communities:

- Judge Jodi Program
 - Sponsored by Gratiot/Isabella County Coalitions, the program addresses the opioid epidemic. Event flyer and information provided within recent MSHN/Region 5 SUD Provider Updates.
- Clare County Recovery Court: Treatment 101
 - Provided by the judge and the recovery court team to identify incentives, sanctions, due process and confidentiality. Magistrates, judges, probation officers, law enforcement, educators and county commissioners will participate in the event aimed at providing a glimpse of how a well-run specialty court looks like. Email board member Lisa Ashley if interested in participating or would like additional information.

14. Adjournment

Chairperson Hunter adjourned the June 21, 2017 Substance Use Disorder Oversight Policy Advisory Board of Directors Meeting at 5:14 p.m.

Meeting minutes submitted respectfully by:
Merre Ashley
MSHN Executive Assistant



Mid-State Health Network Board of Directors Executive Committee Meeting Minutes

Friday, July 21, 9:00 a.m.

MEMBERS PRESENT: Ed Woods, Chair; Irene O’Boyle, Vice-Chair; Jim Anderson, Board Secretary

STAFF PRESENT: Amanda Horgan, Deputy Director; Joseph Sedlock, Chief Executive Officer

BOARD MEMBERS PRESENT: None

1. Call to order: The meeting of the Executive Committee was called to order by Chairperson Ed Woods at 9:00 a.m.
2. Approval of Agenda: On motion of I. O’Boyle, with support by J. Anderson, the agenda for the July 21, 2017 meeting of the Executive Committee was approved.
3. Board Member Comment: No other board members present.
4. Board Matters -

- 4.1. Discussion to Revise Board Governance Policy regarding rescheduling Board Meetings in the event of Weather-Related (or other) cancellation.

In follow-up to the July board meeting, Mr. Sedlock proposed draft language to amend the General Management, “Board Member Conduct and Board Meetings” policy to require that MSHN reschedule board meetings that could not take place as scheduled, to occur as soon as practical on a date and at a time and place nearest to the meeting that did not occur. Motion by J. Anderson, Supported by I. O’Boyle to recommend Policy Committee endorsement. Motion carried.

- 4.2. Discussion to Revise “Delegation to the Chief Executive Officer and Executive Limitations Policy” to authorize the Chief Executive Officer to sign certain contracts under certain conditions.

In follow-up to the July board meeting, Mr. Sedlock proposed draft language to amend the General Management, “Delegation to the Chief Executive Officer and Executive Limitations” policy to specifically authorize the CEO to execute certain revenue and directly related expenditure contracts under certain conditions spelled out in the policy draft. Motion by I. O’Boyle, supported by J. Anderson to recommend Policy Committee endorsement. Motion carried.

- 4.3. Discussion to Establish a procedure for expanded briefing of the Board of Directors in certain Compliance, Personnel and/or Legal Matters.

In follow-up to the July board meeting, the Executive Committee discussed a variety of methods to better inform the full Board of Directors of certain personnel, compliance and/or legal matters while maintaining necessary boundaries around the public release of said information.

The Executive Committee determined that MSHN will add to the board meeting agenda, as a standing item, a Report from the Executive Committee. During this report, the designated representative of the Executive Committee will give a verbal report and provide an opportunity for all board members to ask questions or make comments.

- 4.4. Discussion to broaden membership on the Executive Committee by Appointment to Same by the Board Chair.

In follow-up to the July board meeting, the Executive Committee considered a recommendation from a few board members to expand membership of the Executive Committee to include additional board members who would be appointed to serve on the committee. The Executive Committee concluded that there have been a number of changes in recent months to increase transparency and provide expanded opportunities for all board members that wish to participate in the proceedings of the Executive Committee, and that those actions should be given time to operate. The Executive Committee will ask the full board of directors at the January meeting to evaluate the changes made and will reconsider this recommendation if a majority of members are experiencing ongoing concerns.

5. Personnel Matters – (I. O’Boyle)

- 5.1. Performance Review of the MSHN Chief Executive Officer

The Chief Executive Officer’s performance review is due to be completed, and his employment contract considered, in November 2017. I. O’Boyle has agreed to coordinate the performance review process. I. O’Boyle asks that MSHN provide paper copies of the performance review format at the September Board meeting. I. O’Boyle will work with Merre Ashley, MSHN Executive Assistant, to orchestrate the performance review process. It is important to note that Mr. Sedlock is not involved in any aspect of this process until it’s conclusion, at which time results of the review are provided to him. Mr. Sedlock was asked to prepare a report of accomplishments for board member consideration.

6. Other – None
7. Board Member Comment – No other board members present.
8. Next MSHN Executive Committee Meeting: August 18, 2017, 9:00 a.m.
9. Adjourn – 9:33 a.m.

Mid-State Health Network Board of Directors Executive Committee Meeting Minutes

Friday, August 18, 9:00 a.m.

MEMBERS PRESENT: Ed Woods, Chair, Irene O'Boyle, Vice-Chair; Jim Anderson, Board Secretary

STAFF PRESENT: Amanda Horgan, Deputy Director (Joe Sedlock, CEO – Excused/Funeral)

BOARD MEMBERS PRESENT: None

1. Call to order: The meeting of the Executive Committee was called to order by Chairperson Ed Woods at 9:00am.
2. Approval of Agenda: On motion of I. O'Boyle, with support by J. Anderson, the agenda for the August 18, 2017 meeting of the Executive Committee was approved with the addition of the below items.

2.1. Add: #4.4. Nominating Committee Minutes

2.2. Add: #6 Debrief of SUD Oversight Advisory Board Meeting on August 16th.

2.3. Add: #8 Discuss September Executive Committee cancellation, hold, or reschedule

3. Board Member Comment: No other board members present.

4. Board Matters -

- 4.1. Review and Approval: July 2017 Executive Committee Meeting Minutes

Revised the date of the meeting, with the correction from June to July.

Motion by I. O'Boyle, with support by J. Anderson, to approve the July 2017 Executive Committee Meeting Minutes with noted date change.

- 4.2 Board Self-Evaluation Survey Results Review

Discussed and reviewed the Board Self-Evaluation Survey results, which seem to demonstrate improvement from last year. Sixteen of twenty-four board members completed the survey. MSHN will review trending comparison from last year and provide by high level analysis by topic category. E. Woods will provide a summary at the September Board Meeting.

- 4.3 Proposed Draft Board Meeting and Public Hearing Agenda

Discussed and Reviewed the following additions to the draft agenda:

- Add to September Board Agenda under #6. Board Chair Report – Board Self-Assessment with action to receive and file.
- Add Board Executive Committee Report – Executive Committee approved the addition under the MSHN Board Chair Update (request at July Executive Committee meeting).
- J. Anderson will address the Special Order and handle the nominations.

- 4.4 Review and Approval: August 1, 2017 Board Officer Nominating Committee Minutes
Discussed the Nominating Committee meeting minutes and discussion about the rotation of elected officers and the recognition of immediate past chairperson.

Motion by I. O'Boyle, with support by J. Anderson, to approve the August 1, 2017 Board Officer Nominating Committee Minutes.

5. Personnel Matters – (I. O'Boyle)

5.1. Update on Process for Performance Review of the MSHN Chief Executive Officer (Irene O'Boyle)

I. O'Boyle informed the committee on the below process that will be utilized for the CEO performance review:

- Fillable form to be included in September 12 Board Meeting Packet to align with the agenda item under the Chairperson's Report
- Hardcopies with self-addressed stamped envelopes will be provided onsite at the September 12 meeting for those that require
- Irene will ask that additional requests for hardcopy of the form be in the form of email to Irene or Merre Ashley
- Electronic distribution of the form will occur on Monday, September 25 with deadline of Friday, October 6 (email message to include detailed instructions on completing/submitting the form electronically)
- Results will be compiled weekly throughout the period, and sent to Irene electronically
- Final/compiled report and attachment to be included in November 7 Board Meeting Packet for Board Action/Approval

5.2. Discussion on ways to improve Board/Administration communications in personnel and legal matters

Reviewed minutes from July Executive Committee meeting, where it was decided to add a report from the Executive Committee to the board meeting agenda as a standing item.

Executive committee feels that no further discussion or policy action is necessary since board members are provided the opportunity to attend the meeting and have added the topic to board meeting agenda for review.

6. Other – All

6.1. Discussed August 16, 2017 SUD OPB Meeting

Informed Executive Committee of discussion at OPB related to FY17 projections and FY18 Budget. For SUD, MSHN is expecting a 37% increase in Medicaid and a 28% increase in Healthy Michigan, this information was provided from Milliman related to the trending increase in demand across the state. The increase results in total about 6.3m in additional funds for FY18. For SUD Block Grant, which is similar to the General Fund on the Mental Health side, MSHN is not anticipating an increase outside of the targeted funding for strategies related to Opioid Use. FY17 spending on Block Grant is projected to be overspent by 1.2million this year. MSHN has been working on a cost containment plan over the last year with providers (high cost per consumer, high cost per unit). MSHN has requested reallocation of Block Grant funds from MDHHS if available. If not available, MSHN informed OPB that a request will be presented at the next meeting for review and approval of PA2 funds to ensure continuation of services through September 2017. PA2 currently has a balance of 14million and has trended an increase of about 1million each year. There was concern by OPB members that this is the first they are hearing of the overspending. MSHN committed to ensuring future BG projections will be

provided to the OPB Board as early as possible, specifically as it relates to possible overspending and use of PA2 funding.

Executive committee discussed there is concern that the SUD advisory board is not receiving enough information on financials and/or lacks an understanding of their role as an advisory board. E. Woods requested MSHN review and develop a plan to address.

7. Board Member Comment:

There was no further board member comment and no other board member representation on the call.

8. Next MSHN Executive Committee Meeting: September 15, 2017, 9:00 a.m.

Discussed if MSHN should hold, cancel or reschedule the next Executive Committee Meeting since the board meeting would occur just a few days prior on September 12. E. Woods recommended cancellation and if an agenda item presents itself in the meantime, Joe can call the meeting back together.

9. Adjourn - Meeting adjourned at 9:47a.m.

Mid-State Health Network
BOARD POLICY COMMITTEE MEETING
Tuesday, July 25, 2017
Teleconference – 10:00 a.m.
MEETING MINUTES

1. Call to Order

- 1) The MSHN Board Policy Committee Meeting convened at 10:00 a.m.
- 2) Policy Committee Members Participating: John Johansen, Colleen Maillette, Irene O’Boyle, Kurt Peasley
- 3) Policy Committee Members Absent: Mike Hamm
- 4) MSHN Staff Participating: Amanda Horgan (Deputy Director) and Merre Ashley (Executive Assistant)

2. Approval of the Agenda

Ms. Amanda Horgan requested approval of the agenda, as presented.

MOTION by John Johansen, supported by Irene O’Boyle, to approve the July 25, 2017 Board Policy Committee Meeting Agenda, as presented. Motion Carried: 3-0.

3. Policy for Additional Review and Discussion

Ms. Horgan referenced the Personnel Manual, and acknowledged the committee for their time and efforts in reviewing the lengthy document. As background, she advised that in addition to internal review (by Deputy Director), the manual is reviewed annually by MSHN’s Human Resource/Professional Employment Organization (PEO) to ensure compliance with current Human Resources laws and regulations. Per that process, the personnel manual received revision following the committee’s first reading; the updated version, provided within the meeting packet, includes implementation of language related to the following section:

- **Standard Employment Practices: Harassment/Discrimination Complaint Procedure**
 - The paragraph was mistakenly deleted from the version originally distributed to the committee. The information was implemented back into the manual, removing the 15-day time limit and specifying alternatives related to the reporting process.

July 25, 2017 Board Policy Committee Meeting Minutes

MINUTES ARE CONSIDERED DRAFT UNTIL APPROVED

Ms. Horgan provided background and information related to revisions made to the following sections, which were included in the version of the personnel manual originally distributed to the committee for their first reading:

- **General Policies and Procedures: Credentialing/Re-Credentialing:**
 - The language within this section was updated to align with the MDHHS Credentialing and Re-credentialing process and MSHN policy.
- **Job Classifications: Exempt/Non-Exempt Staff**
 - Language updates were implemented to support the policy around overtime pay and clarify language around non-exempt employees.
- **Leave Policies: Paid Time-Off (PTO)**
 - Additional language to clarify the issue around negative PTO accruals was implemented.
- **Leave Policies: Accumulation and Carry-Over of PTO**
 - Revisions were brought from discussions among leadership and staff to clarify time frame and requirements related to PTO accumulation, carry-over and pay out.

Following discussion, Ms. Horgan requested committee approval of the MSHN Personnel Manual 4.0, and recommendation to present to the full board, as revised.

1) Human Resources: Personnel Manual 4.0

MOTION by Irene O’Boyle, supported by Kurt Peasley, to approve and recommend Personnel Manual 4.0 for presentation to the full board, as revised. Motion carried: 3-0.

4. New Policy

Ms. Horgan advised the Cash Management–Healthy Michigan Plan policy culminated from Operations Council and Finance Council conversations and guidelines to address Healthy Michigan Plan funding and smoothing plans. Both the Operations Council and Finance Council recommend the policy for board approval, as written. Ms. Horgan requested committee approval and recommendation of the Cash Management–Healthy Michigan Plan 1.0 policy for presentation to the full board, as presented.

1) Finance: Cash Management – Healthy Michigan Plan (HMP) 1.0

MOTION by John Johansen, supported by Irene O’Boyle, to approve and recommend the Cash Management – Healthy Michigan Plan (HMP) 1.0 policy for presentation to the full board, as presented. Motion carried: 3-0.

July 25, 2017 Board Policy Committee Meeting Minutes

MINUTES ARE CONSIDERED DRAFT UNTIL APPROVED

5. Policies Under Annual Review

Ms. Horgan stated the remaining seven (7) policies distributed within the meeting packets have been reviewed internally and by respective councils/committees. Minor edits/revisions were made to provide clarification and strengthen communication per committee/council member recommendation(s); versions distributed to the policy committee for first reading were inclusive of those updates. Ms. Horgan requested committee approval and recommendation of the policies for presentation to the full board, as presented.

- 1) Human Resources: Employee Compensation 2.0**
- 2) Human Resources: Performance Evaluation 1.0**
- 3) Human Resources: Reimbursement of Licensure and Memberships 1.0**
- 4) Human Resources: Separation 1.0**
- 5) Human Resources: Succession Planning 1.0**
- 6) Information Technology: Information Management 1.0**
- 7) Information Technology: Record Retention 1.0**

MOTION by Kurt Peasley, supported by Irene O’Boyle, to approve and recommend presentation of the MSHN Policies Under Annual Review to the full board, as provided and presented. Motion carried: 3-0.

Ms. Colleen Maillette joined the teleconference at 10:13 a.m.

6. FY18 Meeting Calendar

Ms. Horgan referenced the tentative FY18 Board Policy Committee meeting calendar, provided within meeting packets. The calendar was prepared to allow advanced coordination of future board committees and alignment with established FY18 Board of Director meeting dates. Following discussion, the committee expressed approval of the calendar, as presented. Ms. Horgan directed MSHN’s executive assistant to distribute calendar invitations to committee members as designated by the FY18 Board Policy Committee Meeting calendar.

Ms. Horgan stated that per the established Policy and Procedure Annual Review by Chapter/Section calendar, the review process is on schedule. As there are no policy chapters slated for policy committee review in the month of October, she requested cancellation of the September policy committee meeting. The committee would resume their meeting schedule in October, per the approved FY18 Meeting Calendar, to review compliance chapter policies. Committee members voiced their agreement of this action.

July 25, 2017 Board Policy Committee Meeting Minutes

MINUTES ARE CONSIDERED DRAFT UNTIL APPROVED

7. New Business

There was no new business.

8. Adjournment

MOTION by Kurt Peasley, supported by Irene O'Boyle, to adjourn the July 25, 2017 MSHN Board Policy Committee Meeting. Motion carried: 4-0.

The MSHN Board Policy Committee Meeting adjourned at 10:19 a.m.

Meeting minutes respectfully submitted by:
Merre Ashley,
MSHN Executive Assistant

July 25, 2017 Board Policy Committee Meeting Minutes

MINUTES ARE CONSIDERED DRAFT UNTIL APPROVED

**Mid-State Health Network (MSHN) Regional Board of Directors
Board Officer Nominating Committee Meeting
Tuesday, August 1, 2017, 11:00 a.m.
Gratiot Integrated Health Network**

Meeting Minutes

1. CALL TO ORDER

Committee Chairperson Jim Anderson called the Board Officer Nominating Committee Meeting to order at 11:06 a.m.

2. ROLL CALL

Roll Call was taken for Board Members in attendance.

Board Member(s) Present: Jim Anderson (Bay-Arenac), Tina Hicks (Gratiot), John Johansen (Montcalm), Gretchen Nyland, and Irene O'Boyle (Gratiot)

Board Member(s) Absent: Phil Grimaldi (Saginaw)

Staff Members Present: Merre Ashley (Executive Assistant)

3. OPEN ISSUES

A) Review of Interested Candidates

Chairperson Anderson requested committee review of the Board Officer Election Survey results, which included a list of nominations and interested candidates for Board Officer positions.

The following action ensued:

For the Position of Board Chairperson:

MOTION BY IRENE O'BOYLE, SUPPORTED BY TINA HICKS, TO BRING ED WOODS' NAME FORTH AS CHAIR. MOTION CARRIED 5-0.

MOTION BY IRENE O'BOYLE, SUPPORTED BY JOHN JOHANSEN, TO CLOSE THE NOMINATIONS AND CAST A UNANIMOUS BALLOT FOR ED WOODS AS CHAIR. MOTION CARRIED: 5-0.

For the Position of Board Vice-Chairperson:

MOTION BY JOHN JOHANSEN, SUPPORTED BY TINA HICKS TO BRING IRENE O'BOYLE'S NAME FORTH AS VICE-CHAIR. MOTION CARRIED: 5-0.

MOTION BY JOHN JOHANSEN, SUPPORTED BY GRETCHEN NYLAND, TO CLOSE THE NOMINATIONS AND CAST A UNANIMOUS BALLOT FOR IRENE O'BOYLE AS VICE-CHAIR. MOTION CARRIED: 4-0. (ABSTAINED: IRENE O'BOYLE)

For the Position of Board Secretary:

MOTION BY IRENE O'BOYLE, SUPPORTED BY JOHN JOHANSEN, TO BRING TINA HICKS NAME FORTH AS SECRETARY. MOTION CARRIED 4-0. (ABSTAINED: TINA HICKS)

MOTION BY IRENE O'BOYLE, SUPPORTED BY JOHN JOHANSEN, TO BRING COLLEEN MAILLETTE'S NAME FORTH AS SECRETARY. MOTION CARRIED: 5-0.

MOTION BY GRETCHEN NYLAND, SUPPORTED BY JIM ANDERSON, TO BRING KURT PEASLEY'S NAME FORTH AS SECRETARY. MOTION CARRIED: 5-0.

MOTION BY IRENE O'BOYLE, SUPPORTED BY GRETCHEN NYLAND, TO CLOSE THE NOMINATIONS AND MOVE THE BALLOT FORTH WITH TINA HICKS, COLLEEN MAILLETTE AND KURT PEASLEY AS SECRETARY. MOTION CARRIED: 5-0.

B) Creating the Ballot

The Ballot will be presented at the September 12, 2017 Board of Directors Meeting to include:

- **Ed Woods: Chairperson**
- **Irene O'Boyle: Vice-Chairperson**
- **Tina Hicks, Colleen Maillette, and Kurt Peasley: Secretary**

C) Contacting Nominees

Chairperson Anderson notified Ms. Colleen Maillette she was nominated and would be included on the ballot for the officer position of Board Secretary. Ms. Maillette confirmed her interest in holding the position.

Chairperson Anderson notified Mr. Kurt Peasley he was nominated and would be included on the ballot for the officer position of Board Secretary. Mr. Peasley confirmed his interest in holding the position.

The MSHN Executive Assistant, Merre Ashley, was charged with notifying Mr. Ed Woods of his nomination and inclusion on the ballot for the officer of Board Chairperson.

Disclosure forms were provided to Board Officer nominees Irene O'Boyle and Tina Hicks onsite. Ms. Ashley will forward the forms electronically to Board Officer nominees, Colleen Maillette, Kurt Peasley, and Ed Woods, with cc to the nominating committee.

D) Planning for the September 12, 2017 Board Meeting

Chairperson Anderson addressed action anticipated to occur onsite pertaining to the Board Officer election process. Following brief discussion, members voiced their approval of the process proposed.

4. NEW BUSINESS

There was no new business.

5. ADJOURNMENT

Mr. Anderson thanked the committee for their participation and input;

MOTION BY JOHN JOHANSEN, SUPPORTED BY TINA HICKS, TO ADJOURN THE BOARD NOMINATING COMMITTEE MEETING. MOTION CARRIED: 5-0.

The August 1, 2017 Board Officer Nominating Committee Meeting adjourned at 11:51 a.m.

Meeting minutes submitted respectfully by:

Merre Ashley
Executive Assistant, MSHN

Members Present: C. Pinter, S. Lurie, M. Geoghan (11:55), T. Quillan (phone), J. Obermesik, L. Hull, S. Prich, S. Lindsey, S. Vernon, R. Lathers (phone), S. Beals (phone-left early) and M. Leonard.

