

Mid-State Health Network (MSHN) Board of Directors Meeting
Tuesday, July 1, 2025
MyMichigan Medical Center
Meeting Minutes

1. Call to Order

Chairperson Ed Woods called this meeting of the Mid-State Health Network Board of Directors to order at 5:01 p.m. Mr. Woods reminded members that those participating by phone may not vote on matters before the board unless absent due to military duty, disability, or health-related condition and the Board Member Conduct Policy, emphasizing that members seek recognition from the chair and honor time limits. Mr. Woods introduced new board member, Lori Schultz, appointed from Newaygo County Mental Health. Mr. Woods also welcomed the Chief Executive Officers of the Community Mental Health Service Programs that were present and allowed them to introduce themselves. Ms. Amanda Ittner introduced MSHN staff members Kim Zimmerman, Chief Compliance and Quality Officer and Dan Dedloff, Customer Service and Rights Manager. Ms. Ittner also introduced Heather Nichols, Chair of the Regional Consumer Advisory Council.

2. Roll Call

Secretary Deb McPeek-McFadden provided the roll call for Board Members in attendance.

Board Member(s) Present: Greg Brodeur (Shiawassee), Patrick Conley (BABH), Cindy Garber (Shiawassee), David Griesing (Tuscola), Dan Grimshaw (Tuscola), Tim Hanna (CEI), Tina Hicks (Gratiot), John Johansen (Montcalm), Pat McFarland (BABH), Deb McPeek-McFadden (The Right Door), Irene O'Boyle (Gratiot), Paul Palmer (CEI), Kurt Peasley (Montcalm), Joe Phillips (CMH for Central Michigan), Linda Purcey (The Right Door), Kerin Scanlon (CMH for Central Michigan)-joined at 5:20 p.m., Richard Swartzendruber (Huron), and Ed Woods (LifeWays)

Board Member(s) Remote: Patty Bock (Huron)-Bad Axe, MI, Ken DeLaat (Newaygo)-Newaygo, MI-joined at 5:12 p.m., and Lori Schultz (Newaygo)-Newaygo, MI

Board Member(s) Absent: Brad Bohner (LifeWays), Tracey Raquepaw (Saginaw), and Joanie Williams (Saginaw)

Staff Member(s) Present: Joseph Sedlock (Chief Executive Officer), Amanda Ittner (Deputy Director), Leslie Thomas (Chief Financial Officer), Kim Zimmerman (Chief Compliance and Quality Officer), Dan

Dedloff (Customer Service & Rights Manager), and Sherry Kletke (Executive Support Specialist).

Public Present:

Bryan Krogman (Chief Executive Officer, Community Mental Health for Central Michigan), Sara Lurie (Chief Executive Officer, Community Mental Health Authority of Clinton, Eaton and Ingham Counties), Ryan Painter (Chief Executive Officer, Shiawassee Health & Wellness), Michelle Stillwagon (Chief Executive Officer, Gratiot Integrated Health Network), and Heather Nichols (Regional Consumer Advisory Council Chair)

3. Approval of Agenda for July 1, 2025

Board approval was requested for the Agenda of the July 1, 2025, Regular Business Meeting.

MOTION BY DEB McPEEK-McFADDEN, SUPPORTED BY KURT PEASLEY, FOR APPROVAL OF THE AGENDA OF JULY 1, 2025 REGULAR BUSINESS MEETING, AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

4. Public Comment

There was no public comment.

5. Substance Use Disorder Oversight Policy Board Bylaws

Ms. Amanda Ittner informed board members that the Substance Use Disorder Oversight Policy Board (OPB) approved the revisions to the OPB bylaws to ensure compliance with the Open Meetings Act and also includes language which allows each county Board of Commissioners to appoint an alternate, who has the right to vote only in the absence of the appointed voting member.

MOTION BY TINA HICKS, SUPPORTED BY JOHN JOHANSEN, TO APPROVE THE REVISIONS TO THE SUBSTANCE USE DISORDER OVERSIGHT POLICY BOARD BYLAWS. MOTION CARRIED UNANIMOUSLY.

6. FY2025 MSHN Corporate Compliance Plan Revisions

Ms. Kim Zimmerman presented an overview of revisions to the FY2025 Corporate Compliance Plan based on required action identified by the Office of Inspector General after review of the previously board approved Corporate Compliance Plan. Board members are required to annually sign a certification form acknowledging Compliance Plan training. New board members currently receive compliance plan training during orientation and they will be asked to sign the certification form following orientation.