Members Absent:

MSHN Staff Present: A. Horgan, L. Thomas

Agenda Item		Action Required			
Agenda	Approved				
Consent Agenda	<p>Approved:</p> <p>Pulled the HCBS Provider Assessment Timeline for discussion under C.</p> <p>Questions:</p> <p>Related to pg. 11 “closing the door” – what does this mean.</p> <p>Related to pg. 12 Waiver extension holding up changes – clarification of changes.</p> <p>Item 7. Larger site review process – what is this?</p>				
	Todd Lewicki, MSHN Lead to attend meeting next month to give an update on discussions related to HCBW	By Who	Todd Lewicki	By When	8.7.17
Fiscal Intermediary Management Proposal	<p>From June meeting: Table till 298 and prepare proposal with more details for discussion (including provider capacity) and resolution at July meeting.</p> <p>MSHN requested endorsement of the FI Contract Template, FI Supplier Performance Standards and the attached proposal of the July 2017 Ops Meeting.</p> <p><i>Discussed Ops Comments/Feedback:</i> : Single contract a concern, not supportive of claims, and compliance; concern with blended model, keep it clear that delegated function; format and standardization support; concern we are stepping away from the delegation grid; some concern as well with FI’s that a CMH has had compliance risk; didn’t see the benefit to the CMH; legal issue with payment if they don’t have a contract; don’t support centralization of service delivery; wonder about the vision of centralized contracts and does that put us somewhere/benefit to the politics in the</p>				

Agenda Item		Action Required			
	<p>future. We need to keep our public system – contract administration at CMH. Feels of MSHN operational creep on the delegated functions and our foundation.</p> <p><i>Summary Recommendation:</i> There was consensus among the CEO's to recommend that MSHN implement a standardized contract, regional auditing tool and a regional audit process but that the CMHSPs would continue to contract with the FI (as opposed to MSHN holding the contract).</p>				
	MSHN to ensure all feedback included in contract revisions Final version to be sent out to Ops Council at next meeting	By Who	Carolyn Watters	By When	7.31.17
Financial Performance and Projections through May 2017	<p>Corrected financials were distributed Friday, 7.14.17. Leslie reviewed the May 2017 Financial Reports</p> <p>Discussed draft rate setting figures from Milliman. Finance council will review along with Dale Howe and decide what projections to use for budgeting.</p>				
	Informational Only	By Who	NA	By When	N/A
Regional Veterans Navigator Update	Board approved VA contract with The Right Door. Kevin Thompson will be the regional Veteran Navigator. He will be working under Dani Meier to define regional process and procedures. A workplan is due to MDHHS within 30 days. 21k for FY17 & 94k for FY18				
	Informational Only	By Who	N/A	By When	N/A
Gain for SUD Screening and Assessment	Topic is on the PIHP Contract Negotiation as an item for discussion. MDHHS requests FY18 training year and FY19 requirement. Part of the 1115 Waiver – single assessment tool.				
	MSHN will send out information on the GAIN assessment	By Who	A.Horgan	By When	7.20.17
Saginaw Cash Advance Implementation Update	Saginaw is paying as agreed on FY15 settlement. Fieldwork for the audit is finished and MSHN is expecting a preliminary draft soon. The report along with any recommendations will be reviewed with				

Agenda Item		Action Required			
	Saginaw, and the final shared with Ops and MSHN Board of Directors				
	Informational Only	By Who	N/A	By When	N/A
Saginaw Cost Containment – Follow up	<p>Saginaw submitted an updated cost containment plan, June 30 (original submission May 31)</p> <p>No projected cost savings or targets. Plan appears to be reasonable and Saginaw with report bi-monthly on the progress and related cost savings.</p> <p>Sandy questioned on HMP and cost containment plans, are they required for all? MSHN to review and discuss.</p>				
	MSHN to review cost containment process for HMP related to all CMHSPs.	By Who	J. Sedlock / L. Thomas	By When	7.31.17
Section 298	<p>Governor signed budget on Friday. Small vetoes were included. 50 cent raise for direct workers included. Stated he considered several boilerplate sections in both bills unenforceable...if the DCW isn't used for its purpose it would be deducted from the PIHPs next fiscal year budget.</p> <p>CEOs of the CMHs/PIHPs met July 12 to discuss post 298 strategies and to develop a general consensus around the strategy. Reviewed 298 language and principals. Discussed public sector pilots and related development strategy's, pilot project infrastructure and any litigation, regulatory strategy.</p> <p>There may be a follow up meeting at the next Directors Forum.</p> <p>There will be a survey coming out to update the information regarding integration efforts already occurring and future pilots. We need to include all integration efforts and ensure a strong response to our system.</p> <p>Discussed future strategy: How do we design our system to support the initiatives and the public system?</p>				

Agenda Item		Action Required			
	<ul style="list-style-type: none"> Clinical integrated outreach towards clinical protocol development of the service side. Counties should support the CMH system with Legislative action. Support turning on the care coordination codes <p>Discussed MHP/PIHP work and the topic will be on the agenda next month. Request Skye, MSHN's lead to discuss details on the project.</p>				
	MSHN to send out Gongwer article regarding the budget	By Who	A.Horgan	By When	7.18.17
Regional Children's Crisis Residential Program Development	<p>Sarah Lurie – CEI runs Apple Tree which is a crisis residential program, struggling to find psychiatric care. CEI has a need for a crisis residential program, couldn't fill capacity though. Has the facilities and the provider. Startup cost will need to be considered.</p> <p>Is there a regional need? Questions: LOS? Single home? 4-beds avail for region? Private beds?</p> <p>Dave Beck opening one in Roscommon? North of our region.</p>				
	S. Lurie will send out information including proposed rates. CMHSPs will respond with questions.	By Who	S. Lurie	By When	7.31.17
HCBS Expenditures to Achieve Compliance, CMHSP Payment Responsibility	<p>Follow up to a previous request to see areas of improvement regarding physical/accessibility changes to settings.</p> <p>CMHSP to follow contractual provisions as indicated with the Provider in determining financial responsibility for expenses incurred to address compliance.</p> <p>B surveys were scheduled to go out July 17, postponed a week.</p> <p>Beginning July 3rd and continuing into the next four weeks, Mid-State Health Network (MSHN) will be sending the Out of Compliance letters to our providers. Each HCBS CMH Coordinator</p>				

Agenda Item		Action Required			
	<p>will be copied in on all communication if the particular beneficiary is receiving services from your agency.</p> <p>CMHSPs are reporting they are not being copied on the letter, heightened scrutiny and they don't have a copy of the CAP template.</p>				
	MSHN to ensure letters are being copied to CMHs, along with heightened scrutiny and CAPs.	By Who	A.Horgan	By When	7.19.17
MSHN Utilization Management Reporting Schedule	<p>Follow up from previous discussion regarding current reports/data being tracked.</p> <p>Informational feedback: Reports all should include headers, dates, larger print. Concern: UM follow up requirements on the CMH related to outliers. How are we managing and prioritizing this year?</p> <p>Sort and categorize by level of measure so Ops can see progress. Support the CAP process if there is an outlier as a region compared to state benchmarks.</p>				
	Topic will be on agenda for next month with more information.	By Who	A.Horgan	By When	8.1.17
SIS Completion, Refusals, Corrective Action Plan	<p>MSHN updated figures as of 7.12.17 – 74% compliant. Huron has added an assessor – July training, mid-August should be available.</p> <p>Montcalm added an assessor – She will also be assigned to Gratiot, Right Door and Newaygo. This diverts Rosemary to focus back on Clare, Isabella, Mecosta, and Osceola counties and Lindsey to Jackson and Hillsdale counties.</p> <p>Frank has retired from CEI. Informed Karla Block (Director of DD Services) of MORC new assessor training in July. Position posted at CEI, but CEI will try to fill gap with Amanda Koch, as appropriate.</p> <p>Concerns with not meeting the 85% requirement. MSHN is not sure how the state will handle a penalty for not meeting the deadline at this point. This is a delegated function, with direct CMH – CMH contracts.</p>				

Agenda Item		Action Required			
	MORC is available per MSHN contract to complete assessments. Discussed SIS assessments and if MSHN should be giving feedback to MDHSS on these requirements and the process.				
	CMHs to follow up and ensure compliance with 9.30.17 deadline.	By Who	CMHSPs	By When	7.31.17
ZTS/ICDP Clinical Licenses - Training	Training plan included in packet – page 49 – Reviewed at Ops in early spring. Tentative schedule on page 52. No feedback on the training plan Need to Identify CMH ICDP Champions 28-Jul-17 Concern that the data still doesn't show Medicare Information. CMH would like to see how physical health would be included in the training.				
	Training plan approved. CMHSPs to identify ICDP Champions for Clinical Licenses. MSHN to send an email with requests for Champions.	By Who	CMHSPs A.Horgan	By When	7.24.17 7.20.17
Mental Health Parity and Addiction Equity Act Overview Survey	Draft survey in packet. Received final survey on 7.13.17. Michigan Parity Survey Tool for PIHPs to give MDHHS information regarding PIHP treatment limitations so they can work to ensure compliance with the Parity Regulations issued by CMS in 2016. Todd Lewicki will be requesting information as we operate with a delegated model. Some will be N/A as MSHN will complete. Need to identify CMHSP contact for survey completion asap so MSHN can send out. Due August 11 to MDHHS.				
	CMHSPs to identify contact person for survey completion. MSHN to send out email with instructions, completion due date and submission format.	By Who	CMHSPs A.Horgan	By When	7.21.17 7.18.17
NCQA Readiness/Planning/CMHSP Engagement Discussion	The Mihalik Group, consultants for NCQA completed the Readiness Assessment at MSHN, LRE and Region 10. Region 10 is moving forward with 2017 standards and application. MSHN's				

Agenda Item		Action Required			
	<p>recommendation from the consultants would be application of 2018 standards. MSHN initial planning is for FY19 application.</p> <p>Region 10 has conducted the 3day education session for their staff and CMHSPs. MSHN and LRE to schedule yet. Discuss CMH involvement.</p> <p>MBHO: QM, UM, CC, Rights, Credentialing & Delegation</p> <p>Strengths: Access to regional data, ZTS. Weakness: Lack of Medical Director (to begin August 2018 – Dr. Alavi – works at LifeWays as well) and the amount of delegation. Delegation is not a concern, but NCQA requires the monitoring and assurance as if it were not delegated.</p> <p>Some areas that MSHN can work on jointly with LRE. Considering a joint project manager. We are also staying connected to Region 10's work.</p> <p>This may be a strategy that our region should consider in terms of PIHP accreditation.</p> <p>Clinical Integrated Networks should be a strategic move under NCQA.</p>				
	More discussion and details on report at future Operations Council meeting.	By Who	N/A	By When	N/A
Other Discussion Items	MDHHS communicating with staff directly, concerns about the demands, leaving out PIHP, etc. Ex. PSP,				
	MSHN will continue to communicate this concern with MDHHS	By Who	N/A	By When	N/A

Members Present: C. Pinter, S. Lurie, T. Quillan (phone), J. Obermesik, L. Hull, S. Prich, S. Lindsey, S. Vernon, R. Lathers, S. Beals and M. Leonard.

Members Absent: M. Geoghan

MSHN Staff Present: J. Sedlock, A. Horgan, L. Thomas

Agenda Item		Action Required			
Agenda	Approved: Prioritized items due to length of packet				
Consent Agenda	Note CSC Charter approved annual review				
	All items approved with no removals or discussion.	By Who	N/A	By When	N/A
Service Delivery System Policy – Inpatient Psychiatric Hospitalization Standards <ul style="list-style-type: none"> Statewide Psychiatric Inpatient Monitoring 	<p>Reviewed Policy and related documents included in the packet. FY18 inpatient contract standard expected to be utilized in our region along with BAA (from MSHN) – CMHs may need to extend current contract to allow for FY18 standard contract to be utilized. Customization can be done in an attachment that describes local process.</p> <p>Discussed clarification of responsibility to find inpatient bed.</p> <p>Provider – Inpatient Unit; Screening Unit: CMHSPs</p> <p>Provider monitoring policy and procedure will be distributed next month.</p>				
	Ops adopts the Service Delivery Systems Policy (with noted clarifications in definitions) – Inpatient Psychiatric Hospitalization Standards page 83 in packet – MSHN to move this to the next step in Policy approval (MSHN Policy Committee)	By Who	A.Horgan	By When	9.30.17
	Ops recommended the contract be emailed out for review after legal review is completed to allow for finalization and use for FY18 (as opposed to waiting till September Ops meeting) – 10 day turnaround		J. Sedlock		8.25.17
FI Contract Template	Link included in the budget for CMH to review and use				
	MSHN will send out a formal memo that summarizes the decision to utilize the standard FI contract for FY18.	By Who	J. Sedlock	By When	8.25.17

Agenda Item		Action Required			
MSHN Balanced Scorecard Review	<p>Reviewed the June results of the Operations Council Balanced Scorecard Measures.</p> <p>Question related to last measure and Finance council reviewing the codes. Should clinical staff be more involved. Leslie clarified the Finance council requested CFOs work local with their staff.</p>				
	Informational	By Who	NA	By When	N/A
Direct Care Worker Wage Increase	<p>John requested clarification on the DCW roll out. MSHN waiting on rates to be included in the Milliman rates. MSHN holding until funds included in the rates and clarification by MDHHS. Reiterated regional agreement that no CMHSP will implement DCW Wage Increase until funded by the Department and passed to CMHSPs through MSHN.</p> <p>Noted there was some communication recently sent out by the MACMHBS.</p> <p>Pg. 121 in packet list codes included in the DCW – staff providing those services should be included in the DCW.</p>				
	Discussion Only – Awaiting further instructions	By Who	N/A	By When	N/A
<p>Regional Medicaid Service Use Analysis</p> <p>Regional HMP Service Use Analysis</p>	<p>Reviewed the financial information included in the packet. Standardization for FY17 cost reporting is occurring in discussion in Finance Council.</p> <p>Ops council likes the report and as more years are added, it will be increasingly beneficial.</p> <p>Discussed approaches of how/what Ops Council will do with the data, Feedback:</p> <ul style="list-style-type: none"> • Need to provide a structure (template or set of questions) for inquiring to a service code. • Add information on the population • Add penetration rate info • Recommend movement to UM • Population of FY17 information when available 				

Agenda Item		Action Required			
	MSHN to discuss UM placement; propose some structure around the ask of UM.	By Who	A.Horgan / T.Lewicki	By When	9.30.17
DABs -> TANF/HMP: Update	PIHP CFO's provided information to the association regarding number of eligibles. MDHHS aware of the shift in eligibility. MSHN has engaged Dale Howe on our region, DAB's decreasing, related payment impact. PIHP Directors also brought up to MDHHS and they have acknowledged but no word on it yet. CMHs have followed up with MDHHS and has given them examples. Association is taking some advocacy on this.				
	Informational	By Who	N/A	By When	N/A
FY 18 MSHN and Regional Budget Review	Reviewed financial information included in the packet. Acknowledged pages 159-161 are internal MHSN budget and wasn't intended to be included in packet.				
	Informational	By Who	N/A	By When	N/A
Internal Service Fund Analysis	MSHN reviewed the ISF analysis, including the Milliman recommendations. Concern that Milliman analysis indicates spending ISF/Savings by FY19. Discussed: Cost containment plans that do not consider service reductions. Recommendation to create a forum to discuss the cost containment plans Future need to plan for 2020 after smoothing has been completed. Some CMHs have implemented all reductions – non service and need to have a discussion on service reductions. Also noted administrative cost variances (ex. high pension cost) and other high cost services (ex. CLS)				
	MSHN will schedule HMP prioritization of service array in FY18 – October, November time frame. Discussion around PEPM and possible changes to occur during Strategic Planning – First part of calendar 2018. September Meeting to discuss strategic focus and possible rearrange of the agenda.	By Who	J.Sedlock J.Sedlock	By When	FY18 9.10.17

Agenda Item		Action Required			
MSHN Dashboard Rate Comparison	Table				
		By Who		By When	
Autism Rates Comparison	Table				
		By Who		By When	
MSHN Performance Metrics, Measures and Follow-Up	Reviewed background on measurement selection. Discussed concerns around sequencing and call to action. Medical Director involvement would have been valuable to be inclusive of earlier. MSHN will be onboarding a Medical Director this week and will ensure more involvement and tie into the CMHs. Strategic Planning retreat – should review data repository and select priorities.				
	MSHN will distribute timeline to council and committees.	By Who	MSHN Leadership	By When	9.30.17
HCBS Compliance Update	Reviewed HCBS Update 8.18.17 – provided update on the survey's and compliance. CMS approved the MDHHS implementation plan				
	Informational	By Who	N/A	By When	N/A
FY 18 MSHN/CMHSP Contract Update	Reviewed summary of changes to the FY18 subcontract. Discussed timeline for contract review and submission.				
	Future discussion needed for the incentive funds and distribution – MSHN will request Finance council bring us a recommendation. Recommend review of the Operating Agreement.	By Who	J.Sedlock	By When	12.31.17
Telepsychiatry Regulations	Discussed requirements coming for telepsychiatry that requires face to face. National council seeking guidance for the licensing requirements. Should expect some clarification from National Council.				
	S.Lindsey will send out correspondence she has regarding this from association on telemedicine.	By Who	S.Lindsey	By When	8.31.17
AOT Funding	Not discussed				
	S.Vernon will send out email in regards to this topic	By Who	S.Vernon	By When	8.31.17

Agenda Item		Action Required			
Regional Veterans Navigator Update	J. Sedlock reported that a regional Veteran Navigator is now in place courtesy of a collaborative arrangement with the Right Door. Kevin Thompson should be connecting with CMHSPs and SUD providers across the region. Regional strategic plan has been developed and submitted to Grants Manager per requirements.				
	J. Sedlock to include regional Veteran Navigator strategic plan in September Operations Council packet	By Who	J. Sedlock	By When	September meetingh
ACT Response from State	Discussed and informed CMHSP that MSHN has drafted a letter in response to the MDHHS letter and will copy when submitted to the state.				
	Informational Only	By Who	J. Sedlock	By When	9/1/17
CMHSP submission of "298 Pilots" or comparables	MACMHB requested PIHPs and CMHSPs submit health integration projects to serve as comparison projects for any pilots developed or implemented by MDHHS. Deadline was 8/18.				
	Please send a copy of what your CMHSP submitted to MACMHB, if any, to J. Sedlock	By Who	CMHSP CEOs	By When	As soon as practical.

POLICIES AND PROCEDURES MANUAL

Chapter:	Finance		
Title:	Cash Management – Healthy Michigan Plan (HMP) Policy		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Annually	Adopted Date: 09.12.2017	Related Policies: Financial Management
Procedure: <input type="checkbox"/>	Author: Chief Financial Officer, Finance Council	Review Date:	
Version: 1.0		Revision Eff. Date:	
Page: 1 of 2			

Purpose

To establish consistent guidelines related to unplanned requests for funds from Community Mental Health Service Programs (CMHSP) Participants related to Healthy Michigan Plan (HMP) expenditures.

Policy

The Medicaid smoothing plan attempts to accomplish the goal of fiscal equity through a gradual increase in Medicaid expenses, in the cases of Community Mental Health Service Program (CMHSP) Participants that were historically not funded at levels the region is now capable of, or gradual decreases in expense in the cases where CMHSPs were historically funded at higher levels. The end goal is for all CMHSPs in the MSHN region is to operate within a contractually established per eligible per month (PEPM) payment by 2020. Today, the Medicaid smoothing plan is a document used to project the contributions to and use of Medicaid Savings at the end of each fiscal year. The document was created based on the agreement of all CMHSPs, was approved by the MSHN board and is used to plan financing for the region.

Traditionally, Medicaid benefit stabilization payments were made based on the approved smoothing plan. A similar plan has not been created for HMP however MSHN acknowledges the fact that we encouraged CMHSPs to build infrastructure to increase penetration rates for HMP beneficiaries because of relatively high FY 2015 funding levels.

Based on decreases in HMP funding from Michigan Department of Health and Human Services, MSHN is unable to sustain the practice of sending benefit stabilization payments to CMHSPs. If the region's spending patterns continue, Mid-State Health Network will not be able to meet funding obligations, and as such, MSHN proposes the following HMP fiscal management strategy:

MSHN Responsibilities

- Provide CMHSPs with projected revenue obtained from actuarial data and Dale Howe reports versus actual amounts received annually for budgeting purposes and throughout the fiscal year as rebasing occurs.
- Effective October 1, 2017, MSHN will distribute revenue at the PEPM level less administrative fees and applicable taxes as outlined in the Operating Agreement (meaning "excess funding" or "benefit stabilization funding" currently being distributed will be retained by MSHN and used in the cost settlement process.
- As it is contractually required to do, MSHN will cost settle as defined in current policy to the allowable HMP expenses and is required to cover allowable expenses totaling more than the PEPM
- MSHN will allow redirect of funding to cover overages between Healthy Michigan and Medicaid expenditures above straight capitation. This will be allowed for those CMHSPs receiving funds in excess of their expenditures consistent with the approved Medicaid smoothing plan. For purposes of redirect, the excess funds may either be available from the smoothing formula, or excess revenue based upon straight capitation payments. For example, a CMHSP approved to receive \$3M in smoothing may request \$2M for Medicaid and request the remaining \$1M be redirected for Healthy

Michigan. In addition, a CMHSP that has savings through straight capitation payments can redirect those to a different Medicaid funding expense.

- MSHN will monitor quarterly projections and provide reports to the Finance and Operations Councils. MSHN will provide written notification to CMHSPs that are projecting to exceed HMP PEPM and request written cost containment plans from CMHSPs projecting to exceed available revenue

CMHSP Responsibilities

- CMHSPs will provide HMP budgets less than or equal to projected HMP revenue and establish mechanisms internally to contain expenses within the capitation provided by MSHN. If budgeted expenses exceed revenue, then CMHSPs will submit a balanced budget using all funding sources, with an indication of the amount of anticipated redirect.
- CMHSPs must cooperate with and implement necessary actions and strategies that contain HMP costs within available revenues.
- CMHSP may redirect funding in excess of their PEPM based on the approved spending plan
- CMHSPs anticipating spending in excess of PEPM for both Medicaid and HMP with no approved smoothing plan may receive an apportioned benefit stabilization payment based on available funding. This payment mechanism would require one or more CMHSPs receiving smoothing and straight capitation to forego and allow for regional distribution.

Applies to:

- ☒ All Mid-State Health Network Staff
☐ Selected MSHN Staff, as follows:
☒ MSHN's CMHSP Participants: ☒ Policy Only ☒ Policy and Procedure
☒ Other: Sub-contract Providers

Definitions:

Other Related Materials:

References/Legal Authority:

N/A

Change Log:

Date of Change	Description of Change	Responsible Party
06.23.2017	New Policy	Chief Financial Officer

POLICIES AND PROCEDURE MANUAL

Chapter:	Human Resources		
Title:	Employee Compensation Policy		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Annually	Adopted Date: 11.04.14	Related Policies: Personnel Manual
Procedure: <input type="checkbox"/>	Author: Deputy Director	Review Date: 09.12.2017	
Version: 2.0		Revision Eff. Date:	
Page: 1 of 2			

DO NOT WRITE IN SHADED AREA ABOVE

Purpose

This policy is established to provide guidelines for compensating all Mid-State Health Network (MSHN) direct employed positions.

Policy

- A. Objective: It is a MSHN objective to have a total compensation program that enables the organization to attract, retain, and motivate the number of high-caliber employees needed to achieve the organization's objectives as cost effectively as possible. Thus, the total compensation is intended to:
 - a) Provide for fair treatment of all employees;
 - b) Provide market-competitive base pay and benefits;
 - c) Be efficient to administer;
 - d) Be easy to understand and communicate; and
 - e) Comply with all applicable laws and regulations.
- B. Strategy: To accomplish its objective, MSHN has adopted specific compensation program goals to:
 1. Provide base compensation at or near the market median;
 2. Provide a total compensation program (including pay, benefits, and working conditions) that attracts and retains the qualified staff needed to accomplish our mission.
- C. Accountabilities:
 1. Employees are responsible for collaborating with management with the operation, compliance and updating of the compensation program.
 2. Administrative Officers are responsible for ensuring the effectiveness of the compensation program for employees in their area(s) of responsibility.
 3. The Deputy Director has the primary responsibility to formulate and administer the compensation program.
 4. The Chief Executive Officer (CEO) is responsible for the overall effectiveness of the compensation program.
 5. The Board of Directors is responsible for reviewing any proposed changes to the design and administration of the total compensation (pay and benefits) program.
- D. Position Descriptions: MSHN maintains a job description for each of its direct employed positions.
- E. Position Titles: The Deputy Director will work with the CEO to develop the appropriate job title for a new or changed positions. Effort shall be made to assure position titles and descriptions are comparative to industry norms so that compensation levels can be reasonably compared.
- F. Position Evaluations: Position evaluation is the process by which MSHN determines the relative value to be placed on various jobs within the organization through their placement within the pay structure.

G. Salary Grade Assignments:

1. The Deputy Director shall evaluate any newly created job before the recruitment process begins.
2. The MSHN CEO shall review and approve all grade assignments. New employees may be placed in a salary grade at the discretion of the CEO commensurate with their level of education and experience

H. Pay Increases: Pay increases are intended to keep MSHN pay levels competitive to the marketplace. To do so, MSHN employees may receive two types of pay increases depending on their pay rate, the competitive market conditions, and the availability of resources. A general increase may be granted when pay ranges are adjusted to keep them competitive with the market. The other type of pay increase is a “step” increase that is based on the length of time that an employee is in a job classification.

I. Communication: All employees will receive general information regarding the administration of the compensation program, and will be informed about changes to program components, as appropriate.

Applies to

- ☒ All Mid-State Health Network Staff Selected
- ☐ MSHN Staff, as follows:
- ☐ MSHN’s CMHSP Participants: ☐ Policy Only ☐ Policy and Procedure
- ☐ Other: Sub-contract Providers

Definitions

Administrative Officer: MSHN officer of administrative services (Chief Executive Officer, Deputy Director, Chief Finance Officer, Chief Clinical Officer, Chief Information Officer)

CEO: Chief Executive Officer

CFO: Chief Finance Officer

MSHN: Mid-State Health Network

Other Related Materials

N/A

References/Legal Authority

Fair Labor Standards Act

Change Log:

Date of Change	Description of Change	Responsible Party
9.2014	New Policy	Chief Finance Officer
11.2015	Annual Review & Updates	Deputy Director
06.2017	Annual Review	Deputy Director

POLICIES AND PROCEDURE MANUAL

Chapter:	Human Resources		
Title:	Performance Evaluation Policy		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Version: 1.0 Page: 1 of 1	Review Cycle: Annually Author: Chief Operating Officer	Adopted Date: 01.05.2016 Review Date: 09.12.17 Revision Eff. Date:	Related Policies: MSHN Personnel Manual

DO NOT WRITE IN SHADED AREA ABOVE

Purpose

The Mid-State Health Network (MSHN) Performance Evaluation Policy exists to periodically record essential information concerning the performance level and strengths/weaknesses of an employee in relation to career development, including potential for advancement and suitability for other jobs and training.

The policy also serves to assist management in making thorough, objective and factual appraisals of the performance of employees under his/her supervision; to assist management in achieving maximum utilization of all human resources; and to motivate each employee to seek ways to improve performance where needed, and to enhance overall employee relations.

Policy

It is the policy of MSHN to utilize a performance evaluation system to maximize employee's overall job performance and professional development.

Applies to

- ☒ All Mid-State Health Network Staff
- ☐ Selected MSHN Staff, as follows:
- ☐ MSHN's CMHSP Participants: ☐ Policy Only ☐ Policy and Procedure
- ☐ Other: Sub-contract Providers

Definitions

MSHN: Mid-State Health Network

Other Related Materials

MSHN Employee Self Evaluation - Template
MSHN Employer Evaluation - Template

References/Legal Authority

Change Log:

Date of Change	Description of Change	Responsible Party
10.2015	New Policy	Amanda Horgan
06.2017	Annual Review	Deputy Director

Personnel Manual

Version 4.0: Revised July 2017

Mid-State Health Network, 530 W. Ionia, Suite F, Lansing, MI 48933
517.253.7525

MSHN Employee Policies and Procedures

Table of Contents

	Pages		Pages
Introduction	2	Employee Conduct	11-14
Purpose	2	• Attendance & Punctuality	11
Employee Arrangement	3	• Telecommuting	12
Standard Employment Practices	3-5	• Smoke Free Environment	12
• At-Will Employees	3	• Drugs and Alcohol	12
• Equal Employment Practices	3	• Violence and Weapons	12-13
• Sexual Harassment & Other Unlawful Harassment	3-4	• Prohibited Bullying	13
• Workplace Bullying	4	• Dress Code	13
• Harassment/Discrimination Complaint Procedure	4-5	• Computer Internet, Telephones and Electronic Mail	13
• Immigration Law Compliance	5	• Social Media	13-14
• Evaluation Period	5	Leave Policies	14-16
• Standards of Conduct	5	• General Policies	14
• Reporting Suspected Fraud & Suspected Illegal Activity	5	• Paid Time-Off (PTO)	14-15
• Personnel File	5	• Accumulation and Carry-Over of PTO	15
General Policies and Procedures	6-11	• Holidays	15
• Background Checks and Disclosing Certain Criminal Information	6	• Leave Without Pay	16
• Credentialing and Re-credentialing	6	• Jury Duty	16
• Orientation	6	• Military Leave	16
• Reporting Changes	6	• Bereavement Leave	16
• Performance Reviews	6	• Inclement Weather	16
• Job Classifications	6-7	Disciplinary Policies	16-17
• Job Descriptions	7	• Workplace Rules	16-17
• Expense Reimbursement	7	• Problem Resolution	17
• Personal Property	7	• Discipline	17
• General Safety and Health Policies	8	• Corrective Action	17
• OSHA Compliance	8	Separation Policies	18
• Workers Compensation	8	• Resignation	18
• Monitoring & Searches	8-9	• Job Abandonment	18
• Office Security	9	• Termination	18
• Confidential Information	9	Manual Amendments and Revisions	18
• Conflict of Interest & Outside Employment	9	Acknowledgement of Receipt & Understanding	19
• Pay Periods	10		
• Paycheck Corrections	10		
• Time Sheet Policy	10		
• Work Week and Hours of Work	10		
• Overtime	10		
• Break Time for Nursing Mothers	10-11		
• Nepotism	11		
• Political Activity	11		

MSHN Employee Policies and Procedures

Introduction: This MSHN personnel manual is predicated on the agency's operating philosophy as outlined in its Operating Agreement:

"The Entity is dedicated to ensuring that equality in voice and governance exists, and that the benefit to the citizens meets Medicaid standards while being provided in ways that reflect the needs and resources of the communities in which each CMHSP Participant operates. The Entity will foster each CMHSP Participants' integration activities and locally driven work. The organization and operation of the Entity is based on a shared operating structure, using a committee-based system that creates many venues, allowing voices from across the region to be heard. It establishes certain checks and balances to ensure that governance remains balanced and equal and that the operation of the Entity is for service to the CMHSP Participants in achieving high levels of regulatory compliance, quality of service, and fiscal integrity. In these ways, the Entity exists to serve in the best interest of and to the benefit of all CMHSP Participants and their consumers."

MSHN is also responsible for integrating the service needs of the region's citizens in relation to substance abuse prevention and treatment and administering public policy and systems to manage and coordinate these services. Accordingly, MSHN endeavors to include these perspectives in its operations and governance.

And, in accordance with the Entity's stated vision:

"To continually improve community well-being/wellness through the provision of premiere behavioral health care and leadership in the coordination of a network of community partnerships essential to address the multiple needs for quality of life and the reduction of per capita costs, with priority focused on the most vulnerable citizens."

Purpose: The Mid-State Health Network (MSHN) Personnel Manual is designed to acquaint employees with policies and procedures which may affect their employment. The manual addresses issues pertaining to such things as employee benefits, working conditions, and other provisions with which you should become aware. The manual outlines employee responsibilities and describes the programs developed by MSHN, which will benefit all employees.

This Employee Manual and the policies within it apply to employees of MSHN exclusively and are not meant for employees from any other company, firm, or entity. Similarly, any other manual developed for another client or division of MSHN will not be understood or interpreted to apply to employees of MSHN. The manual is not intended to cover Board members or compensated individuals appointed to standing councils or committees regardless of the compensation status or method.

No Personnel Manual can predict or anticipate every circumstance for which a policy has been developed. As MSHN continues to evolve, the need may arise to change or alter policies described herein. The interpretation and operation of the policies or benefits noted herein are within the sole discretion of MSHN. Therefore, MSHN reserves the right to revise, supplement, or rescind any policies, benefits or portions of the manual it deems appropriate. A change of any kind is in the sole discretion of MSHN and every effort will be made to notify employees of such changes as they may occur. This manual should not be construed as creating a contract between the MSHN and any of the applicable employees.

It is each employee's responsibility to be aware of any change. In no case and under no circumstances will future changes or practices affect the status of at-will employees of MSHN.

In order to encourage an efficient and professional work environment which serves our stakeholders' needs, MSHN follows the policies and procedures outlined herein.

MSHN Employee Policies and Procedures

Employee Arrangement

MSHN uses a Professional Employer Organization (PEO) to support human resource functions. The PEO administers new employee records compliance, benefits procurement and administration, and provides payroll administration. The PEO supports compliance with state and federal labor relations and wage and hour laws; as such, the PEO may serve as a point of contact for employees seeking assistance as outlined in the manual; and for policy development and administration including but not limited to Legal Assurances, Non-Discrimination, Accommodation, Confidentiality, Recipient Rights, Corporate Compliance, Reporting Illegal and Unethical Activity, Anti-Harassment/Bullying (Sexual Harassment, Other Harassment, Non-Retaliation), Social Security Number Privacy Act, Hatch Act, Whistleblower's Protection Act, and Immigration Law Compliance.

Standard Employment Practices

At-Will Employee: At-Will Employment means that the employee or MSHN may decide to terminate an individual's employment at any time, with or without reason, and with or without notice. Since all MSHN employment relationships are at-will, no contract or promise of continued employment, either verbal or implied, is created now or at any time during employment. As such, no employment contract is or can be created unless or until MSHN and the employee expressly agree to an alternative to an at-will status, and formalize such terms by a written agreement authorized by the MSHN Board and signed by the MSHN authorized designee.

Equal Employment Practices: MSHN is committed to providing equal employment opportunities to all individuals without regard to race, color, religion, sex (including gender identity, sexual orientation and pregnancy), genetic information, national origin, age, disability, veteran status, marital status, or any other characteristic protected by law. MSHN follows Federal Equal Opportunity Laws, including the Americans with Disabilities Act, the Equal Pay Act, Title VII, and the Age Discrimination in Employment Act. MSHN's policy of equal employment opportunity applies to all terms and conditions of employment, including hiring, placement, compensation, training, promotion, discipline, and termination.

MSHN does not discriminate against qualified applicants or employees who, with or without a reasonable accommodation, can perform the essential functions of the job. MSHN will make reasonable accommodations for qualified individuals with known disabilities, unless doing so would result in an undue hardship. An employee with a disability for which a reasonable accommodation is needed should contact the Deputy Director (as the HR representative) to discuss possible solutions. If the employee is not able to resolve the matter with the Deputy Director, the employee should contact the CEO. MSHN may require documentation to establish the need for an accommodation if an employee has a qualifying physical or mental disability that affects his or her job.

Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of the Deputy Director (as the HR representative). If the question or concern relates to alleged discrimination by the Deputy Director (as the HR representative) or if you feel uncomfortable discussing this with the Deputy Director, the concern should be taken to the CEO. Employees can raise legitimate concerns, and make good faith reports, without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including discharge.

Sexual and Other Unlawful Harassment: MSHN will endeavor to maintain a work environment that nourishes respect for the dignity of each individual. This policy is adopted in furtherance of that tradition.

It is against the policies of MSHN for an employee to harass another person because of the person's sex, race, color, religion, national origin, age, disability, sexual orientation, marital status, or other characteristic protected by law. Actions, words, jokes, or comments based on such characteristics will not be tolerated. Consequently, it is against the policies of MSHN for an employee to sexually harass another person.

MSHN Employee Policies and Procedures

Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment.
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual.
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or environment.

Unlawful harassment can include, but is not limited to, epithets, slurs, jokes, pranks, comments, offensive or sexual written or graphic materials, obscene gestures, unwanted advances, physical touching, or threatening, hostile or intimidating acts.

All complaints of harassment will be promptly, thoroughly, and confidentially investigated and, where necessary, appropriate corrective action will be taken. Any person found to have unlawfully harassed another employee will be subject to appropriate disciplinary action, up to and including discharge.

Any employee who believes that he or she is being unlawfully harassed should immediately follow the complaint procedure outlined in the handbook.

Workplace Bullying: MSHN defines bullying as “repeated inappropriate behavior, either direct or indirect, whether verbal, physical, or otherwise, conducted by one or more persons against another or others, at the place of work and/or during the course of employment. Such behavior violates MSHN’s policies.

The purpose of this policy is to communicate to all employees, including supervisors, managers, and executives that MSHN will not in any instance tolerate bullying behavior. Employees found in violation of this policy will be disciplined, up to and including termination.

Bullying may be intentional or unintentional. Where an allegation of bullying is made, the intention of the alleged bully may be relevant, and may be given consideration when meting out discipline, as will the effect of the behavior upon the individual.

The following types of behavior are examples of bullying:

- Verbal Bullying: harassing, ridiculing or maligning a person or his/her family; persistent name calling which is hurtful, insulting or humiliating; using a person as a butt of jokes; abusive and offensive remarks.
- Physical Bullying: pushing; shoving; kicking; poking; tripping; assault, or threat of physical assault; damage to a person’s work area or property.
- Gesture Bullying: non-verbal threatening gestures, staring which can convey threatening messages.

Any employee who believes that he or she is being bullied should immediately follow the Harassment/Discrimination Complaint Procedure, as provided below.

Harassment/Discrimination Complaint Procedure: Any employee who, in good faith believes he or she has been subject to illegal discrimination or harassment prohibited by law, should immediately report that fact to the immediate supervisor, the Deputy Director or the CEO or, if the alleged perpetrator is the CEO, the PEO. If you observe or have knowledge of an incident of harassment involving other employees, you should immediately inform and file a written complaint in the same manner as noted above. If an employee has any questions regarding the reporting of such matters, they should contact the Deputy Director or PEO. Upon notice, MSHN will promptly conduct an impartial investigation of any complaint or report of harassment. To the extent possible, MSHN’s investigation will be conducted in a manner calculated to protect the privacy of the individuals involved, and the confidentiality of the complainant. If

MSHN Employee Policies and Procedures

the investigation reveals that harassment or discrimination has occurred, disciplinary action up to and including discharge will be taken. The nature of the discipline will depend upon the circumstances of each case.

If a report of discrimination or harassment prohibited by law is made in good faith, MSHN will protect the reporting individual from retaliation or any other detrimental impact on his or her employment. Disciplinary action, up to and including discharge, will be taken into against anyone who attempts such retaliation. Employees who become aware of complaints or investigations of harassment are expected to refrain from unnecessary and unprofessional discussions with coworkers concerning the individuals involved; as such discussions may themselves be a form of retaliation.

Immigration Law Compliance: MSHN will only hire individuals who are authorized to work in the U.S under the Immigration Reform and Control Act of 1986. As a condition of employment, all new and past employees must complete the US I-9 Eligibility Verification form and present documentation establishing identity and employment eligibility complying with the I-9 rules and regulations.

Evaluation Period: During the first ninety (90) days of employment, employees are in an “evaluation period.” During this time, the CEO, through the direct supervisor, will continually evaluate performance and compatibility with MSHN. Should an employee’s performance not meet the standards set forth by MSHN, corrective action up to and including termination will be taken. This evaluation period shall not be deemed to in any way affect nor abrogate an employee’s status as an at-will employee.

Standards of Conduct: MSHN expects that all employees conduct themselves in a professional and ethical manner. An employee should not conduct business that is unethical in any way, nor should any employee influence other employees to act unethically. Furthermore, an employee should report any dishonest activities or damaging conduct to the CEO.

Reporting Suspected Fraud or Illegal Activity: MSHN Board and employees shall report any suspected or actual fraud, abuse or waste of any funds, including Medicaid funds, or other suspected illegal activity to the Director of Compliance, Customer Service and Quality.

In the event that an employee becomes aware or believes that another employee’s behavior or actions are inappropriate, illegal, problematic, or in any way inhibit or affect the organization’s or the employee’s performance or the MSHN’s work environment, the conduct or behavior should be reported to the CEO.

All reasonable concerns shall be promptly, thoroughly, and confidentially investigated by MSHN and, where necessary, appropriate corrective action will be taken. Employees should not discuss such actions or behavior with others. Discussion about such matters may create an unacceptable work environment for which the involved employee will be held responsible and may be disciplined in accordance with MSHN’s disciplinary policy.

All employees are required to read and abide by MSHN policies, procedures and the Corporate Compliance Plan. These documents provide the framework for MSHN employees to comply with applicable laws, regulations and program requirements.

Personnel File: MSHN keeps personnel files on each of its employees. Medical records are kept separately from personnel records. Employees may view the contents of their personnel file by making a written request to the CEO. No employee may alter or remove any document in his or her personnel file. If an employee believes any records or information in their general personnel file to be inaccurate, they may submit a written request to have the record corrected or, if denied, an employee response may be included in the personnel record in compliance with the *Bullard-Plawecki Employee Right to Know Act, MCL 423.501, et seq.*

MSHN Employee Policies and Procedures

General Policies and Procedures

Background Checks and Disclosing Certain Criminal Information: All employees shall fully disclose to their supervisor any criminal felony or work-related misdemeanor convictions. Any employees that work directly with minors or who will have access to minor's records that are convicted of a felony or misdemeanor, including expressly any law relating to drugs or other controlled substances, or are charged with a felony, or are placed on the CPS Central Registry as a perpetrator, shall notify in writing their supervisor immediately, and in all cases, no later than five (5) days after such conviction, charge, or placement on the CPS Central Registry. An employee must disclose to the Employer any conviction resulting from such pending charges as described in this Section. However, as required by Federal regulation, employees working with minors must disclose any arrests or charges related to child sexual abuse, child abuse, or child neglect and the disposition of such arrest or charges, and may also be required to certify that no case of child abuse or neglect has been substantiated against them. In every case, employees in positions that work directly with minors or who will have access to minor's records, shall undergo the background checks including drug testing, and, if they have not resided or lived in Michigan for each of the previous ten (10) years, they must also sign a waiver attesting to the fact that they have not been convicted of a felony or been identified as a perpetrator. The Employer may, at its cost, conduct a criminal history search periodically on all employees when required to insure compliance with grants, licensing requirements, and performance standards.

Credentialing and Re-credentialing: In accordance with MSHN policy and the BHDDA Credentialing and Re-credentialing Process, health care professionals, as indicated in the Credentialing and Re-credentialing Process, who make clinical decisions impacting a consumer's care, must be credentialed upon hire and recredentialed at least every two years. At minimum, this includes Utilization Staff, the Chief Clinical Officer, and the Medical Director(s). MSHN may recognize and accept the credentialing activities conducted by another entity; however, must maintain copies of the credentialing decision and primary source verifications in its administrative records.

Orientation: In accordance with federal law, both new employees and re-hires are required to provide documentation of identity and eligibility to work in the United States. New employees will receive a copy of the Personnel Manual, and will be given the time to read it and ask any clarifying questions of the CEO or the hiring supervisor. The signed copy of the "Acknowledgement & Receipt of Understanding" will be placed in the employee's personnel file. Employee orientation will also include review of MSHN policies and procedures and the new employees' job description.

Reporting Changes: Employees are responsible for promptly notifying the Deputy Director and the PEO of any change in their name, address, telephone number, marital status, citizenship, tax withholding allowances, emergency contact information, insurance beneficiary, or dependent insurance coverage. Accurate and correct information is vital for benefits, insurance records, and other MSHN files.

Performance Reviews: The supervisors and employees are encouraged to discuss job performance, individual goals, and objectives on an informal, day to day basis. Additionally, MSHN endeavors to undertake employee performance appraisal reviews on a periodic basis set by MSHN. The reviews will focus on job-related strengths and weaknesses, as well as overall fit with the MSHN goals and objectives. Goals and improvement plans may be mapped out each review period and progress will be measured at the next review. Performance reviews may determine salary increases and promotions. Employees have the opportunity to review all performance appraisals and provide a written response, if requested. All reviews and responses become part of an employee's personnel file.

Job Classifications: Employees are classified by two major categories: "Exempt" and "Non-exempt." This manual applies to both Exempt and Non-Exempt employees.

1. Non-exempt employees are eligible to receive overtime pay in accordance with state and federal wage and hour laws. These employees are required to submit a timely and accurate time record for each pay period, approved by the appropriate supervisor, for the purpose of tracking hours worked and calculating

MSHN Employee Policies and Procedures

compensation. Compensated paid time off is not considered hours worked for purposes of calculating overtime pay.