MOTION BY RICH SWARTZENDRUBER, SUPPORTED BY KURT PEASLEY, TO ACKNOWLEDGE RECEIPT OF AND APPROVE THE REVISED MSHN FY2025 CORPORATE COMPLIANCE PLAN. MOTION CARRIED UNANIMOUSLY.

7. FY2026 Board Meeting Calendar

Board approval was requested for the Fiscal Year 2026 Board Meeting Calendar as presented.

MOTION BY IRENE O'BOYLE, SUPPORTED BY JOHN JOHANSEN TO ADOPT THE FISCAL YEAR 2026 MSHN BOARD OF DIRECTORS MEETING CALENDAR, AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

8. Chief Executive Officer's Report

Mr. Joe Sedlock discussed several items from within his written report to the Board highlighting the following:

- PIHP/Regional Matters
 - Regional Financial Situation Update
 - FY21 MDHHS/MSHN Cost Settlement – MSHN Administration seeks board support for MSHN to hold on paying the final cost settlement amount due to MDHHS and request that MDHHS delay finalizing the cost settlement until the directly related matter being litigated is resolved.

MOTION BY KURT PEASLEY, SUPPORTED BY TINA HICKS FOR MSHN TO HOLD ON PAYING THE FINAL COST SETTLEMENT AMOUNT DUE TO MDHHS AND REQUEST THAT MDHHS DELAY FINALIZING THE COST SETTLEMENT UNTIL THE DIRECTLY RELATED MATTER BEING LITIGATED IS RESOLVED. MOTION CARRIED WITH 1-NAY.

- Competitive Procurement of PIHPs – Resolution against MDHHS plans to competitively procure Michigan's PIHPs

MOTION BY KURT PEASLEY, SUPPORTED BY TINA HICKS, TO ADOPT THE RESOLUTION OPPOSING MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES TO COMPETITIVELY PROCURE MICHIGAN'S PRE-PAID INPATIENT HEALTH PLANS. ROLL CALL VOTE: GREG BRODEUR, PATRICK CONLEY, CINDY GARBER, DAVID GRIESING, DAN GRIMSHAW, TIM HANNA, TINA HICKS, JOHN JOHANSEN, PAT McFARLAND, DEB McPEEK-McFADDEN, IRENE O'BOYLE, PAUL PALMER, KURT PEASLEY, JOE PHILLIPS, LINDA PURCEY, KERIN SCANLON, RICH SWARTZENDRUBER, ED WOODS. VOTING IN OPPOSITION: NONE. MOTION CARRIED UNANIMOUSLY.

- State of Michigan/Statewide Activities – See written report for details.
 - State to Centralize Payments and Oversight of CCBHCs within MDHHS

9. Deputy Director's Report

Ms. Amanda Ittner discussed several items in her written report to the board, highlighting the following:

- Office of Inspector General Required Compliance Plan Acknowledgement Form
- Performance Improvement Project Summary
- Regional Consumer Advisory Council Summary Report
- MDHHS Mental Health Parity Assessment
- Provider Network Adequacy Assessment – FY24

10. Chief Financial Officer's Report

Ms. Leslie Thomas provided an overview of the financial statements included within board meeting packets for the period ended May 31, 2025.

MOTION BY TINA HICKS, SUPPORTED BY DAVID GRIESING, TO RECEIVE AND FILE THE PRELIMINARY STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES FOR THE PERIOD ENDED MAY 31, 2025, AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

11. Contracts for Consideration/Approval

Ms. Leslie Thomas provided an overview of the FY2025 contract listing provided in the board meeting packet and requested the board authorize MSHN's CEO to sign and fully execute the contracts listed on the FY2025 contract listing.

MOTION BY PAUL PALMER, SUPPORTED BY PATRICK CONLEY, TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO SIGN AND FULLY EXECUTE THE CONTRACTS AS PRESENTED AND LISTED ON THE FY25 CONTRACT LISTING. MOTION CARRIED UNANIMOUSLY.

12. Executive Committee Report

MS. Irene O'Boyle informed board members the Executive Committee met on June 20, 2025, and reviewed the following:

- September Election of Officers – volunteers are needed for the Nominating Committee. Tim Hanna, Tina Hicks and Kurt Peasley will participate on the Nominating Committee. Kurt Peasley will be the Committee Chairperson.
- FY26 Tentative Board Meeting Calendar
- MDHHS Competitive Procurement of PIHPs – Update
- MSHN Developed Concept Paper
- MSHN All-Staff Meeting held on June 12, 2025

- MSHN Revised Retention/Severance Plan
- Conflict of Interest
- Conflict Free Access and Planning

13. Chairperson's Report

Mr. Ed Woods discussed the press release regarding the Request for Proposal for Pre-Paid Inpatient Health Plans he wrote about and is included in the board meeting packet.