2. Exempt employees are generally salaried and fall into one or more of the following classifications: executive, professional, certain computer, or administrative personnel. These employees are exempt from the applicable provisions of state and federal wage and hour laws, and are not entitled to overtime or compensatory time.

Exempt Employees are required to be paid on a “salary basis”. Being paid on a “salary basis” means an employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent, basis. The predetermined amount cannot be reduced because of variations in the quality or quantity of the employee’s work. Subject to exceptions listed below, an exempt employee must receive the full salary for any workweek in which the employee performs any work, regardless of the number of days or hours worked.

Deductions from pay are permissible when an exempt employee:

- Does not perform any work during a workweek;
- Is absent from work for one or more full days for personal reasons other than sickness or disability; or for absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness;
- To offset amounts which employees receive as jury or witness fees or for military pay;
- For unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions of major significance, including but not limited to theft or violations of MSHN’s harassment, drug and alcohol, safe workplace and workplace violence policies or such other work rule of major significance. This does not include merely performance issues such as absenteeism and tardiness;
- An employer is not required to pay the full salary in the initial or terminal week of employment;
- For penalties imposed in good faith for infractions of safety rules of major significance; or
- For weeks in which an exempt employee takes unpaid leave under the Family and Medical Leave Act.

In these circumstances, either partial day or full day deductions may be made.

It is MSHN’s policy to comply with the salary basis requirements of the FLSA. Therefore, MSHN prohibits any improper deductions from the salaries of exempt employees. Employees who believe that an improper deduction has been made to their salary, should immediately report this information to the CEO and PEO. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made.

Job Descriptions: MSHN employees shall be provided with a job description as part of new employee orientation. The job description shall outline qualifications, required skills and general responsibilities. Job responsibilities will outline recovery-based, person-centered and culturally competent practices. Job qualifications will specify that lived experiences with behavioral health issues are desired.

Expense Reimbursement: MSHN will reimburse employees for reasonable pre-approved business expenses. Reasonable expenses while traveling on agency business include travel fares, accommodations, meals, tips, telephone and fax charges, and purchases on behalf of the agency. Travel and expense reimbursement practices are outlined in MSHN Board approved policies and must be requested in accordance with approved procedures.

Personal Property: MSHN does not assume responsibility for any personal property located on its premises. Employees are to use their own discretion when choosing to bring personal property into the office and do so at their own risk. Additionally, employees may not bring or display in the office any property that may be viewed as inappropriate or offensive to others.

MSHN Employee Policies and Procedures

General Safety and Health Policies: Safety of MSHN employees and visitors, in our office, is of the utmost importance. Each employee is expected to work diligently to maintain safe and healthful working conditions, and to adhere to all practices and procedures designed to prevent injuries and illness. By working together and staying aware of our surroundings, we can achieve a safe and healthy environment. Each employee is responsible for being aware of best safety practices, thinking defensively, anticipating unsafe situations, and reporting unsafe conditions immediately.

In addition, employees should observe the following precautions:

- Notify the CEO of any emergency situation. If employees are injured or become sick at work, no matter how slightly, they must inform the CEO immediately. Failure to notify MSHN in a timely manner can lead to possible worker compensation disqualification.
- Employees should promptly notify the CEO, before the beginning of the workday, of any medication they are taking that may cause drowsiness or other side effects that could lead to injury to the employee or their coworkers.
- The unauthorized use of alcoholic beverages, marijuana or illegal substances during working hours will not be tolerated. The possession of alcoholic beverages, marijuana or illegal substances in the MSHN office is forbidden.
- Employees should use, adjust, and repair machines and equipment only if trained and qualified.
- Employees should get help when lifting or pushing heavy objects.
- If an employee is not sure of the safe procedure, they should ask appropriate staff for support or directions.
- Employees should know the locations, contents, and use of first aid and firefighting equipment.
- Employees should use personal protective equipment in accordance with the job being performed.
- Employees should report the need for repair or replacement of work materials as soon as discovered.
- Employees should avoid clutter that might cause accidents; materials and equipment should be stored safely and neatly

MSHN reserves the right to request that an employee leave the premises if, in the employer's judgment, an injury or illness poses a direct threat to the health and safety of the employee or others in the workplace. Employees concerned about being infected with a serious disease by a coworker or other person should report such concern to the CEO.

OSHA Compliance: Due to the potentially hazardous nature of any workplace, all MSHN employees are responsible for familiarity and compliance with OSHA, EPA, and state regulations regarding infection control, job safety, and health protection. MSHN provides training and materials explaining the applicable standards and guidelines for all employees during the initial orientation and periodically, if applicable, when regulations are revised or added. All employees are required to participate, and a record will be maintained of all those in attendance. Missed meetings and training exercises must be made up within a reasonable time to avoid disciplinary action. MSHN maintains a central file on Material Safety Data Sheets for all hazardous materials at MSHN by employees.

Workers Compensation: MSHN requires that all employees report job-related accidents or injuries to a supervisor immediately, whether the accident occurred on or off company premises. Failure to report an injury, regardless of how minor, could result in difficulty with the employee's claim. Once the injury is reported, the employee will be asked to complete an incident report and may be asked to go to the designated occupational health clinic. Once this occurs, MSHN will begin the accident investigation. After the accident investigation is complete, and we accept your claim under workers' compensation, MSHN will pay reasonable medical and other expenses related to your work injury.

Monitoring & Searches: All agency and personal property at the work site is subject to monitoring and review at all times. This includes, but is not limited to, desks, computers, other containers and email files. Reasons for searches and reviews include, but are not limited to, personal abuse of agency property, theft or substance abuse investigation, and improper disclosure of confidential information.

MSHN Employee Policies and Procedures

MSHN retains the right to conduct searches at any time. This includes the right to search assigned computers or files, even if protected by a password. Any employee who attempts to obtain or alter a password for the purpose of accessing restricted files will be subject to disciplinary action, up to and including termination.

Office Security: Shortly after an employee's start date, he/she may be given a key to gain access to the office. The last employee to leave the office is responsible for making certain that all doors and windows are locked and secured.

Confidential Information: MSHN requires that employees do not disclose information held to be confidential by MSHN under the Health Insurance Portability and Accountability Act (HIPAA), the Michigan Mental Health Code, or other state/federal regulations. Social Security numbers should be collected only where required by federal and state law or as otherwise permitted by federal and state law for legitimate reasons consistent with this Privacy Policy.

MSHN is committed to protecting the privacy of the persons served through its provider network and shall strictly govern the disclosure of any information to anyone other than those authorized. Any employee who engages in unauthorized disclosure of confidential or protected information is subject to disciplinary action which may result in termination.

Documents containing Social Security numbers are to be stored in locked, secure areas. Social Security numbers will not be publicly displayed, and will not be released to anyone outside the company, except as required by law. No more than four sequential digits of a Social Security number may be included on a document mailed outside of the agency. Any document containing a Social Security number is to be shredded when discarded utilizing the MSHN provided shred bins.

To ensure that all protected information remains confidential, employees are required to comply with all confidentiality policies and procedures in effect, specifically to include the HIPAA Privacy regulations outlined in the MSHN Corporate Compliance Plan.

Conflict of Interest and Outside Employment: MSHN requires that employees not compromise the agency, its stakeholders, partners, or suppliers for personal gain. Examples of conflict of interest include, but are not limited to, accepting gifts worth more than \$25, requesting or granting business favors, or conducting business for personal gain. Employees are required to disclose all conflicts of interest to the CEO; or to the Chairperson of the Board if involving the CEO. Failure to do so may result in disciplinary action, up to and including termination.

While outside or supplemental employment is discouraged, employees may engage in outside or supplemental employment in accordance with the following limitations. In no case shall outside or supplemental employment conflict with or impair the employee's responsibilities to MSHN.

Any employee desiring to participate in outside or supplemental employment must obtain permission of the MSHN CEO in writing prior to engaging in outside or supplemental employment. All employees engaged in outside or supplemental employment shall:

- Not use MSHN facilities as a source of referral for private customers or clients;
- Not be engaged in during an employee's regularly scheduled working hours;
- Not use the name of the MSHN or any County agency as a reference or credential in advertising or soliciting customers or clients;
- Not use MSHN supplies, facilities, staff or equipment in conjunction with any outside or supplemental employment or private practice (including any equipment or supplies provided for use by the employee in the employee's home office);
- Maintain a clear separation of outside or supplemental employment from activities performed for the MSHN;
- Not cause any incompatibility, conflict of interest, or any possible appearance of conflict of interest, or any impairment of the independent and impartial performance of employee's duties.

MSHN Employee Policies and Procedures

Pay Periods: All employees are normally paid on a bi-weekly basis (usually twenty-six pay periods annually). Electronic deposits will not be released prior to the set pay schedule for any reason, nor will they be released to anyone other than the employee. MSHN may require employees to use direct deposit or a payroll debit card in compliance with the Michigan Wage and Fringe Benefit Act. If payment of wages by direct deposit or payroll debit card is required by MSHN, MSHN will provide a written form to each employee to select debit card or direct deposit (and for the employee to provide account information for the direct deposit). An employee's failure to return their selection form within 30 days with the requisite account information shall result in payment by debit card.

It is our policy to comply with FLSA salary-basis. All deductions from an employee's wages shall be in accordance with applicable law and, when required, with the employee's consent. MSHN can make additional payroll deductions for authorized activities with an employee's written consent.

Paycheck Corrections: Employees are asked to review their payroll remittance carefully for errors. If an employee finds a mistake they should report it to the Chief Financial Officer (CFO) or PEO so that necessary steps may be taken to correct the error. Errors in payroll will be corrected and paid in the next scheduled paycheck after notice is received or otherwise in compliance with the Michigan Wage and Fringe Benefit Act.

Time Sheet Policy: Accurate recording of time worked is the responsibility of every employee. Federal and state laws require the employer to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is the time actually spent on the job performing assigned duties.

- Hourly employees shall accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period, if applicable. Employees shall also record the beginning and ending of any split shift or departure from work for personal reasons. The CEO approves exceptions to normal hours (Monday through Friday 8:00 a.m. – 5:00 p.m.).
- Salaried employees are required to complete a time report for each pay period indicating any use of paid time off (PTO) time.
- Each employee is required to notify their supervisor, in advance, of the dates of all approved PTO.
- Excessive use of unplanned leave or lateness in arriving at work are reasons for concern and may result in corrective action.

Time reports are provided in an electronic format. Unless authorized, no employee may record the time of any other employee, or request that another employee record their time. Falsification of time worked, altering or tampering time is prohibited. Violators will be subject to disciplinary action, up to and including termination.

Work Week and Hours of Work: The standard work week is from Sunday 12:00 a.m. until Saturday 11:59 p.m. Normal office hours are from 8:00 a.m. to 5:00 p.m. Individual work schedules will vary depending on the operating needs of the agency.

Overtime: Non-exempt employees are to be paid time and one-half (1.5) for work time that exceeds 40 hours during a scheduled workweek. Employees asked to work overtime are expected to do so. Overtime must be approved in advance. Exempt employees are not eligible for overtime pay. Paid time off, for example holidays or vacations, is not considered work time for purposes of determining overtime pay.

Break Time for Nursing Mothers: In compliance with federal law which requires the provision of unpaid, reasonable break time for a non-exempt employee to express breast milk, MSHN subscribes to the following policy:

All employees shall be provided a place to breastfeed or express their milk. The CEO or PEO can confer with the employee to designate a suitable, private location, other than a bathroom, which is located in close proximity to the employee's work area for such breaks. An employee may use her private office area for milk expression if she prefers. Employees shall be provided flexible breaks to accommodate breastfeeding or milk

MSHN Employee Policies and Procedures

expression for the first year of the child's life. A non-exempt breastfeeding employee shall be provided a flexible schedule for breastfeeding or pumping to provide breast milk for her child. The time would not exceed normal time allowed for lunch and breaks. For time above and beyond normal lunch and breaks, PTO time must be used, or the employee can make up the time at the discretion of the supervisor. A refrigerator will be made available for safe storage of expressed breast milk. Employees may use their own cooler packs to store expressed breast milk, or may store milk in a designated refrigerator/freezer. Employees should provide their own containers. Those using the refrigerator are responsible for keeping it clean.

Nepotism: It is the policy of MSHN to prohibit the hiring of relatives in situations where a relative would be under the direct or general supervision of an elected official, department head, supervisor or team leader, or to employ relatives where the status of employment of that person might be influenced by an elected official, department head, supervisor or team leader.

By adhering to the above policy which prohibits relatives from working in positions where they might have influence over each other's status, or the hiring of those relatives, a potentially discriminatory situation is avoided altogether. MSHN realizes that there may be existing relationships among employees which are contrary to this policy. It is the purpose of this policy statement to avoid creating any new situations where relatives are employed in spheres of influence relationships, and not to affect the employment of any relationships that currently exist.

- Relative - Parent, foster parent, spouse, child, sibling, grandparent, grandchild, aunt, uncle, cousin, in-law or step relative, or any person with whom the employee has a close personal relationship.
- Personal relationship - Relationship between individuals who have or have had a continuing relationship of a romantic or intimate nature.
- Spheres of influence - Scope in which an employee exerts direct or indirect control over another.
- Economic relationship - Fiduciary relationship in which one employee benefits by receiving financial remuneration such as landlord/tenant relationships or business partnerships.
- Fraternization - Relationship of an intimate or romantic nature between a supervisor and his/her subordinates or conduct that creates the appearance of impression that such a relationship exists.
- If a supervisory-subordinate relationship occurs as a result of a marriage between two employees working in the same program area, then MSHN will attempt to transfer one of the individuals but it is not required to do so. If a transfer does not occur, one of the employees will be required to resign within sixty (60) days of the marriage.

Political Activity: Every employee has the right to freely express his or her views as a citizen and to cast a vote as he or she may wish. Coercion for political purposes is strictly prohibited. Employees of federally aided programs are, however, prohibited from participation in partisan political activity under the Federal Hatch Political Activities Act.

No employee shall engage in any partisan political activity or campaigning for a non-partisan elective office during scheduled working hours or while on duty or while off duty wearing a uniform or other identifying insignia of MSHN or employment. Solicitation of signatures or contributions or nominating petitions is prohibited during working hours. No employee shall be required to engage in a campaign for election of any candidate. MSHN Board and employees are not permitted to use agency funds or resources to contribute to political campaigns or activities of any political party.

Employee Conduct

Attendance & Punctuality: Punctuality and regular attendance are important to the smooth operation of MSHN. If an employee is consistently late or excessively absent, MSHN's ability to perform work is affected and an unfair burden is placed on co-workers. Therefore, unless absences are permitted or excused under the agency's holiday, vacation, sick, or other policies, employees are responsible for being at work and arriving on time.

MSHN Employee Policies and Procedures

If an employee is going to be absent or late, it is mandatory and the employee's responsibility to call, e-mail, or text a message their supervisor as soon as possible, preferably in advance of lateness and no later than one hour after the start of the workday. If an employee is absent for several days, they must notify their supervisor each day (unless medical documentation is provided that defines the period of absence). An employee who is absent for reasons other than those permitted or excused by MSHN's holiday, vacation, or leave policies, or who fails to provide notice as required, will be subject to appropriate disciplinary action, up to and including termination.

Telecommuting: With advanced planning and prior approval MSHN employees may be permitted to telecommute. Telecommuting arrangements must not disrupt the daily activities of a group or workflow. The supervisor must approve all employee telecommuting arrangements. Permission to telecommute may be withdrawn in the sole discretion of the CEO.

Smoke Free Environment: For the health and comfort of MSHN employees and visitors, smoking is not permitted anywhere inside of the building. Smoking by employees is only allowed during authorized breaks and must be done outside the building in designated smoking areas.

Drugs and Alcohol: It is the policy of MSHN to maintain its offices as a drug-free work environment that is both safe for our employees and visitors, as well as conducive to efficient and productive work standards. This policy prohibits the unauthorized possession, by employees or others, of alcohol, marijuana and illegal substances on MSHN's property, regardless of whether the persons are on duty. Employees are also prohibited from having detectable levels or identifiable trace quantities of alcohol, marijuana and illegal substances during working time.

MSHN may drug test under the following circumstances:

- As part of the New Hire Process,
- Reasonable Suspicion,
- Any employee, post workplace property damage accident and/or
- Any employee, post workplace accident resulting in injury or illness if the employee's supervisor and/or Human Resources determine there is a reasonable possibility that employee drug or alcohol use caused or could have contributed to the reported accident

Employees who test positive, refuse or fail to test, or admit to current substance abuse will be subject to discipline, up to and including termination. Adulterated specimens may be treated as a positive test result. All drug testing will be treated confidentially and used solely for the purpose of making employment decisions.

Violence and Weapons: MSHN is committed to providing a safe workplace for the public and its employees, clients, and contractors. MSHN takes violence and threats of violence extremely seriously. Any act or threat of violence by or against any employee, customer, supplier, partner, or visitor is strictly prohibited. This policy applies to all agency employees, whether on or off agency property. Any use or possession of weapons by an employee, whether illegal or not, is prohibited on agency property, or while on agency business. This includes knives, guns, martial arts weapons, or any other object that is used as a weapon. Any employee caught possessing a weapon will be disciplined, up to and including termination.

If an employee encounters an individual who is threatening immediate harm to an employee or visitor on premise, employee should contact an emergency agency (such as 9-1-1) immediately. Employees should not engage in either physical or verbal confrontation with a potentially violent individual. Any person who exhibits any unsafe behaviors will be removed from MSHN premises as quickly as safety permits, and shall remain off MSHN premises pending the outcome of an investigation.

MSHN Employee Policies and Procedures

All employees, temporary employees, contractors and any other personnel are responsible for notifying MSHN of any acts or threats which they have witnessed, received, or have been told that another person has witnessed or received. Any individual, who reasonably believes that a situation with any employee or any other party may become violent, should immediately leave the area. Any violations of this policy should be immediately reported in writing to the CEO. Employees will cooperate in all investigations, and a failure to cooperate may result in disciplinary action, up to and including discharge. If the investigation substantiates that a violation has occurred, MSHN will take immediate corrective action, up to and including discharge.

In order to provide a safe workplace and protect our employees from threats to their safety, MSHN must know if a court has ordered an individual to stay away from MSHN locations. Therefore, this policy also requires all individuals who obtain a protective or restraining order which lists MSHN locations as being protected areas, to provide the CEO a copy of any protective or restraining order. This information will be kept reasonably confidential to the extent possible.

Prohibited Bullying: MSHN is dedicated to providing a safe and non-threatening workplace for its employees, clients and contractors. Prohibited bullying is taken very seriously and will not be tolerated. Any act of prohibited bullying by or against an employee, customer, supplier, partner or visitor is strictly prohibited. This policy applies to all agency employees, whether on or off agency property. Bullying under this policy is defined as persistent, malicious, unwelcome, severe and pervasive mistreatment intended to intimidate and create risk to the health and safety of the employee, whether verbal, physical or otherwise, in the workplace and/or in the course of employment.

Dress Code: A professional and clean appearance plays a vital role in how we are perceived by our clients, visitors, and each other. Employees are expected to dress tastefully and professionally at all times. Employees who show up for work dressed inappropriately are subject to progressive discipline, and/or may be sent home to change and not paid for the time it takes until their return. Questions about appropriate attire should be directed to the employee's immediate supervisor. If a certain manner of dress, personal appearance or hygiene is necessary because of religious beliefs, medical condition or an otherwise legally protected reason, the employee must notify their immediate supervisor of the reason, in writing, before reporting to work. MSHN may require said employee to provide appropriate proof of this belief, condition or otherwise protected reason.

Computer, Internet, Telephones, and Electronic Mail: MSHN provides a variety of electronic tools to employees for use in operating the agency. Agency-provided technology should be used only for business-related matters during working time, and personal usage should be minimized at all times. Where an employee receives a stipend for the provision of a cell phone, it is understood that the phone is owned by the employee and will be used for personal business.

Employees should not have an expectation of privacy in their use of company computers, telephones (including cellphones issued by the company) or other tools. All communications on these devices, including email and other internet activity, are subject to monitoring or inspection by the company at any time, without advance notice. Employees are encouraged to use these tools only for business-related communications. MSHN reserves the right to monitor customer calls to ensure employees abide by company guidelines and provide appropriate levels of service. Email, telephones and other devices may not be used in any manner that violates company policies, including especially our policies regarding equal opportunity and harassment. All electronic and telephone communication systems and all communications and information transmitted by, received from, or stored in these systems are the property of MSHN and, as such, are intended for job-related purposes. Employees are not permitted to use a code, access a file, or retrieve any stored communication unless authorized to do so, or unless they have received prior clearance from an authorized company representative. All pass codes are the property of MSHN and may be used to access electronic and telephone communications at any time.

Social Media: Social media includes all forms of public, web-based communications and expression that brings people together by making it easier to publish content to many individuals. The Social Media policy applies if you are authorized

MSHN Employee Policies and Procedures

to represent MSHN on social media platforms or if you choose to make references to MSHN, its affiliates or officers when you are using social media in a personal capacity. In order to post on external social media sites for work purposes, you will need prior approval from the CEO.

While free time is generally not subject to any restriction by MSHN, we urge all employees not to post information regarding MSHN, their jobs, or other employees which could lead to morale issues in the workplace or detrimentally affect MSHN's business. This can be accomplished by always thinking before you post, being civil to others and their opinions, and not posting personal information about others unless you have received their permission. You are personally responsible for the content you publish on blogs, wikis, or any other form of social media. Be mindful that what you publish will be public for a long time. Be also mindful that if MSHN receives a complaint from an employee about information you have posted about that employee, MSHN may need to investigate that complaint to insure no violation of the harassment policy or other Company policy has occurred. In the event there is such a complaint, you will be expected to cooperate in any investigation of that complaint, including providing access to the posts at issue.

If you identify yourself as an employee of MSHN or discuss matters related to our business on social media, please remember that although you may view your site as a blog or a personal project and medium of personal expression, some readers may nonetheless view you as a de facto spokesperson for MSHN. You must make it clear that the views you express are yours alone and that they do not necessarily reflect the views of MSHN. To help reduce the potential for confusion, please put a disclaimer in a prominent location on your page. For example, "The view expressed on this web site/blog are mine alone and do not necessarily reflect the views of my employer."

Without prior written approval from the CEO, no employee shall use any words, logos, or other marks that would infringe upon the trademark, service mark, certification mark, or other intellectual property rights of MSHN or its business partners. All rules that apply to employee activities, including the protection of proprietary and confidential information, apply to all blogs and online activity.

Leave Policies

General Policies: MSHN provides eligible employees with leave for a variety of reasons. The following summarizes MSHN's leave policies in a way that MSHN hopes will be generally helpful.

As with all policies, MSHN reserves the right to revise or rescind these policies at its discretion, subject to legal requirements. This statement of leave policies is not intended to create a contract between MSHN and its employees.

To apply for leave, or to inquire into what leave may be available, an employee should speak with the Deputy Director, or the PEO administrator. An employee applying for leave will be asked to state why he/she wants the leave, when he/she wants the leave to begin, and when he/she wants the leave to end. The Deputy Director will inform the employee what type and duration of leave, if any, has been approved and will also tell the employee which requirements, such as certification of a health condition, the employee must fulfill.

All leaves are granted for a specific period of time. An employee who foresees being unable or unwilling to return to work at the end of the leave period should apply for any other leave for which the employee is eligible, including an extension of the current leave. MSHN reserves the right to terminate the employment of an employee who does not return to work at the end of the approved leave period.

Paid Time-Off (PTO): Regular full-time employees are eligible for PTO. The purpose of PTO is to cover any need for time off, whether it is for a vacation, personal time, sickness, or to take care of family members. If an employee misses work for any reason, they are expected to use PTO unless they are using approved and earned compensatory or flex time. If an employee is on unpaid approved Medical, or Personal Leave of Absence, PTO will not be accrued for the duration of the leave.

MSHN Employee Policies and Procedures

When foreseeable, employees are expected to submit a written PTO or email request at least one (1) week in advance. The request must be approved by the supervisor. Negative PTO accruals are not allowed.

Accrued PTO not used before the time of an employee's resignation will be paid out as long as the employee resigns with a minimum of two weeks (10 business days) notice. Employees who resign with less than the required notice will not receive a payout of their accrued PTO.

Regular full-time employees become eligible for PTO upon hire at a rate commensurate with experience and tenure in the Community Mental Health System and as agreed upon in their terms of and conditions for employment.

Regular full-time employees become eligible as follows:

Employment Period	Number of Days
0-1 Years of Employment	7.69 hours for every eighty (80) hours paid
2-3 Years of Employment	9.23 hours for every eighty (80) hours paid
4-6 Years of Employment	9.85 hours for every eighty (80) hours paid
7-9 Years of Employment	10.46 hours for every eighty (80) hours paid
10 + years of employment	10.77 hours for every eighty (80) hours paid.

Accumulation and Carry-Over of PTO: An employee shall not be limited on accumulation of PTO during the fiscal year (October 1 – September 30), but an employee shall not be allowed to carry more than two hundred forty (240) hours from one fiscal year to the next. An exception to this limit shall be if an employee requests scheduled paid time off and that request is denied, an employee shall then be allowed to carry-over the amount of hours requested and denied in addition to the 240 hours. Other allowable exceptions may only be approved by the Chief Executive Officer. Annually an employee may be eligible to convert accrued PTO hours accumulated to wages. PTO payouts will occur annually in September. To be eligible for conversion, an employee must have met the following criteria:

- Minimum of eighty (80) hours PTO balance after conversion
- Must have utilized eighty (80) hours of PTO within the previous 12 months and at least forty (40) hours of consecutive PTO. Agency paid holidays occurring between the 40 hours PTO requirement does not count towards the consecutive PTO hours used.

Holidays: MSHN observes the following holidays:

- New Year's Day - January
- Martin Luther King Day - January
- Presidents' Day - February
- Memorial Day - May
- Independence Day, July 4th
- Labor Day - September
- Veterans' Day – November
- Thanksgiving Thursday & Friday - November
- Christmas Eve Day - December
- Christmas Day- December
- New Year's Eve Day - December

For MSHN employees to be eligible for holiday pay, they must be on the active payroll and actually work the last scheduled work day before the holiday, as well as the scheduled work day after the holiday, unless the employee has been approved for use of PTO. If an employee does not work the scheduled day before or after the holiday (call in sick) they will not be paid for the holiday and will not be permitted to use the PTO for the holiday, unless they had prior PTO approval.

Holiday pay for part-time employees shall accrue based upon, and be paid according to the actual percentage of the part time employees budgeted and scheduled weekly hours based upon a 40-hour work week of the employee at the time of the accrual.

MSHN Employee Policies and Procedures

Leave Without Pay: Available PTO must be utilized prior to requesting leave without pay. Requests for personal leave without pay for a period not to exceed one hundred eighty (180) days in a calendar year are considered individually and granted at the discretion of MSHN CEO. The reason for the request, the employee's length of service, the employee's work record and the demands of the individual's job are examples of the type of factors typically considered in evaluating a request for personal leave of absence. A request for personal leave of absence will be granted only if the employee is not eligible for any other type of leave.

Jury Duty: Employees summoned for jury duty will be allowed the necessary time off from work to perform this civic responsibility. MSHN will pay the employee their regular salary; and the employee is expected to remit any jury duty compensation received to MSHN within two weeks of receipt of funds. Employees will be expected to report to work during all regular hours if their presence is not required in a jury room or court. MSHN may require the employee to supply documentation from the court affirming the employee's jury duty service.

Military Leave: Employees who are absent from work in order to attend an annual encampment in a recognized reserve branch of the armed forces of the United States will receive a paid leave of absence of up to a maximum of two weeks per year. Leaves for military service and reinstatement after performing military service will be provided in accordance with the requirements of law.

Bereavement Leave: Employees are eligible for paid bereavement leave. When a death occurs in an employee's immediate family (spouse, domestic partner, child, mother, father, sister, brother, grandparent, and in-laws of the same level), an employee may take up to three (3) days off with pay, to attend the funeral or make funeral arrangements. In unusual circumstances, additional time off may be granted, with or without pay, at the discretion of the MSHN CEO. Any additional time needed will be taken out of PTO or taken without pay. Employees must receive approval from the CEO and may be asked to provide documentation of the event.

Inclement Weather: MSHN will operate during regularly scheduled business hours unless otherwise determined by the CEO or Chairperson of the Board of Directors. During inclement weather conditions or other such circumstances where travel is not advised, employees are asked to follow the established inclement weather closure policy and to use their own judgment in determining the safety of reporting to work and the subsequent travel from work. Unless the agency is closed, employees who choose not to report to work during inclement weather or other related conditions will be required to use PTO time.

Disciplinary Policies

Workplace Rules: The following work rules are designed to promote the mutual relationship, and are subject to every day common sense. No single set of rules can cover every aspect of conduct on the job. The company retains the right to take disciplinary action for any conduct that does not meet expected standards of appropriate behavior in the workplace, and to assess the level of discipline based on the circumstances of each case. In situations outside specific rules, the company will follow its general policies. Nothing in these rules alters our policy of employment at will.

- Failure to work as assigned during scheduled times, this includes tardiness and absenteeism, as well as failure to timely return from scheduled breaks.
- Gambling on premises
- Smoking, drinking, or eating in unauthorized areas
- Disrespect to managers, or rudeness or unprofessional behavior toward a coworker, customer or other member of the public
- Failing to work cooperatively with management/supervision or coworkers
- Reporting for work, or at work, in an unfit or unsafe condition to perform work
- Using abusive, obscene or improper language on office premises
- Sleeping on the job

MSHN Employee Policies and Procedures

- Improper disclosure or failure to safeguard business secrets or other similar confidential information
- Failure or inability to meet minimum standards of responsibility, skill, and other work requirements
- Failure to follow instructions
- Disregard office policies and procedures
- Abusing or improperly using company property

Following are examples of conduct which will be cause for immediate discharge upon the first offense:

- Possession of firearms or other weapons on office premises
- Unauthorized possession, use or distribution of drugs or controlled substances
- Theft or attempted theft
- Gross neglect of duties
- Insubordination or refusal to follow instructions
- Falsification of records

The disciplinary policy is as follows:

First Occurrence: Verbal warning and notation in personnel file

Second Occurrence: Written warning, included in personnel file

Third Occurrence: Two-day unpaid suspension & final written warning, included in personnel file

Forth Occurrence: Subjected to termination of employment

Problem Resolution: MSHN seeks to deal openly and directly with its employees, and believes that communication between employees and management is critical to solving problems. Co-workers that may have a problem with one another should attempt to resolve the problem themselves. If a resolution cannot be agreed upon, both employees should approach the CEO, who will work with the employees to determine a resolution. In these instances, the decision of the CEO is final. Employees that have a problem with the CEO should address the concern directly with the CEO.

Discipline: MSHN's policy is to attempt to deal constructively with employee performance problems and errors. The disciplinary process will be determined by the MSHN CEO in light of the facts and circumstances of each case. Discipline shall typically be progressive in nature, at the discretion of the CEO and based on the severity of the performance concern. Depending upon the facts and circumstances, the discipline applied may include, among other things, oral or written warnings, probation, suspension without pay, or immediate discharge. Each situation will be considered through a variety of factors including, but not limited to, the seriousness of the situation, the employee's past conduct and length of service, and the nature of the employee's previous performance or incidents involving the employee. Nothing contained in this manual, including this section, the Corrective Action section and the Separation Policies, negates the at-will employment relationship.

Corrective Action: Corrective action is taken in response to a rule infraction or violation of agency policies, and will continue until the violation or infraction is corrected. Corrective action may include any of the following: verbal warning, written warning, written suspension or discharge. MSHN may establish other/additional sanctions or terms for performance correction or improvement. MSHN considers some violations as grounds for immediate dismissal, including, but not limited to: violation of MSHN discrimination/harassment policy; insubordinate behavior, theft, destruction of agency property, breach of confidentiality agreement, untruthfulness about personal background or threats of violence. Employees charged with some infraction and subject to corrective action may appeal that corrective action. An appeal must be submitted in writing to the CEO. If, after reviewing the corrective action, CEO, in consultation with the PEO, determines that the procedures were followed accordingly, the corrective action will stand. If it is determined that MSHN procedures were not followed, the action may be reversed. The decision of the CEO is final.

MSHN Employee Policies and Procedures

Separation Policies

Resignation: Resignation is a voluntary act initiated by the employee to terminate their employment with MSHN. Although advanced notice is not required, MSHN requests a written notice of at least two weeks (10 business days) from all employees.

Job Abandonment: If an employee is absent for more than three (3) consecutive days, without notifying the CEO, the employee may be considered to have voluntarily abandoned employment with MSHN. If termination is determined the effective date will be the last day the employee reported for work. If an employee abandons a job, he or she is not entitled to accrued PTO days, unless required by law.

Termination: MSHN requires that employees return all documents, files, computer equipment, uniforms, agency tools, business credit cards, keys, and other agency owned property on or before the last day of work. When all agency owned property has been collected, the employee will receive his or her final paycheck and any accrued PTO pay, if applicable. Employees leaving the agency will have the option of having an exit interview with the CEO.

Manual Amendments and Revisions

The Board of Directors reserves the right to and retains, solely and exclusively, all rights to manage and operate its affairs, to modify, amend or terminate any portion of the benefits or compensation provided with or without notice. The statutory rights, duties and obligations of the Board shall not in any way be abridged by the terms of this manual. The fact that these policies may have been drafted or applied differently in the past does not affect their current or future enforcement. The contents of this manual may be added to, expanded, reduced or otherwise modified; any such modification in this manual shall be at the discretion of the Board of Directors. Verbal changes shall have no force or effect. Changes will be effective on the date of Board authorization and will supersede the original policies, benefits and compensation.

MSHN Employee Policies and Procedures

Acknowledgement of Receipt & Understanding

I hereby certify that I have read and fully understand the contents of this Personnel Manual. I also acknowledge that I have been given the opportunity to discuss any policies contained in this manual with an agency official. I agree to abide by the policies set forth in this manual, and understand that compliance with MSHN's rules and regulations is necessary for continued employment. My signature below certifies my knowledge, acceptance, and adherence to the agency's policies, rules, and regulations.

I have entered into my employment with MSHN voluntarily and acknowledge there is no specific length of employment. Accordingly, either I or MSHN can terminate the employment relationship at will, with or without cause, at any time. I agree that any action, claim or suit against MSHN, its parent company or subsidiaries, arising out of my employment or the termination of my employment, including but not limited to claims arising under State or Federal civil rights statutes, must be brought within 180 days of the event giving rise to the claims or they will forever be barred. I waive any limitation periods to the contrary. I understand that MSHN is an Equal Opportunity Employer and an employer at will. I acknowledge that this manual is neither a contract of employment nor a legal document. I have received the manual, and I understand that it is my responsibility to read and comply with the policies contained in this manual and any revisions made to it. I understand that this receipt will become a permanent part of my personnel record.

I acknowledge that MSHN reserves the right to modify or amend its policies at any time, without prior notice. These policies do not create any promises or contractual obligations between MSHN and its employees.

Employee Signature

Date

Chief Executive Officer Signature

Date

POLICIES AND PROCEDURE MANUAL

Chapter:	Human Resources		
Title:	Reimbursement for Credentials, Licensure and Memberships Policy		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Annually	Adopted Date: 01.05.2016	Related Policies: MSHN Personnel Manual
Procedure: <input type="checkbox"/>	Author: Deputy Director	Review Date: 09.12.2017	
Version: 1.0		Revision Eff. Date:	
Page: 1 of 2			

DO NOT WRITE IN SHADED AREA ABOVE

Purpose

Mid-State Health Network (MSHN) recognizes the importance of recruiting and retaining well-qualified professionals with the requisite credentials and licenses and the continuing need for re-certifications to support the mission. Memberships to associations can provide discounted trainings and certified educational credits to obtain the requisite credentials and licenses. The purpose of this policy is to identify MSHN's policy regarding reimbursement for credentials, licensure and memberships.

Policy

It is the responsibility of licensed or otherwise credentialed employees to maintain their individual credentials that are required for employment. The payment of professional credentials, licenses, associated professional fees and memberships will be considered by MSHN, but it is not an employee benefit or entitlement. Consequently, such expenditures shall be reviewed and, if approved, will be disbursed in the form of a reimbursement to eligible employees in accordance with policies and procedures.

The professional credential must be issued by an appropriate Federal, state or local authority, or industry recognized professional credentialing body.

Reimbursement for payment of these expenses must be determined to be in the interest of the MSHN. MSHN may reimburse an employee for expenses associated with obtaining professional credentials and/membership fees that MSHN determines are beneficial to carrying out the functions of the employee's position. MSHN will discuss appropriate licensures during the job description and performance evaluation review process. Expenses associated with obtaining professional credentials that are solely for the benefit of an employee may not be reimbursed.

Reimbursement is subject to availability of funding for this purpose and approval of each individual request.

Reimbursement request must identify the types of credentials, professional accreditations, professional licenses, certifications, examinations, and/or associated expenses, including those for continuing professional education, authorized for reimbursement.

Employees must request and receive authorization of expenses to obtain professional credentials in advance of an expense being incurred by an employee. Under such circumstances, an employee may be reimbursed for an incurred expense only following successful completion of a professional credential requirement.

MSHN may identify the need for one or more of its existing employees to be credentialed. Where MSHN changes the credentialing requirements of a position or requires an existing employee to obtain a new credential required by MSHN, MSHN will pay the initial costs of the employee to obtain the newly required credential.

Applies to

- ☒ All Mid-State Health Network Staff
☐ Selected MSHN Staff, as follows:
☐ MSHN's CMHSP Participants: ☐ Policy Only ☐ Policy and Procedure
☐ Other: Sub-contract Providers

Definitions

MSHN: Mid-State Health Network

Certification Program: A program that involves a process in which individuals attain and demonstrate the level of knowledge and skill required to perform in the profession, occupation, or roles.

Licensure: A process by which a governmental authority grants permission to an individual practitioner or organization to operate or to engage in an occupation or profession.

Professional Accreditation: A formal process by which a recognized body, usually a non-governmental institution, assesses and recognizes that an organization meets applicable, pre-determined standards.

Professional credentials: Documents that attest to the truth of stated facts. For the purpose of this Instruction, professional credentials include professional accreditation, State-imposed and professional licenses, and professional certifications and registrations.

Other Related Materials

N/A

References/Legal Authority

N/A

Change Log:

Date of Change	Description of Change	Responsible Party
10.2015	New Policy	Amanda Horgan
06.2017	Annual Review	Deputy Director

POLICIES AND PROCEDURE MANUAL

Chapter:	Human Resources		
Title:	Separation Policy		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Version: 1.0 Page: 1 of 2	Review Cycle: Annually Author: Deputy Director	Adopted Date: 07.05.2016 Review Date: 09.12.2017 Revision Eff. Date:	Related Policies:

DO NOT WRITE IN SHADED AREA ABOVE

Purpose

The intent of this policy is to ensure that an exiting employee is informed of his/her rights and benefits and that accurate records regarding termination of employment are collected and maintained.

Policy

It is the policy of Mid-State Health Network to ensure that any employee whose employment is being terminated, whether voluntarily or involuntarily, receives an exit interview. The exit interview shall be conducted by the Deputy Director. If the employee reports directly to the Deputy Director, then the Chief Executive Officer shall conduct the exit interview.

The objectives of the exit interview are as follows:

- To determine and discuss the employee's reason for resignation, if applicable;
- To discover and discuss any grievances that the employee may have regarding the department or position held in an effort to institute corrective action(s), if any; which may be deemed necessary
- To discover and discuss any misunderstandings the employee may have had about his/her job or with his/her supervisor(s) in an effort to institute corrective action(s), if any, which may be deemed necessary;
- To discover and discuss suggestions the employee may have regarding areas of improvement for MSHN operations;
- To maintain good will and teamwork amongst current and future employees;
- To review administrative details with the employee such as benefit continuation rights and conversion privileges, if any, final pay, re-employment policy, and employment compensation; and
- To arrange for the return of any company property which may be in the possession of the leaving employee and has not already been returned to the department supervisor.

Applies to

- ☒ All Mid-State Health Network Staff
☐ Selected MSHN Staff, as follows:
☐ MSHN's Affiliates: ☐ Policy Only ☒ Policy and Procedure
☐ Other: Sub-contract Providers

Definitions**Other Related Materials**

Exit Interview Questions
Termination Checklist

References/Legal Authority**Change Log:**

Date of Change	Description of Change	Responsible Party
04.2016	New Policy	Deputy Director
06.2017	Annual Review	Deputy Director

POLICIES AND PROCEDURE MANUAL

Chapter:	Human Resources		
Title:	Succession Planning Policy		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Version: 1.0 Page: 1 of 2	Review Cycle: Annually Author: MSHN CEO	Adopted Date: 05.05.15 Review Date: 09.12.17 Revision Eff. Date:	Related Policies:

DO NOT WRITE IN SHADED AREA ABOVE

Purpose

Organizations that plan well for the future anticipate and plan for changes in key leadership staff. Mid-State Health Network (MSHN) seeks to be prepared for future changes in key staff positions by requiring development of a Succession Plan.

Policy

It is the policy of the MSHN Board to assess the temporary/emergency and permanent leadership needs of the organization to help ensure the selection of a qualified and capable leader (temporary or permanent) who provides a good fit for continuation of the organization's mission, vision, values, goals, and objectives; and who has the necessary skills for the organization. The Chief Executive Officer (CEO) shall not put the organization at risk by failing to appropriately plan and prepare for extended periods of scheduled or unexpected absence.

The Board shall direct the CEO to maintain a procedure for temporary/emergency succession of the CEO. The procedure shall provide for:

- Plan implementation authority and approval requirements for an acting appointment (including compensation);
- Definition of the duration for appointment of an acting CEO;
- Consideration of limitations/authority restrictions to be placed on the acting CEO;
- Cross-training expectations; and
- Communication planning.

If the Board is preparing for permanent replacement the Chairperson shall, with input and direction from the full Board, establish a plan for recruitment and selection. The Board shall develop a diverse pool of candidates, while at the same time encouraging the professional development and advancement of current employees. If there is a gap between the CEO's departure and the ability for the new CEO to take office, the Board shall appoint an interim CEO in accordance with approved procedures and consistent with the expectations of Board policy.

The CEO shall establish and maintain a procedure that details the process for succession planning including planning for other key executive leadership positions. The procedure shall include appropriate notice to the Michigan Department of Health and Human Services, other funders, the provider network, key constituents and community stakeholders.

Applies to

- ☐ All MSHN Staff
- ☒ Selected MSHN Staff, as follows: CEO, DD, CFO, CIO and CCO
- ☒ MSHN Board of Directors
- ☐ MSHN's Affiliates: ☐ Policy Only ☐ Policy and Procedure
- ☐ Other: Sub-contract Providers

Definitions

CEO: Chief Executive Officer

DD: Deputy Director

CFO: Chief Financial Officer

CIO: Chief Information Officer

CCO: Chief Clinical Officer

MSHN: Mid-State Health Network

PIHP: Pre-paid Inpatient Health Plan

Succession Planning: Identification and development of potential successors for key positions in an organization, through a systematic evaluation process and training. Unlike replacement planning (which grades an individual solely on the basis of his or her past performance) succession planning is largely predictive in judging an individual for a position he or she might never have been in.

Other Related Materials

N/A

References/Legal Authority

MDCH-PIHP Contract

Change Log:

Date of Change	Description of Change	Responsible Party
05.15.2015	New Policy	N. Miller
05.03.2016	Annual Review	Chief Executive Officer
06.12.2017	Annual Review	Deputy Director

Chapter:	Information Technology		
Section:	Medicaid Information Management Policy		
Policy <input checked="" type="checkbox"/> Procedure <input type="checkbox"/> Version: 1.0 Page: 1 of 2	Review Cycle: Annually Author: Chief Information Officer	Adopted Date: 11.22.2013 Review Date: 09.12.17 Revision Eff. Date:	Related Policies: N/A

Purpose

To ensure that all CMHSP participants in Mid-State Health Network (MSHN) maintain Information Services practices that are adequate to fulfill their obligations under the Medicaid Specialty Supports and Services contract. This policy and all related procedures shall apply only to those Information Management activities involving the use of Medicaid funding.