14. Approval of Consent Agenda

Board approval was requested for items on the consent agenda as listed in the motion below, and as presented.

A board member requested MSHN administration review the edits to the Drugs and Alcohol section of the personnel manual.

MOTION BY DEB McPEEK-McFADDEN, SUPPORTED BY TINA HICKS, TO APPROVE THE FOLLOWING DOCUMENTS ON THE CONSENT AGENDA: APPROVE MINUTES OF THE MAY 13, 2025 BOARD OF DIRECTORS MEETING; RECEIVE BOARD EXECUTIVE COMMITTEE MEETING MINUTES OF JUNE 20, 2025; RECEIVE SUBSTANCE USE DISORDER OVERSIGHT POLICY BOARD MEETING MINUTES OF FEBRUARY 19, 2025 AND APRIL 16, 2025; RECEIVE POLICY COMMITTEE MEETING MINUTES OF JUNE 3, 2025; RECEIVE OPERATIONS COUNCIL KEY DECISIONS OF MAY 14, 2025 AND JUNE 16, 2025; AND TO APPROVE ALL THE FOLLOWING POLICIES: PERFORMANCE EVALUATION, PERSONNEL MANUAL, POSITION MANAGEMENT, PUBLIC HEALTH EMERGENCY NOTICE, REIMBURSEMENT POLICY FOR CREDENTIALS, LICENSURE AND MEMBERSHIPS, SEPARATION, SUCCESSION PLANNING, CREDENTIALING/RE-CREDENTIALING, DISCLOSURE OF OWNERSHIP, CONTROL AND CRIMINAL CONVICTIONS, AND PERSON/FAMILY CENTERED PLAN OF SERVICE. MOTION CARRIED UNANIMOUSLY.

15. Other Business

There was no other business.

16. Public Comment

A board member requested future consideration of the disposition of assets in the event of dissolution of MSHN due to the Competitive Procurement outcome. A board member wished to remind all board members about the Board Member Conduct and Board Meetings Policy that is included in meeting packets.

17. Chief Executive Officer Contract Issue

Mr. Joe Sedlock was recognized and requested the board consider a closed session to discuss an employment contract issue.

MOTION BY TINA HICKS, SUPPORTED BY DAN GRIMSHAW, TO ENTER INTO CLOSED EXECUTIVE SESSION TO CONSIDER THE CHIEF EXECUTIVE OFFICER CONTRACT ISSUE.

ROLL CALL VOTING IN FAVOR: GREG BRODEUR, PATRICK CONLEY, CINDY GARBER, DAVID GRIESING, DAN GRIMSHAW, TIM HANNA, TINA HICKS, JOHN JOHANSEN, PAT McFARLAND, DEB McPEEK-McFADDEN, IRENE O'BOYLE, PAUL PALMER, KURT PEASLEY, JOE PHILLIPS, LINDA PURCEY, KERIN SCANLON, RICH SWARTZENDRUBER, ED WOODS. VOTING IN OPPOSITION: NONE. MOTION CARRIED UNANIMOUSLY.

MOTION BY JOHN JOHANSEN, SUPPORTED BY KURT PEASLEY, TO ADJOURN THE CLOSED SESSION AND RECONVENE THE BOARD OF DIRECTORS REGULAR BUSINESS MEETING. MOTION CARRIED UNANIMOUSLY.

MOTION BY TINA HICKS, SUPPORTED BY PATRICK CONLEY, THE MSHN BOARD WAIVES THE ACTUAL, OR APPEARANCE OF, CONFLICT OF INTEREST OF ITS CHIEF EXECUTIVE OFFICER IN RELATION TO IDENTIFYING, INITIATING, PURSUING, DEVELOPING, COLLABORATING, PROMOTING OR OTHERWISE ACTING TO PRESERVE PUBLIC MANAGEMENT OF THE BEHAVIORAL HEALTH SYSTEM BY PUBLIC ENTITIES IN THE PIHP PROCUREMENT PROCESS AND REQUESTS THE CHIEF EXECUTIVE OFFICER TO PROVIDE REGULAR UPDATES. MOTION CARRIED UNANIMOUSLY.

18. Adjournment

The MSHN Board of Directors Regular Business Meeting adjourned at 7:07 p.m.