Policy

MSHN shall ensure that each CMHSP participant has an effective information system that complies with requirements established by federal and state statutes and the MDHHS contract for Medicaid Specialty Supports and Services. Each CMHSP participant Information System must have mechanisms for collecting, managing, and submitting required data.

A. MSHN Information Services Responsibilities

1. MSHN shall distribute Medicaid enrollment files to each CMHSP participant.
2. MSHN shall maintain mechanisms to collect MDHHS required information from CMHSPs, aggregate it as necessary, submit it to MDHHS and provide appropriate feedback to CMHSPs.
3. MSHN shall ensure compliance by review and monitoring of data submission and reports as well as conducting CMHSP site visits as necessary.

B. CMHSP Information Services Responsibilities

1. Each CMHSP participant shall maintain current knowledge of all MDHHS technical advisories and expectations related to Information Technology standards, reporting requirements and data submissions.
2. Each CMHSP participant shall timely and accurately report required data in accordance with MSHN and MDHHS requirements.
3. Each CMHSP participant shall meet HIPAA Privacy, Security, HITECH Act and BBA standards for information system functions as delegated by MSHN and shall provide evidence of compliance upon request.

C. Monitoring and Oversight

1. The MSHN Chief Information Officer (CIO) will monitor performance of the information systems functions and shall review MSHN policy annually with CMHSP participant CIOs.
2. External review will be conducted annually and will include MDHHS and External Quality Review on-site visits and reporting.

Applies to

- ☒ All Mid-State Health Network Staff
☐ Selected MSHN Staff, as follows:
☒ MSHN's Affiliates: ☒ Policy Only ☐ Policy and Procedure
☒ Other: Sub-contract Providers

Definitions:

BBA: The Balanced Budget Act of 1997

CMHSP: Community Mental Health Service Provider

HIPAA: Health Insurance Portability and Accountability Act

HITECH: Health Information Technology for Economic and Clinical Health

IT: Information Technology

MDHHS: Michigan Department of Health and Human Services

PIHP: Prepaid Inpatient Health Plan

Other Related Materials

Data Validation Procedure

Information Management Procedure

MSHN Compliance Plan

Monitoring and Review Completed By

The MSHN Chief Information Officer (CIO) shall monitor performance of the information systems functions and shall review MSHN policy annually with CMHSP participant CIOs.

References/Legal Authority

Medicaid Managed Care provisions of the Balanced Budget Act (BBA) of 1997

Health Insurance Portability and Accountability Act (HIPAA) of 1996

Health Information Technology for Economic and Clinical Health Act (HITECH) of 2009

MDHHS Medicaid Specialty Supports and Services Contract

Change Log:

Date of Change	Description of Change	Responsible Party
11.22.2013	New Policy	IT Council
09.2014	Annual Review with new policy format	Chief Executive Officer
10.2015	Annual Review	Chief Information Officer
06.2017	Annual Review	Chief Information Officer

POLICIES AND PROCEDURE MANUAL

Chapter:	Information Technology		
Title:	Record Retention Policy		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Version: 1.0 Page: 1 of 2	Review Cycle: Annually Author: Chief Information Officer	Adopted Date: 09.02.2014 Review Date: 09.12.2017 Revision Eff. Date:	Related Policies: HIPAA Information Management Disaster Recovery

DO NOT WRITE IN SHADED AREA ABOVE

Purpose

To ensure that Mid-State Health Network (MSHN) maintains Record Retention practices that meet legal and regulatory standards under the Medicaid Specialty Supports and Services contract, the State of Michigan Records Retention and Disposal Schedule, and federal and state financial guidelines, including Health Insurance Portability & Accountability Act (HIPAA).

Policy

MSHN shall have effective record retention policies and procedures that comply with requirements established by the Michigan Department of Health and Human Services (MDHHS) contract for Medicaid Specialty Supports and Services and the State of Michigan Records Retention and Disposal Schedule, and federal and state statutes, including HIPAA. This policy is also intended to eliminate accidental or innocent destruction of records, as well as promote efficiency and reducing unnecessary storage of documents.

MSHN record retention policies and procedures must have mechanisms for securely storing and retaining/destroying data as required and recommended.

- MSHN shall annually review their administrative files.
- Records shall be retained/disposed according to State of Michigan Records Retention and Disposal Schedule and federal and state legal and regulatory standards.
- All records disposal will be done in a manner ensuring confidentiality of protected data.

MSHN shall ensure compliance by reviewing and monitoring record retention policies and procedures as well as conducting site visits as necessary.

Applies to

- ☒ All Mid-State Health Network Staff
☐ Selected MSHN Staff, as follows:
☒ MSHN's Affiliates: ☒ Policy Only ☐ Policy and Procedure
☒ Other: Sub-contract Providers

Definitions

MSHN: Mid-State Health Network
CMHSP: Community Mental Health Services Program
IS: Information Services or Information Systems
IT: Information Technology
MDHHS: Michigan Department of Health and Human Services
PIHP: Prepaid Inpatient Health Plan
BBA: The Balanced Budget Act of 1997
HIPAA: Health Insurance Portability & Accountability Act

Other Related Materials

Data Validation Procedure
Information Management Procedure
MSHN Compliance Plan

References/Legal Authority

Medicaid Managed Care provisions of the Balanced Budget Act (BBA) of 1997
Health Insurance Portability and Accountability Act (HIPAA) of 1996
MDHHS Medicaid Specialty Supports and Services
Contract
MDHHS Medicaid Provider Manual
Michigan DTMB Community Mental Health Record Retention Schedule
http://www.michigan.gov/documents/hal/mhc_rm_gs20_195724_7.pdf

Change Log:

Date of Change	Description of Change	Responsible Party
03.13.2014	New Policy	K. Tilley
05.18.2016	Annual Review	F. Goodrich
06.21.2017	Annual Review	Chief Information Officer

Background:

The draft original budget for Fiscal Year (FY) 2018 was developed based on the board-approved MSHN Strategic Plan and is based on input from MSHN Staff, the MSHN Finance Council, and the MSHN Executive Team.

The MSHN FY 2018 budget includes projected revenues of \$546,873,462 and estimated expenditures of \$525,919,247. Revenue is \$20,954,215 in excess of expenditures.

The revenue amount contains projected FY 2017 Medicaid and Healthy Michigan Plan savings of \$14,639,508 carried forward to FY 2018. Capitation includes increases in Medicaid and Healthy Michigan Plan funds due to a change in actuarial rates.

Recommended Motion:

Motion to approve the FY 2018 Original Budget as presented.



FISCAL YEAR 2018 ORIGINAL BUDGET

FY 2017 Original Budget	FY 2017 Amended Budget	FY 2018 Original Budget	FY 2018 Increase (Decrease) from Amended Budget	Notes
----------------------------	---------------------------	----------------------------	--	-------

REVENUES

Prior Year Medicaid Savings	\$ 11,768,076	\$ 15,703,855	\$ 13,175,557	\$ (2,528,298)	
Prior Year Healthy Michigan Plan (HMP) Savings	10,844,644	7,856,960	1,463,951	\$ (6,393,009)	
Medicaid Capitation B/B3 MH	346,369,995	321,858,361	323,345,599	\$ 1,487,238	Amount based on July 2017 Milliman document; adjusted for historical variances where applicable
Medicaid Capitation B/B3 SUD	8,100,000	8,372,782	11,600,000	\$ 3,227,218	
Medicaid Capitation HSW	92,329,325	86,581,282	88,841,060	\$ 2,259,778	
Healthy Michigan Plan Capitation MH	34,043,774	35,680,667	38,704,335	\$ 3,023,668	
Healthy Michigan Plan Capitation SUD	11,200,000	12,187,389	15,300,700	\$ 3,113,311	
Medicaid Autism	8,000,000	17,895,288	33,000,000	\$ 15,104,712	
Medicaid DHS Incentive Payment	1,338,551	1,389,382	1,347,596	\$ (41,786)	
Community Grant SUD	11,148,150	12,595,700	12,841,377	\$ 245,677	Amount based on FY2017 original allocation plus amounts related to the opioid crisis grants (Innovative Strategies and State Targeted Response)
PA2 Liquor Tax SUD	3,106,936	3,106,936	3,145,119	\$ 38,183	Amount based on FY2018 projected distributions
Local Match Contribution	3,934,868	3,934,868	3,934,868	\$ -	
Other Grants	-	75,000	80,000	\$ 5,000	Veteran's Navigator
Interest Income	87,630	93,300	93,300	\$ -	
TOTAL REVENUE BUDGET	\$ 542,271,950	\$ 527,331,770	\$ 546,873,462	\$ 19,541,692	

FISCAL YEAR 2018 ORIGINAL BUDGET

FY 2017 Original Budget	FY 2017 Amended Budget	FY 2018 Original Budget	FY 2018 Increase (Decrease) from Amended Budget	Notes
----------------------------	---------------------------	----------------------------	--	-------

EXPENDITURES

ADMINISTRATION:

Salaries and Wages	\$ 2,558,071	\$ 2,134,368	\$ 3,162,488	\$ 1,028,120	Full year costs for FY17 partial year positions; step increases
Employee Benefits	900,946	941,446	1,204,680	263,234	Increases in insurance benefits expected
IS Subscriptions and Maintenance	1,217,199	529,311	901,095	371,784	Managed care information system (MCIS) costs
Consulting Services	180,000	240,000	242,500	2,500	
Conference and Training Expense	98,600	100,600	100,350	(250)	
Human Resources Fees	68,750	60,750	88,550	27,800	Fees based on percent of salaries and wages
Mileage Reimbursement	80,405	65,405	80,955	15,550	Full year costs for FY17 partial year positions
Other Expenses	68,600	85,700	71,800	(13,900)	
Building Rent	72,000	68,700	68,506	(194)	
Telephone Expense	59,250	59,250	67,880	8,630	
Office Supplies	28,500	60,500	53,400	(7,100)	FY17 budget included additional office suite supplies
Printing Expense	33,350	34,850	39,100	4,250	
Meeting Expense	35,580	26,580	31,700	5,120	
Liability Insurance	31,650	31,650	31,650	-	
Depreciation Expense	-	-	31,530	31,530	MCIS software
Audit Services	25,000	37,000	30,000	(7,000)	
OPB and Council Per Diems	5,900	13,500	19,320	5,820	Additional Consumer Council meetings planned
Dues and Memberships	7,690	7,690	8,400	710	
Legal Services	25,000	10,000	6,000	(4,000)	
Equipment Rent	7,500	6,000	4,872	(1,128)	
Internet Services	10,200	2,400	2,160	(240)	
Subtotal Administration	\$ 5,514,191	\$ 4,515,700	\$ 6,246,936	\$ 1,731,236	

CMHSP and SUD EXPENSES and TAXES:

CMHSP Participant Medicaid	\$ 388,959,983	\$ 382,535,790	\$ 393,742,065	\$ 11,206,275	
CMHSP Participant Healthy Michigan Plan	33,073,326	38,975,525	40,881,082	1,905,557	Amount based on CMHSP estimated FY2018 expenses
CMHSP Participant Medicaid Autism	14,375,474	21,977,542	25,751,264	3,773,722	
SUD Medicaid Contracts	8,100,000	10,734,769	11,070,008	335,239	Amount based on estimated FY2018 expenses
SUD Healthy Michigan Plan Contracts	11,200,000	14,062,503	14,524,644	462,141	
SUD Community Grant	11,148,150	12,595,700	12,584,549	(11,151)	
SUD PA2 Liquor Tax	3,106,936	3,106,936	3,145,119	38,183	
Other Contractual Agreements	1,439,243	1,439,243	1,254,007	(185,236)	PIHP retained functions; medical director
Tax Hospital Rate Adjustor	7,568,046	7,663,311	7,663,311	-	
Tax HICA Claims	3,760,362	3,837,909	5,121,393	1,283,484	Amount based on 1% of Medicaid and HMP funding
Tax Local Match Contribution	3,934,868	3,934,868	3,934,868	-	
Tax Use	29,982,622	7,312,466	-	(7,312,466)	Use tax eliminated 12/31/2016
Subtotal CMHSP and SUD Expenses and Taxes	\$ 516,649,010	\$ 508,176,562	\$ 519,672,311	\$ 11,495,749	

TOTAL EXPENDITURE BUDGET	\$ 522,163,202	\$ 512,692,262	\$ 525,919,247	\$ 13,226,985
---------------------------------	-----------------------	-----------------------	-----------------------	----------------------

Revenue Over/(Under) Expenditures	\$ 20,108,749	\$ 14,639,508	\$ 20,954,215	\$ 6,314,707
--	----------------------	----------------------	----------------------	---------------------

FISCAL YEAR 2018 ORIGINAL BUDGET

RECAP OF SURPLUS BY FUNDING					
FY2018 Medicaid Surplus	18,649,251				
FY2018 Healthy Michigan Plan Surplus	2,304,964				
Total Medicaid and HMP Surplus	20,954,215				

ALLOWABLE CONTRIBUTION TO SAVINGS & INTERNAL SERVICE FUND				
	Medicaid	HMP	Total	
Prepayment Authorization	425,134,255	54,005,035	479,139,290	
Maximum Allowable Savings	31,885,069	4,050,378	35,935,447	7.5% of Prepayment Authorization
Maximum Allowable Internal Service Fund	31,885,069	4,050,378	35,935,447	7.5% of Prepayment Authorization
Proportion of Total Revenue	89%	11%	100%	

SAVINGS SUMMARY				
	Medicaid	HMP	Total	
FY2017 Balance	13,175,557	1,463,951	14,639,508	
FY2018 Use of Savings	(13,175,557)	(1,463,951)	(14,639,508)	
FY2018 Savings Contribution	18,649,251	2,304,964	20,954,215	
Total Estimated Ending FY2018 Savings Balance	18,649,251	2,304,964	20,954,215	
Allowable Funding Based on Proportion of Revenue	31,885,069	4,050,378	35,935,447	
Ending FY2018 Savings Balance	18,649,251	2,304,964	20,954,215	
Amount Under / (Over) Funded	13,235,818	1,745,414	14,981,232	Internal Use Only - Compared to Revenue Proportion

INTERNAL SERVICE FUND				
	Medicaid	HMP	Total	
FY2017 Balance	13,638,808	5,834,287	19,473,095	
FY2018 ISF Contribution (Abatement)	-	-	-	
Total Estimated Ending FY2018 ISF Balance	13,638,808	5,834,287	19,473,095	
Allowable Funding Based on Proportion of Revenue	31,885,069	4,050,378	35,935,447	
Estimated Ending FY2018 ISF Balance	13,638,808	5,834,287	19,473,095	
Amount Under / (Over) Funded	18,246,261	(1,783,909)	16,462,352	

Background

The current employment contract for the Chief Executive Officer of Mid-State Health Network expires on October 31, 2017. The annual performance review process begins on September 12, 2017 and concludes at the Board of Directors meeting on November 7, 2017. Contract renewal negotiations between the Chief Executive Officer and the Executive Committee occur after the conclusion of the performance review process. The Executive Committee will bring a recommendation relating to the Employment Contract of the CEO to the Board of Directors at the January 9, 2018 Board Meeting for its consideration.

Consequently, the current employment contract for the Chief Executive Officer of Mid-State Health Network is recommended for extension to January 31, 2018, to permit time for the performance review and contract renewal negotiation processes to conclude, and for the Board to consider recommendations from the Executive Committee relating to the contract at the January 9, 2018 Board Meeting.

The Executive Committee recommends the adoption of the following motion.

Recommended Motion:

Motion to extend the current contract for employment of the Chief Executive Officer to January 31, 2018.

Background:

Pursuant to MSHN General Management: Board Governance Policy, the 2016-2017 Board Self-Assessment Summary Report is presented for Board consideration and approval.

Recommended Motion:

Motion to receive and file results of the 2016-2017 MSHN Board Self-Assessment, as presented.

KEY: POSITIVE TREND (10 OR MORE POINTS)
NEGATIVE TREND (10 OR MORE POINTS)

MSHN Mid-State Health Network		Board Annual Self-Assessment: FY14/15, FY15/16, FY16/17 Trending									YES			NO			NEEDS IMPROVEMENT			UNSURE		
		FY14	FY15	FY16	FY14	FY15	FY16	FY14	FY15	FY16	FY14	FY15	FY16	FY14	FY15	FY16	FY14	FY15	FY16	FY14	FY15	FY16
Mission, Vision & Strategic Direction	1. The Board participates in strategic planning	92%	93%	80%	0%	0%	0%	8%	7%	13%	0%	0%	7%									
	2. The Board has a clear sense of needs and priorities for the region	69%	92%	67%	0%	7%	7%	30%	0%	13%	0%	0%	7%									
	3. MSHN has a clear sense of direction	77%	93%	87%	0%	0%	0%	23%	0%	0%	0%	0%	7%	13%								
	4. The Board is advised on national, state and local trends for their effect on behavioral health services	77%	64%	73%	0%	14%	7%	8%	0%	13%	15%	21%	0%									
	5. The Board is presented with information about the strengths and weaknesses of MSHN	100%	86%	73%	0%	0%	0%	0%	7%	13%	0%	0%	13%									
	6. The Board receives adequate information, analysis, plans, proposals and background materials that enable decision making	100%	93%	80%	0%	0%	0%	0%	7%	20%	0%	0%	0%									
	7. MSHN's strategic priorities are clear, specific and measurable	70%	93%	80%	0%	7%	7%	31%	0%	7%	0%	0%	7%									
	8. The Board evaluates progress of opportunities for improvement that are identified	62%	71%	87%	0%	7%	0%	31%	7%	0%	8%	14%	13%									
Comments: 1) The efficiency of the MSHN staff and its attention to details of the makes for a well-run and managed board; 2) The scorecard is a valuable tool to stay abreast of how MSHN is performing to its goals; 3) Need to receive materials sooner – difficult to digest properly when all received at once few days before meeting; 4) We have a clear vision and strategic plan in place with top leadership; 5) Excellent job with information regarding PA 298; 6) There seems to be good dialog by Board members regarding the above matters; 7) MSHN's sense of direction is based on the information it has. We often have secondary plans to back up change in information.																						
CEO/Board Roles & Responsibilities	1. The Board asks "What" and "Why" and Expects the CEO to provide the "How"	84%	86%	93%	0%	0%	7%	8%	7%	0%	8%	7%	0%									
	2. There is a mutual respect and open discussion between the Board and the CEO	92%	93%	100%	0%	0%	7%	8%	7%	0%	0%	0%	0%									
	3. Board communication to staff and providers is channeled through the CEO	85%	86%	100%	0%	0%	0%	8%	0%	0%	8%	14%	0%									
	4. Revisions to all policies are reviewed and approved by the Board	100%	100%	93%	0%	0%	0%	0%	0%	0%	0%	0%	7%									
	5. The Board receives timely and accurate communication	77%	86%	73%	0%	7%	7%	23%	0%	13%	0%	7%	7%									
Comments: 1) The CEO is very responsive to board's actions, request and directions; 2) I am satisfied with the discussion & communication between the board and the CEO; 3) Excellent job! Joe is a leader who always takes the opportunity to work toward common goals; 4) Staff appear to make significant effort to keep us informed in timely manner. Board shows knowledge and interest in make this for all concerned; 5) Information flows clearly and accurately through this organization for the Board to form decisions																						
Resource Utilization & Risk Management	1. Board members are advised of key laws, rules and regulations and the implications for MSHN	92%	86%	94%	0%	0%	0%	8%	0%	0%	0%	14%	6%									
	2. The Board has established policies, by-laws and operating agreements to reduce the risk of liability for the Board and Mid-State Health Network	100%	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%									
	3. Annually, or more often, the Board establishes priorities for the use of resources	77%	85%	81%	0%	7%	0%	15%	7%	13%	8%	0%	6%									
	4. The Board receives routine financial reports including investment and risk management strategies	92%	93%	94%	0%	0%	0%	8%	7%	0%	0%	0%	6%									
	5. The Board has an approved compliance plan and receives routine updates of compliance monitoring activities	100%	93%	94%	0%	0%	0%	0%	0%	0%	0%	7%	6%									
	6. The Board receives regular reports of external quality review, audits and other monitoring activities inclusive of planned corrective action	100%	93%	94%	0%	0%	0%	0%	0%	0%	0%	7%	6%									
Comments: 1) The continuing updates on the legislation affecting us was much appreciated, as was the CEO's advocacy for us during the process; 2) All information is given and received in a timely manner.																						
Public Trust	1. The public has opportunities to address concerns to the Board	100%	93%	88%	0%	0%	0%	0%	0%	6%	0%	7%	6%									
	2. Public requests for action/change are addressed as appropriate	55%	79%	75%	0%	0%	0%	16%	0%	6%	39%	21%	19%									
	3. Board members provide information and support Board positions with the media, key local/ state decision makers and legislators	31%	58%	69%	0%	7%	6%	15%	7%	6%	54%	29%	19%									
	4. The Board reviews customer satisfaction feedback and evaluates concerns	31%	58%	67%	8%	14%	6%	8%	7%	6%	54%	21%	19%									
Comments: 1) I think we are all well received by the public, however, we have had very little at any of our meetings; 2) This is a difficult item to measure; 3) Very little public comes to the meetings; 4) Information is through CEO for Mid-State response																						

Boardmanship	1. Members refrain from intruding on administrative issues that are the responsibility of the Mid-State Health Network CEO/staff except to monitor results and prohibit methods that conflict with policy	93%	93%	56%	0%	0%	0%	23%	0%	38%	15%	7%	6%
	2. Members do not exercise authority apart from the authorization of the full Board	92%	79%	88%	0%	0%	6%	0%	0%	0%	8%	21%	6%
	3. Members serve the best interest of Mid-State Health Network rather than personal or other professional interests	69%	93%	75%	0%	7%	0%	15%	14%	6%	8%	29%	19%
	4. Members are respectful of one another	77%	100%	88%	0%	0%	0%	23%	0%	12%	0%	0%	0%
	5. I am satisfied with the personal contribution I make to the Board	85%	86%	88%	0%	0%	0%	15%	14%	12%	0%	0%	0%
Comments: 1) These areas have improved over the years; 2) Members are not hesitant to call the question if discussions are moving off track or becoming circular; 3) I think it is up to everyone as to how much they want to be involved (committee participation) & how and what they want to contribute; 4) We have several members who like to micro-manage the MSHN staff & bully MSHN Board members; 5) I have questioned to myself whether some board members would like to micro-manage; 6) For the unsure answers, it does seem at Board meetings members are acting in good faith. I am not sure what happens behind the scenes; 7) There is always room to learn and improve your contribution to this Board													
Board Evaluation of Support Staff	1. I am satisfied that meetings are set up efficiently and in a timely manner	100%	100%	94%	0%	0%	0%	0%	0%	0%	0%	0%	6%
	2. I am satisfied that Board Packets are sent in a timely and complete manner and copies are made accessible	77%	100%	100%	0%	0%	0%	15%	0%	0%	8%	0%	0%
	3. Responsiveness to information requested is adequate, of good quality and timely	92%	93%	94%	0%	0%	0%	8%	7%	6%	0%	0%	0%
	4. Board member requests are handled in a polite, friendly and professional manner	100%	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	5. Board meeting minutes are accurate and presented in a timely manner	85%	100%	88%	0%	0%	0%	15%	0%	12%	0%	0%	0%
Comments: 1)This area is conducted very professionally and efficiently; 2) Merre does a fabulous job! 3) Meetings should be recorded; 4) Members are not hesitant to call the question if discussions are moving off track or becoming circular; 5) Have some concern with time between Executive Committee Meetings and Board of Directors meeting; 6) I am impressed with how staff (Merre) puts together all materials packets, and information (emails) accurately and timely day after day; 7) Staff does great work													
<p>1. My dream for Mid-State Health Network is: 1) Continue to work together at a strategic level & stop trying to micro-manage MSHN staff; 2) That the State would let us do our job; 3) Continuance; 4) To continue to facilitate services to public mental health & SUD needs; 5) To continue moving forward as we are; 6) To be able to continue serving our consumers within the region in the face of legislative and societal challenges, to include opiates; 7) To be the best PIHP in Michigan – in providing services to consumers; 8) To achieve leveling of payments around the region; 9) Continue its great work; 10) I think it's important that we continue to grow and be the forefront leaders in our state; 11) Cost effective services/no duplication of services; 12) Play active role in expansion of substance abuse counseling services of youth in rural areas; 13) Continue to provide service to all our clients who request services throughout our region</p> <p>2. My greatest concern for Mid-State Health Network is: 1) Threat from MDHHS re: PA298 and restructure of PIHP's; 2) Is 298 and the negative impact that it will have on Mental Health services. To continue; 3) Will be in existence in 2-3 years; 4) Running out of money; 5) Legislative action that erodes our efforts to serve our consumers; 6) That local CMH's that provide their own services will not be represented; 7) How the politics in Lansing will affect the future if our different regions; 8) Funding for all of us; Privatization; 9) Threat from MDHHS re: PA 298 and restructure if PIHP's; 10) The weight of legislative actions will impede our efforts to provide serviceable programs and oversight; 11) Legislators who favor privatization of mental health system and losing local controls</p> <p>3. With respect to Mid-State Health Network, I am proudest of: 1) Our continued progress to serve individuals in our region; 2) Low administrative cost; 3) Being on the Board; 4) All of our staff and their professional approach to their responsibilities; 5) All the hard work everyone does; 6) Our efforts to assist all the CMHSP's in our region in remaining financially stable; i.e. the Medicaid autism support; 7) The progress we have made since our inception. How I have been treated; 8) Our growth over the last couple years; 9) Our continued progress to serve individuals in our region; 10) The overall commitment of both staff and Board members to assist consumers in their recovery effort; 11) Our ability to provide services to the clients in our region, with compassion and take care of them in an efficient economical and caring way</p> <p>4. I feel that Mid-State Health Network's greatest opportunity for improvement is: 1) Continued opportunities for board development & team building; 2) Still to be determined; 3) Doing what they are doing; 4) Continuing to effectively manage the diverse opinions that evolve during meetings; 5) Prove that we can do it "better" than a health care plan; 6) I am concerned in the area because of political agendas in Lansing that in my mind reduces the effectiveness of the state mental health system; 7) Continual board development; 8) Continuing to keep on top of the changes going on with our government. We have a team of top notch individuals working at Mid-State; 9) Continued opportunities for board development & team building; 10) Incorporate physical health; 11) Eliminate administration duplication where possible within our partners operations and to encourage reliance upon cost effective service delivery; 12) To trust our instincts to act on information we have to provide the best services possible</p> <p>5. Other recommendations/feedback: 1) Great job MSHN staff and especially our CEO; 2) I think we are great! 3) We have a good board with time. I will become a more effective board member</p>													

Background:

MSHN periodically updates its regional budget to adjust for revenue and expenditure variations throughout the fiscal year. The Fiscal Year (FY) 2017 Budget Amendment has been provided and presented for review and discussion.

Recommended Motion:

Motion to approve the FY 2017 Budget Amendment as presented.

FISCAL YEAR 2017 AMENDED BUDGET

FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Budget Increase (Decrease)	Notes
----------------------------	---------------------------	--	-------

REVENUES

FY2016 Medicaid Savings	\$ 11,768,076	\$ 15,703,855	\$ 3,935,779	Savings based on FY2016 final reports
FY2016 Healthy Michigan Plan (HMP) Savings	10,844,644	7,856,960	(2,987,684)	
Medicaid Capitation B/B3 MH	346,369,995	321,858,361	(24,511,634)	Original budget included use tax for full year; tax eliminated 12/31/2016
Medicaid Capitation B/B3 SUD	8,100,000	8,372,782	272,782	
Medicaid Capitation HSW	92,329,325	86,581,282	(5,748,043)	Original budget calculated based on 1115 rates; budget adjusted based on current rates and actual revenue
Healthy Michigan Plan Capitation MH	34,043,774	35,680,667	1,636,893	
Healthy Michigan Plan Capitation SUD	11,200,000	12,187,389	987,389	
Medicaid Autism	8,000,000	17,895,288	9,895,288	Budget adjusted for increasing enrollments
Medicaid DHS Incentive Payment	1,338,551	1,389,382	50,831	
Community Grant SUD	11,148,150	12,595,700	1,447,550	Additional funding related to opioid crisis grants (Innovated Strategies and State Targeted Response)
PA2 Liquor Tax SUD	3,106,936	3,106,936	-	
Local Match Contribution	3,934,868	3,934,868	-	
Other Grants	-	75,000	75,000	Health Innovation and Veteran's Navigator
Interest Income	87,630	93,300	5,670	
TOTAL REVENUE BUDGET	\$ 542,271,950	\$ 527,331,770	\$ (14,940,180)	

FISCAL YEAR 2017 AMENDED BUDGET

FY 2017 Original Budget	FY 2017 Amended Budget	FY 2017 Budget Increase (Decrease)	Notes
----------------------------	---------------------------	--	-------

EXPENDITURES

ADMINISTRATION:

Salaries and Wages	\$ 2,558,071	\$ 2,134,368	\$ (423,703)	Budget adjusted for partial year positions and staff vacancies
Employee Benefits	900,946	941,446	40,500	
IS Subscriptions and Maintenance	1,217,199	529,311	(687,888)	Managed care information system (MCIS) in implementation stage
Consulting Services	180,000	240,000	60,000	
Conference and Training Expense	98,600	100,600	2,000	Change in accounting practice; original budget in Meeting Expense
Other Expenses	68,600	85,700	17,100	
Building Rent	72,000	68,700	(3,300)	
Mileage Reimbursement	80,405	65,405	(15,000)	Staff vacancies; budget adjusted based on actual expenses
Human Resources Fees	68,750	60,750	(8,000)	Fees based on percent of salaries and wages
Office Supplies	28,500	60,500	32,000	Additional office suite supplies and laptop replacements
Telephone Expense	59,250	59,250	-	
Audit Services	25,000	37,000	12,000	Additional auditing services
Printing Expense	33,350	34,850	1,500	Original budget included in Equipment Rent
Liability Insurance	31,650	31,650	-	
Meeting Expense	35,580	26,580	(9,000)	Change in accounting practice; some previously budgeted amounts now expensed in Conference and Training Expense
OPB and Council Per Diems	5,900	13,500	7,600	Original budget did not include OPB per diems
Legal Services	25,000	10,000	(15,000)	Lower than estimated utilization
Dues and Memberships	7,690	7,690	-	
Equipment Rent	7,500	6,000	(1,500)	Original budget included some printing expense
Internet Services	10,200	2,400	(7,800)	Original budget included some amounts expensed in Telephone Expense
Subtotal Administration	\$ 5,514,191	\$ 4,515,700	\$ (998,491)	

CMHSP and SUD EXPENSES and TAXES:

CMHSP Participant Medicaid	\$ 388,959,983	\$ 382,535,790	\$ (6,424,193)	Amount based on CMHSP projected expenses
CMHSP Participant Healthy Michigan Plan	33,073,326	38,975,525	5,902,199	
CMHSP Participant Medicaid Autism	14,375,474	21,977,542	7,602,068	
SUD Medicaid Contracts	8,100,000	10,734,769	\$ 2,634,769	Amount based on projected expenses
SUD Healthy Michigan Plan Contracts	11,200,000	14,062,503	2,862,503	
SUD Community Grant	11,148,150	12,595,700	1,447,550	Amount includes additional expenses related to opioid crisis grants
SUD PA2 Liquor Tax	3,106,936	3,106,936	-	
Other Contractual Agreements	1,439,243	1,439,243	-	PIHP retained functions
Tax Hospital Rate Adjustor	7,568,046	7,663,311	95,265	Budget adjusted based on actual expenses
Tax HICA Claims	3,760,362	3,837,909	77,547	
Tax Local Match Contribution	3,934,868	3,934,868	-	
Tax Use	29,982,622	7,312,466	(22,670,156)	Use tax eliminated 12/31/2016; original budget included full year
Subtotal CMHSP and SUD Expenses and Taxes	\$ 516,649,010	\$ 508,176,562	\$ (8,472,448)	

TOTAL EXPENDITURE BUDGET	\$ 522,163,202	\$ 512,692,262	\$ (9,470,940)
---------------------------------	-----------------------	-----------------------	-----------------------

Revenue Over/(Under) Expenditures	\$ 20,108,749	\$ 14,639,508	\$ (5,469,241)
--	----------------------	----------------------	-----------------------

FISCAL YEAR 2017 AMENDED BUDGET

RECAP OF SURPLUS BY FUNDING				
FY2017 Medicaid Surplus	13,175,557			
FY2017 Healthy Michigan Plan Surplus	1,463,951			
Total Medicaid and HMP Surplus	14,639,508			

ALLOWABLE CONTRIBUTION TO SAVINGS & INTERNAL SERVICE FUND				
	Medicaid	HMP	Total	
Prepayment Authorization	418,201,807	47,868,056	466,069,863	
Maximum Allowable Savings	31,365,136	3,590,104	34,955,240	7.5% of Prepayment Authorization
Maximum Allowable Internal Service Fund	31,365,136	3,590,104	34,955,240	7.5% of Prepayment Authorization
Proportion of Total Revenue	90%	10%	100%	

SAVINGS SUMMARY				
	Medicaid	HMP	Total	
FY2016 Balance	15,703,855	7,856,960	23,560,815	
FY2017 Use of Savings	(15,703,855)	(7,856,960)	(23,560,815)	
FY2017 Savings Contribution	13,175,557	1,463,951	14,639,508	
Total Estimated Ending FY2017 Savings Balance	13,175,557	1,463,951	14,639,508	
Allowable Funding Based on Proportion of Revenue	31,365,136	3,590,104	34,955,240	
Estimated Ending FY2017 Savings Balance	13,175,557	1,463,951	14,639,508	
Amount Under / (Over) Funded	18,189,578	2,126,153	20,315,732	Internal Use only - Compared to Revenue Proportion

INTERNAL SERVICE FUND				
	Medicaid	HMP	Total	
FY2016 Balance	13,638,808	5,834,287	19,473,095	
FY2017 ISF Contribution (Abatement)	-	-	-	
Total Estimated Ending FY2017 ISF Balance	13,638,808	5,834,287	19,473,095	
Allowable Funding Based on Proportion of Revenue	31,365,136	3,590,104	34,955,240	
Estimated Ending FY2017 ISF Balance	13,638,808	5,834,287	19,473,095	
Amount Under / (Over) Funded	17,726,328	(2,244,183)	15,482,145	

Background:

In accordance with the MSHN Board of Directors governance policy to review financials, at a minimum quarterly, the Statement of Net Position, Statement of Activities, and Statement of Cash Flows for the Period Ending July 31, 2017 have been provided and presented for review and discussion.

Recommended Motion:

The MSHN Board of Directors receives and files the Statement of Net Position, Statement of Activities, and Statement of Cash Flows for the Period Ending July 31, 2017, as presented.

Mid-State Health Network
Statement of Activities
As of July 31, 2017

	Budget Annual	Actual Year-to-Date	Budget Year-to-Date	Budget Difference	Budget Variance	
	FY 17 Orig Budget		FY 17 Orig Budget			
Revenue:						
Grant Funding	0	\$ 23,950	0	\$ 23,950	0.00 %	1f
Medicaid Use of Carry Forward	\$ 22,612,720	\$ 10,932,203	\$ 18,843,933	\$ (7,911,730)	(41.99) %	1a
Medicaid Capitation	501,381,646	401,304,667	\$ 417,818,039	(16,513,372)	(3.95) %	1b
Local Contribution	3,934,868	2,982,275	\$ 3,279,057	(296,782)	(9.05) %	1c
Interest Income	87,630	103,408	\$ 73,025	30,383	41.61 %	1d
Change in Market Value	0	(21,450)	\$ 0	(21,450)	0.00 %	
Non Capitated Revenue	14,255,086	11,696,407	11,879,238	(182,831)	(1.54) %	1e
Total Revenue	542,271,950	427,021,460	451,893,292	(24,871,832)	(5.50) %	
Expenses:						
PIHP Administration Expense:						
Compensation and Benefits	3,459,017	2,600,880	2,882,514	(281,634)	(9.77) %	
Consulting Services	180,000	226,066	150,000	76,066	50.71 %	
Contracted Services	118,750	76,650	98,959	(22,309)	(22.54) %	
Board Member Per Diems	5,900	10,786	4,916	5,870	119.41 %	
Meeting and Conference Expense	186,695	116,449	155,580	(39,131)	(25.15) %	
Liability Insurance	31,650	15,825	26,375	(10,550)	(40.00) %	
Facility Costs	148,950	110,840	124,125	(13,285)	(10.70) %	
Supplies	166,030	191,664	138,358	53,306	38.53 %	
Other Expenses	1,217,199	434,644	1,014,333	(579,689)	(57.15) %	
Subtotal PIHP Administration Expenses	5,514,191	3,783,804	4,595,160	(811,356)	(17.66) %	2a
CMHSP and Tax Expense:						
CMHSP Participant Agreements	436,408,782	361,105,517	363,673,985	(2,568,468)	(0.71) %	1b
SUD Provider Agreements	33,555,086	32,879,227	27,962,572	4,916,655	17.58 %	1b
Benefits Stabilization	0	10,932,203	0	10,932,203	0.00 %	1a
Other Contractual Agreements	1,439,243	932,172	1,199,369	(267,197)	(22.28) %	2b
Tax - Local Section 928	3,934,868	2,982,275	3,279,057	(296,782)	(9.05) %	1c
Taxes-Use/HICA/HRA	41,311,031	16,988,683	34,425,859	(17,437,176)	(50.65) %	2c
Subtotal CMHSP and Tax Expenses	516,649,010	425,820,077	430,540,842	(4,720,765)	(1.10) %	
Total Expenses	522,163,201	429,603,881	435,136,002	(5,532,121)	(1.27) %	
Excess of Revenues over Expenditures	\$ 20,108,749	\$ (2,582,421)	\$ 16,757,290	\$ (19,339,711)		

Mid-State Health Network
Statement of Net Position
As of July 31, 2017

Assets

Cash and Short-term Investments		
Chase Checking Account	8,573,041	1a
Chase MM Savings	3,657	
Savings ISF Account	7,926,583	1b
Savings PA2 Account	9,621,107	1c
Investment ISF Account	7,619,076	1b
Total Cash and Short-term Investments	\$ 33,743,464	
Accounts Receivable		
Due from MDHHS	11,325,251	2a
Due from CMHSP Participants	4,946,943	2b
Due from CMHSP - Non-Service Related	7,875	2c
Due from Other Governments	1,461,591	2d
Due from Miscellaneous	8,000	2e
Total Accounts Receivable	17,749,660	
Prepaid Expenses		
Prepaid Expense Rent	4,529	
Prepaid Expense Other	3,634	2f
Total Prepaid Expenses	8,163	
Fixed Assets		
Fixed Assets - Computers	63,060	2g
Total Fixed Assets	63,060	
Total Assets	\$ 51,564,347	

Liabilities and Net Position

Liabilities		
Accounts Payable	\$ 3,017,206	1a
Current Obligations (Due To Partners)		
Other Payable	2,946,633	3c
Due to State-Use Tax	229,188	
Due to State HRA Accrual	658,318	1a
Due to State HICA Accrual	1,519,942	
Due to State Local Obligation	31,124	
Due to CMHSP Participants	0	
Accrued PR Expense Wages	76,911	3a
Accrued Benefits PTO Payable	146,544	
Accrued Benefits Other	7,775	3d
Total Current Obligations (Due To Partners)	5,616,435	
Deferred Revenue	26,038,521	1c 2a
Total Liabilities	34,672,162	
Net Position		
Unrestricted	(2,653,474)	3b
Restricted for Risk Management	19,545,659	1b
Total Net Position	16,892,185	
Total Liabilities and Net Position	\$ 51,564,347	

Mid-State Health Network
Statement of Cash Flows - Direct Method
For the Month Ended July 31, 2017

Cash received from:		
Medicaid Use of Carry Forward	1,274,099	
Medicaid Capitation	47,698,673	
Local Contribution	31,124	
Interest Income	13,530	
Change in Market Value	700	
Non Capitated Revenue	1,451,846	
Change in Cash from Operating Activities		
Accounts Receivable	(8,060,061)	
Deferred Revenue	(96,912)	
Total Change in Cash from Operating Activities	(8,156,972)	
Total cash received	<u>42,313,001</u>	1a
Cash paid to:		
PIHP Administration Expense:		
Compensation and Benefits	337,113	
Consulting Services	33,531	
Contracted Services	5,258	
Meeting and Conference Expense	6,585	
Facility Costs	10,643	
Supplies	29,881	
Other Expenses	80,012	
Subtotal PIHP Administration Expenses	<u>(503,024)</u>	2a
CMHSP and Tax Expense:		
CMHSP Participant Agreements	37,367,380	
SUD Agreement	3,661,039	
Benefits Stabilization	1,274,099	
Other Contractual Agreements	327,471	
Tax - Local Section 928	31,124	
Taxes-Use/HICA/HRA		
Tax - HICA and HRA	970,269	
Tax - Use	1,060	
Total Taxes-Use/HICA/HRA	<u>971,329</u>	
Subtotal CMHSP and Tax Expenses	<u>(43,632,442)</u>	2b
Change in Cash from Operating Activities		
Prepaid Expenses	(175)	
Accounts Payable	665,376	
Other Liabilities	(1,070,665)	
Total Change in Cash from Operating Activities	<u>(405,464)</u>	2c
Cash flows from investing activities		
Capital Expenditures	<u>(21,020)</u>	
Net cash used by investing activities	<u>(21,020)</u>	2d
Total cash paid	<u>(44,561,950)</u>	
Increase (Decrease) in Cash	<u>(2,248,949)</u>	
Cash, Beginning Period	<u>35,992,414</u>	
Cash, End of Period	<u>33,743,464</u>	3a

Notes to Financial Statements

For the Ten-Month Period Ended July 31, 2017

Please note: The Statement of Net Position contains Fiscal Year 2016 cost settlement figures between the PIHP and Michigan Department of Health Human Services (MDHHS) as well as each Community Mental Health Service Program (CMHSP) Participants. Cost settlement figures were extracted from final Financial Status Report submitted to MDHHS in February 2017. Final figures may vary based on MSHN and each CMHSPs compliance examination.

Statement of Net Position:

1. Cash and Short Term Investments
 - a) The Cash Chase Checking and Chase Money Market Savings accounts include \$3.78 million of PA2 and \$4.7 million of cash available for operations. A portion of cash available for operations will be used to cover accounts payable and taxes.
 - b) The Savings ISF and Investment ISF reflect designated accounts to hold the Medicaid ISF funds separate from all other funding per the MDHHS contract. There is currently \$15.5 million in ISF cash and investments since \$4 million of the available cash was used as risk management for Saginaw County CMH.
 - c) The Savings PA2 account holds the remaining \$9.6 million of PA2 funds and is also offset by the Deferred Revenue liability account. The remaining portion of deferred revenue relates to Medicaid and Healthy Michigan cost settlement activity with the CMHSPs.
2. Accounts Receivable
 - a) The amount reflects retro-active payments due to MSHN for Autism services from MDHHS.
 - b) Due from CMHSP Participants reflect Fiscal Year 2016 CMHSP cost settlement figures. This figure also includes actual Fiscal Year 2015 balances owed to MSHN from one CMHSP.

Saginaw CMH	\$4.91 Million	FY 2015 cost settlement and \$4 M cash advance – Saginaw CMH is retiring the FY 2015 balance based on the repayment agreement.
Central	\$29 thousand	FY 2016 cost settlement

- c) The Due from CMHSP account is used to track payments owed to MSHN from the CMHSPs for activities other than service provision and cost settlement. The balance in this account reflects the amount due for Supports Intensity Scale (SIS) assessments.

- d) The balance in Due from other governments consists of Fiscal Year 2016 and 2017 PA2 payments due from counties in MSHN's region.
- e) This amount represents a cash advance made under current policy authorization for a Substance Abuse and Treatment Provider (SAPT) that will be recovered by September 30, 2017.
- f) The prepaid balance consists of security deposits for three MSHN office suites. The \$3 thousand represents training and related expenses paid in advance.
- g) This is a new account that will be used to track Managed Care Information System (MCIS) costs associated with PCE. The amounts may not be expensed in the current fiscal year as the product will not be operational until February 2018.

3. Liabilities

- a) Accrued Benefits PTO (Paid Time Off) payable is the required liability account set up to reflect paid time off balances for the employees. It also reflects the portion of July payroll expense paid in August.
- b) The negative Unrestricted Net Position represents the difference between total assets, total liabilities, and the restricted for risk management figure. This amount also relates to the regional year to date expenses on the statement of activities exceeding revenue and thus affects net position.
- c) This amount is related to SUD provider payment estimates and is needed to offset the timing of payments.
- d) The health insurance rebate is the amount in the accrued benefits other account. MSHN developed a new procedure for rebates and will hold this amount to offset future employee contributions related to health insurance.

Statement of Activities:

1. Revenue

- a) Medicaid Use of Carry Forward is Medicaid Savings sent to the CMHSPs that are receiving Benefit Stabilization payments to balance their 2017 budgets. The amount of Benefit Stabilization is determined by MSHN's smoothing plan for that fiscal year. We are under budget in this area because the CMHSPs requiring benefit stabilization dollars is less than the amount saved from the prior year.
- b) Medicaid Capitation – we have received \$16.5 million less than the budgeted Medicaid amount. The key factor related to this variance is the use of 1115 waiver rates being used for Habilitation Supports Waiver (HSW) budgeting purposes. 1115 has not been federally approved and thus funding reflects the most recent approved HSW rates. The full year budget included receipt of use tax for the full year however use tax was eliminated beginning in January. This is also reflected in the taxes expense line. In addition, there is currently a five-month lag in Autism payments. The final cost settlement generally occurs more than a year after the end of the fiscal cycle. The expense side of this activity is listed under CMHSP Participant Agreements and SUD provider agreements.
- c) Local Contribution is flow-through dollars from CMHSPs to MDHHS. Typically, revenue equals the expense side of this activity under Tax Local Section 928.
- d) Interest income now reflects interest earned on investments and changes in principle for investments purchased at discounts or premiums. A “change in market value” account has been created to record and more clearly identify market fluctuations.
- e) This account tracks non-capitated revenue which include Community Grant and PA2 funds.
- f) This amount represents an accrual for the expense incurred/revenue due for MSHN's Health Innovation Grant. There is an equal expense recorded in Other Contractual Agreements.

2. Expense

- a) Total PIHP Administration Expense is currently under budget. Recurring expenses have been added to the general ledger to provide a clear picture of outstanding obligations. Expense budgeted for the procurement of MSHN's Managed Care Information System (MCIS) and some staff positions added to the budget that have not been filled which is also adding to the favorable variance.
- b) Other contractual agreements are under budget. Recurring expenses have been added to the general ledger. This expense is part of the PIHP's administration and is performed by a few CMHSPs in the region as well as other contractual providers. Activities include payment file processing, MDHHS encounter reporting, and other key functions required of PIHPs.
- c) HRA, HICA and Use taxes are lower than budget amounts. This condition follows the amount of revenue received which for this Fiscal Year has been less than anticipated.

Statement of Cash Flows:

1. Cash Received
 - a) Represents funds received for July. Decreases in accounts receivable and deferred revenue indicate an outflow of cash which is why both accounts offset amounts received.
2. Cash Paid
 - a) This amount represents cash paid for PIHP administrative expense.
 - b) The total represents payments made to CMHSPs, Substance Abuse and Treatment providers, other contractual agreements, and taxes.
 - c) Cash was used for prepaid expenses however increases in accounts payable and other liabilities improves cash position.
 - d) Cash was paid for capital expenditures related to MCIS activity.
3. Cash Balance
 - a) This figure represents cash on hand at July 31, 2017.

MID-STATE HEALTH NETWORK
SCHEDULE OF INTERNAL SERVICE FUND INVESTMENTS
As of July 31, 2017

DESCRIPTION	CUSIP	TRADE DATE	SETTLEMENT DATE	MATURITY DATE	CALLABLE	AMOUNT DISBURSED	PRINCIPAL	AVERAGE ANNUAL YIELD TO MATURITY
FEDERAL HOME LOAN BANK	3130A6K71	9.29.15	10.5.15	10.5.17	10.5.16	1,000,000.00	1,000,000.00	0.730%
HARTLAND MICH CONS SCH DISTRICT	416848VT3	6.23.16	6.28.16	5.1.17	no	1,004,237.08	1,000,000.00	0.710%
HARTLAND MICH CONS SCH DISTRICT	416848VT3	6.23.16	6.28.16	5.1.17	no		(1,000,000.00)	
JP MORGAN COMMERCIAL PAPER	46640PQL0	6.23.16	6.23.16	3.20.17	no	992,875.00	992,875.00	0.957%
JP MORGAN COMMERCIAL PAPER	46640PQL0	6.23.16	6.23.16	3.20.17	no		(992,875.00)	
FEDERAL HOME LOAN MTG	3134G9VV6	7.22.16	7.25.16	1.12.18	10.12.16	1,000,306.94	1,000,000.00	0.850%
FEDERAL HOME LOAN MTG	3134G9P43	7.13.16	7.26.16	1.26.18	10.26.16	1,000,000.00	1,000,000.00	0.750%
FEDERAL HOME LOAN MTG	3134G9N60	7.18.16	7.27.16	7.27.18	10.27.16	1,000,000.00	1,000,000.00	1.000%
FEDERAL HOME LOAN MTG	3134G9Q83	7.21.16	7.27.16	7.27.18	1.27.17	1,000,000.00	1,000,000.00	0.750%
FEDERAL NATIONAL MTG ASSOC	3135G0M75	7.13.16	7.27.16	7.27.18	7.27.17	1,000,000.00	1,000,000.00	0.875%
LAKEVIEW MI SCHOOLS	512264HJ4	6.28.16	7.1.16	5.1.17	no	1,044,843.33	1,000,000.00	0.600%
LAKEVIEW MI SCHOOLS	512264HJ4	6.28.16	7.1.16	5.1.17	no		(1,000,000.00)	
NORTH BRANCH MI SCHOOLS	657740FP6	7.14.16	7.27.16	5.1.19	no	635,115.60	633,274.00	1.450%
MICHIGAN ST GO SCHOOL	5946106V4	8.15.16	8.18.16	4.15.17	no	1,031,638.33	1,000,000.00	0.501%
MICHIGAN ST GO SCHOOL	5946106V4	8.15.16	8.18.16	4.15.17	no		(1,000,000.00)	
FEDERAL HOME LOAN MTG	3130A9AH4	8.24.16	9.6.16	9.6.18	12.6.16	1,000,000.00	1,000,000.00	1.000%
JP MORGAN INVESTMENTS							7,633,274.00	
JP MORGAN CHASE SAVINGS							7,660,416.18	0.180%
							<u>\$ 15,293,690.18</u>	

Background

In accordance with the MSHN Operating Agreement, Article VI, Contracts that state the following:

The Entity Board must approve the execution of any contract exceeding \$25,000 in value. This includes any contract involving the acquisition, ownership, custody, operation, maintenance, lease, or sale of real or personal property and the disposition, division or distribution of property acquired through execution of the contract.

Therefore, MSHN presents the attached FY17 Contract Listing for Board approval and authorization of the Chief Executive Officer to sign.

Recommended Motion:

The MSHN Board authorizes its Chief Executive Officer to sign and fully execute the contracts as presented and listed on the FY17 contract listing.

MID-STATE HEALTH NETWORK
FISCAL YEAR 2017 NEW AND RENEWING CONTRACTS
September 2017

CONTRACTING ENTITY	SUD PROVIDERS		ORIGINAL COST	FY 2017 TOTAL	INCREASE/ (DECREASE)
	COST REIMBURSEMENT PROJECTS/PROGRAM	CONTRACT TERM	REIMBURSEMENT CONTRACT AMOUNT	COST REIMBURSEMENT CONTRACT	
Child & Family Charities	STR#1 Grant (Strengthening Families Project)	9.1.17-9.30.17	759,785	760,341	556
LIST Psychological (PA2)	Prevention - Recovery Supports	10.1.16 - 9.30.17	69,796	73,096	3,300
Peer 360 (PA2)	Prevention - Recovery Supports	10.1.16 - 9.30.17	96,400	105,900	9,500
			\$ 925,981	\$ 939,337	\$ 13,356

Background

In accordance with the MSHN Operating Agreement, Article VI, Contracts that state the following:

The Entity Board must approve the execution of any contract exceeding \$25,000 in value. This includes any contract involving the acquisition, ownership, custody, operation, maintenance, lease, or sale of real or personal property and the disposition, division or distribution of property acquired through execution of the contract.

Therefore, MSHN presents the attached FY18 Contract Listing for Board approval and authorization of the Chief Executive Officer to sign.

Recommended Motion:

The MSHN Board authorizes its Chief Executive Officer to sign and fully execute the contracts as presented and listed on the FY18 contract listing.

MID-STATE HEALTH NETWORK					
FISCAL YEAR 2018 NEW AND RENEWING CONTRACTS					Item 14.4
NOTE: "***" Means Previously Approved by Board					
RETAINED FUNCTION CONTRACT TITLE		CONTRACTING ENTITY	FY18 CONTRACT AMOUNT	FY 2017 CONTRACT BUDGET	INCREASE/ (DECREASE)
Medicaid Eligibility Receipt, Dissemination, Reporting		CEI Community Mental Health Authority	44,924	44,924	-
Chief Medical Officer**		Dr. Zakia Alavi, MD	40,000	40,000	-
MH and SUD Encounters, QI & BH-TEDS Reporting		CEI Community Mental Health Authority	551,759	807,581	(255,822)
SIS Quality Lead		CMHCM	26,980	26,980	-
SIS Assessments		MORC	52,500	135,000	(82,500)
SUD Medical Director Services** (Total contract value = \$60,000 for 3 years)		Pine Rest	20,000	20,000	-
RN Services		SWMBH	36,000	25,000	11,000
Veteran Navigator (VN)**		The Right Door	78,648	19,662	58,986
			\$ 850,811	\$ 1,099,485	\$ (327,322)
OTHER CONTRACT TITLE		CONTRACTING ENTITY	FY18 CONTRACT AMOUNT	FY 2017 CONTRACT BUDGET	INCREASE/ (DECREASE)
Accounting and Financial Management		Maner Costerisan, East Lansing, Michigan	72,000	86,580	(14,580)
PEO Payroll & Benefits Management		Human Capital LLC, Rochester Hills, Michigan	68,750	68,750	-
Computer Help Desk Support		Providence Consulting Company, Lansing, Michigan	40,000	40,000	-
Facilities Rental		Michigan Optometric Association, Lansing, Michigan	56,291	72,000	(15,709)
Financial and Compliance Audits		TBD Based on RFP	25,000	25,000	-
Business/Information Technology Consulting		TBD Solutions, LLC, Ada Michigan	80,000	80,000	-
Data Analysis and Knowledge Services		TBD Solutions, LLC, Ada Michigan	75,000	75,000	-
Metrics, Data Analysis, Monitoring		Zenith Technology Solutions (ZTS)	240,000	215,000	25,000
CareNet		Netsmart	207,000	207,000	-
ADT Use Case & SOW		MiHIN	33,843		33,843
Mcaid & HMP Enrollment & Revenue Projections		Dale K. Howe Consulting, LLC	35,100	40,000	(4,900)
MCIS System**		PCE Systems	245,238	550,000	(304,762)
			\$ 1,178,222	\$ 1,459,330	\$ (281,108)

MEDICAID SUBCONTRACT		CONTRACTING CMHSP	FY18 CONTRACT AMOUNT	FY 2017 CONTRACT BUDGET	INCREASE/ (DECREASE)
Bay & Arenac	Bay-Arenac Behavioral Health		44,811,300	44,060,000	751,300
Clinton, Eaton & Ingham	CEI Community Mental Health Authority		102,983,815	97,995,505	4,988,310
Clare, Gladwin, Isabella, Mecosta, Midland, Osceola	Community Mental Health of Central Michigan		87,258,517	83,016,149	4,242,368
Gratiot	Community Mental Health Authority Gratiot County		11,608,480	11,386,114	222,366
Huron	Huron County Community Mental Health Authority		10,445,000	9,450,000	995,000
Ionia	The Right Door for Hope, Recovery & Wellness		12,824,854	13,044,935	(220,081)
Jackson & Hillsdale	LifeWays Community Mental Health Authority		60,211,154	59,676,843	534,311
Montcalm	Montcalm Care Network		15,723,000	14,010,000	1,713,000
Newaygo	Newaygo County Community Mental Health Authority		13,388,305	12,734,344	653,961
Saginaw	Saginaw County Community Mental Health Authority		66,729,733	62,572,592	4,157,141
Shiawassee	Shiawassee County Community Mental Health Authority		17,129,465	18,107,000	(977,535)
Tuscola	Community Mental Health Authority Tuscola County		17,260,788	16,890,000	370,788
			\$ 460,374,411	\$ 442,943,482	\$ 17,430,929
SUD PROVIDERS CONTRACTING ENTITY		Funding Type	FY18 COST REIMBURSEMENT CONTRACT AMOUNT	FY 2017 COST REIMBURSEMENT CONTRACT BUDGET	INCREASE/ (DECREASE)
Addiction Solutions Counseling Center		FFS/Cost Reimbursement	29,320	77,990	(48,670)
Addiction Treatment Services		FFS			-
Arbor Circle		FFS/Cost Reimbursement	234,503	82,309	152,194
Bay Psychological		FFS/Cost Reimbursement	69,436	60,000	9,436
Big Brothers/Big Sisters of Jackson		Cost Reimbursement	42,053	41,817	236
Boys and Girls Club of Bay County, Inc.		Cost Reimbursement	95,168	76,986	18,182
Catholic Charities of Shiawassee & Genesee Counties		FFS/Cost Reimbursement	135,300	140,300	(5,000)
Catholic Charities of West Michigan		FFS			-
Catholic Human Services		FFS			-
CEI - CMHSP		FFS/Cost Reimbursement	444,002	1,113,995	(669,993)

SUD PROVIDERS CONTRACTING ENTITY	Funding Type	FY18 COST REIMBURSEMENT CONTRACT AMOUNT	FY 2017 COST REIMBURSEMENT CONTRACT BUDGET	INCREASE/ (DECREASE)
Cherry Street (Health) Services	FFS/Cost Reimbursement	268,092	178,789	89,303
Child & Family Charities	FFS/Cost Reimbursement	224,846	488,172	(263,326)
Child Advocacy - Gratiot	Cost Reimbursement	155,623	149,890	5,733
Community Program, Inc. (dba Meridian Health Services)	FFS			-
Cristo Rey Community Center	FFS/Cost Reimbursement	126,614	187,365	(60,751)
Dawn Farm	FFS			-
DOT Caring Centers, Inc./ Saginaw Valley Centers, Inc.	FFS/Cost Reimbursement	6,000	10,000	(4,000)
Eaton Behavioral Health	Cost Reimbursement	673,495	663,971	9,524
Eaton Regional Education Service Agency (RESA)	Cost Reimbursement	607,230	598,530	8,700
Family & Children's Services of Midland	FFS			-
Family Counseling Center	Cost Reimbursement	21,118	17,375	3,743
Family Services & Children's Aid	FFS/Cost Reimbursement	580,539	784,539	(204,000)
First Ward Community Center	Cost Reimbursement	96,551	96,851	(300)
Gratiot CMH	FFS			-
Great Lakes Bay Health Centers Hearth Home (f.k.a HDI Hearth Home)	Cost Reimbursement	95,000	95,000	-
Great Lakes Recovery Center	FFS			-
Harbor Hall Treatment Services	FFS			-
HealthSource Saginaw, Pathways Chemical Dependency Center	FFS			-
Henry Ford Allegiance Health (ARC)	FFS			-
Henry Ford Allegiance Health (SAS)	Cost Reimbursement	120,091	120,173	(82)
Holy Cross/Kairos	FFS			-
Home of New Vision (HNV)	Cost Reimbursement	52,290	313,738	(261,448)
Huron County Health Department	Cost Reimbursement	148,567	130,717	17,850
Ingham County Health Department	Cost Reimbursement	82,993	60,000	22,993
Ionia County Health Department	FFS/Cost Reimbursement	115,470	122,202	(6,732)
Lexington Community Counseling Center (IMPACT)	FFS			-

SUD PROVIDERS CONTRACTING ENTITY	Funding Type	FY18 COST REIMBURSEMENT CONTRACT AMOUNT	FY 2017 COST REIMBURSEMENT CONTRACT BUDGET	INCREASE/ (DECREASE)
List Psychological Services, Inc.	FFS/Cost Reimbursement	68,496	69,796	(1,300)
McCullough, Vargas & Assoc.	FFS/Cost Reimbursement	94,410	83,643	10,767
McLaren Bay Region Neighborhood Resource Center	Cost Reimbursement	135,668	130,488	5,180
Michigan Rehabilitation Services (Total = PA2)	Invoice	25,571	25,571	-
Michigan Therapeutic Consultants. PC	FFS			-
Mid-Michigan Recovery Services (f.k.a. NCALRA)	FFS			-
Mindful Therapies	FFS			
New Light Consultants	FFS			-
Newaygo County R.E.S.A.	Cost Reimbursement	102,082	90,727	11,355
North Kent Guidance Services, LLC	FFS			-
Our Hope Association (Women Only)	FFS			-
Peer 360	Cost Reimbursement	263,759	99,440	164,319
Pine Rest	FFS			-
Professional Psychological & Psychiatric Services (PPPS)	FFS			-
Randy's House	FFS			-
Recovery Pathways, LLC	FFS			-
Red Cedar Clinic	FFS			-
Renewal Christian Counseling Center, Inc	FFS			-
Sacred Heart Rehabilitation Center	FFS/Cost Reimbursement	169,967	143,693	26,274
Saginaw 10th Circuit Court Monitoring	LOA/Cost Reimbursement	56,000	56,000	-
Saginaw City Police	Cost Reimbursement	177,808	117,180	60,628
Saginaw Co. Health Dept.	LOA/Invoice	25,000	25,000	-
Saginaw Co. Community Mental Health	FFS			-
Saginaw Odyssey House	FFS			-
Saginaw Psychological Services	FFS			-
Saginaw Youth Protection Council	Cost Reimbursement	315,775	315,775	-

SUD PROVIDERS CONTRACTING ENTITY		Funding Type	FY18 COST REIMBURSEMENT CONTRACT AMOUNT	FY 2017 COST REIMBURSEMENT CONTRACT BUDGET	INCREASE/ (DECREASE)
Salvation Army Turning Point		FFS			-
Sisters of Sobriety		FFS			
Sterling Area Health Center		FFS/Cost Reimbursement	143,131	116,806	26,325
Sunrise Centre		FFS			-
Taylor Life Center		FFS			-
Ten Sixteen Recovery Network		FFS/Cost Reimbursement	1,164,000	1,016,700	147,300
The Legacy Center - Midland Area Partnership		Cost Reimbursement	144,692	136,896	7,796
The Right Door for Hope, Recovery & Wellness (f.k.a. Ionia CMH)		Cost Reimbursement	111,000	111,000	-
Victory Clinical Services		FFS			-
WAI-IAM (Rise Transitional Housing)		FFS/Cost Reimbursement	14,000	16,500	(2,500)
Wedgwood Christian Services in Montcalm		FFS			-
Wellness, Inx		FFS/Cost Reimbursement	90,902	501,470	(410,568)
Women of Color		Cost Reimbursement	65,000	-	65,000
			\$ 7,526,562	\$ 8,667,394	\$ (1,140,832)
Revenue Contracts		Payor	FY 2018 CONTRACT AMOUNT	FY 2017 CONTRACT BUDGET	INCREASE/ (DECREASE)
Veteran Navigator MOU** (Board approved total amount \$120,000 previously)	MACMHB		80,000	40,000	40,000
SUD Intergovernmental Agreement	Arenac		34,553	35,235	(682)
SUD Intergovernmental Agreement	Bay		205,310	199,133	6,177
SUD Intergovernmental Agreement	Clare County		49,653	51,762	(2,109)
SUD Intergovernmental Agreement	Clinton		126,760	118,398	8,362
SUD Intergovernmental Agreement	Eaton		238,268	222,825	15,443
SUD Intergovernmental Agreement	Gladwin		39,516	36,333	3,183
SUD Intergovernmental Agreement	Gratiot		46,718	46,705	13
SUD Intergovernmental Agreement	Hillsdale		50,136	48,756	1,380
SUD Intergovernmental Agreement	Huron		63,579	63,999	(420)

Revenue Contracts	Payor		FY 2018 CONTRACT AMOUNT	FY 2017 CONTRACT BUDGET	INCREASE/ (DECREASE)
SUD Intergovernmental Agreement	Ingham		703,526	714,698	(11,172)
SUD Intergovernmental Agreement	Ionia		73,514	68,927	4,587
SUD Intergovernmental Agreement	Isabella		154,222	162,106	(7,884)
SUD Intergovernmental Agreement	Jackson		319,767	311,107	8,660
SUD Intergovernmental Agreement	Mecosta		87,244	91,282	(4,038)
SUD Intergovernmental Agreement	Midland		150,863	148,615	2,248
SUD Intergovernmental Agreement	Montcalm		98,624	94,075	4,549
SUD Intergovernmental Agreement	Newaygo		73,870	69,788	4,082
SUD Intergovernmental Agreement	Osceola		28,527	28,767	(240)
SUD Intergovernmental Agreement	Saginaw		445,650	451,964	(6,314)
SUD Intergovernmental Agreement	Shiawassee		98,985	89,624	9,361
SUD Intergovernmental Agreement	Tuscola		55,841	52,839	3,002
			\$ 3,225,126	\$ 3,146,938	\$ 78,188

Michigan Consortium for Healthcare Excellence Annual *Member Meeting SAVE THE DATE

MONDAY OCTOBER 23, 2017 5:15 PM TO 6:15 PM

During MACMHB Annual Conference

GRAND TRAVERSE RESORT

ROOM - TBD



*Invitees are Regional Entity and Stand-alone PIHP Board Members