

Mid-State Health Network

Board of Directors Meeting ~ September 10, 2024

Immediately Following Public Hearing

Board Meeting Agenda

MyMichigan Medical Center
300 E. Warwick Drive
Alma, MI 48801

MEMBERS OF THE PUBLIC AND OTHERS UNABLE TO ATTEND IN PERSON CAN PARTICIPATE IN THIS MEETING VIA TELECONFERENCE

Teleconference: (Call) 1.312.626.6799; Meeting ID: 3797965720

1. Call to Order
2. Roll Call
3. **ACTION ITEM:** Approval of the Agenda
Motion to Approve the Agenda of the September 10, 2024 Meeting of the MSHN Board of Directors
4. Public Comment (3 minutes per speaker)
5. **ACTION ITEM:** Fiscal Year 2025 Board Meeting Calendar (*Page 6*)
Motion to adopt the FY25 Mid-State Health Network Board of Directors Meeting Calendar as presented
6. **ACTION ITEM:** Consideration of MSHN Fiscal Year 2024 Budget Amendment (*Page 7*)
Motion to Approve the MSHN Fiscal Year 2024 Budget Amendment as presented
7. **ACTION ITEM:** Consideration of MSHN Regional Budget for Fiscal Year 2025 (*Page 9*)
Motion to Approve the MSHN Fiscal Year 2025 Budget as presented
8. Chief Executive Officer's Report (*Page 12*)
9. Deputy Director's Report (*Page 27*)
10. Chief Financial Officer's Report
Financial Statements Review for Period Ended July 31, 2024 (*Page 30*)
ACTION ITEM: Receive and File the Statement of Net Position and Statement of Activities for the Period ended July 31, 2024, as presented
11. **ACTION ITEM:** Contracts for Consideration/Approval
 - A. **ACTION ITEM:** FY24 Contract Listing for Consideration/Approval (*Page 39*)
The MSHN Board of Directors Approve and Authorizes the Chief Executive Officer to Sign and Fully Execute the FY 2024 Contracts, as Presented on the FY 2024 Contract Listing
 - B. **ACTION ITEM:** FY25 Contract Listing for Consideration/Approval (*Page 41*)
The MSHN Board of Directors Approve and Authorizes the Chief Executive Officer to Sign and Fully Execute the FY 2024 Contracts, as Presented on the FY 2024 Contract Listing



OUR MISSION:

To ensure access to high-quality, locally-delivered, effective and accountable public behavioral health and substance use disorder services provided by its participating members

OUR VISION:

To continually improve the health of our communities through the provision of premiere behavioral healthcare & leadership. MSHN organizes and empowers a network of publicly funded community partnerships essential to ensure quality of life while efficiently, and effectively addressing the complex needs of the region's most vulnerable citizens.

Board of Directors Meeting Materials:

Click [HERE](#)

or visit MSHN's website at:
<https://midstatehealthnetwork.org/stakeholders-resources/board-councils/board-of-directors/fy2024-meetings>

Upcoming FY25 Board Meetings

Board Meetings convene at 5:00pm unless otherwise noted
(Tentative until Board Approval)

November 12, 2024

MyMichigan Medical Center
300 E. Warwick Drive
Alma, MI 48801

January 7, 2025

MyMichigan Medical Center
300 E. Warwick Drive
Alma, MI 48801

Policies and Procedures

Click [HERE](#) or Visit

<https://midstatehealthnetwork.org/provider-network/resources/provider-requirements/policies-procedures/policies>

- 12. Executive Committee Report
- 13. Chairperson's Report
- 14. **ACTION ITEM:** Consent Agenda

Motion to Approve the documents on the Consent Agenda

- 14.1 Approval Board Meeting Minutes 07/02/2024 (Page 47)
- 14.2 Receive SUD Oversight Policy Board Meeting Minutes 04/17/2024 (Page 51) and 06/26/2024 (Page 55)
- 14.3 Receive Board Executive Committee Minutes 06/21/24 (Page 58) and 08/16/2024 (Page 59)
- 14.4 Receive Policy Committee Meeting Minutes 08/06/2024 (Page 61)
- 14.5 Receive Operations Council Key Decisions 07/15/2024 (Page 63) and 08/19/2024 (Page 66)
- 14.6 Approve the following policies:
 - 14.6.1 Travel (Page 69)
 - 14.6.2 Controlled Access and Least Privilege (Page 72)
 - 14.6.3 Data Encryption (Page 74)
 - 14.6.4 Removable Media (Page 76)
 - 14.6.5 Health Home Provider (Page 78)
 - 14.6.6 Appointed Councils, Committees and Workgroups (Page 81)
 - 14.6.7 Board Governance (Page 84)
 - 14.6.8 Board Member Conduct and Meetings (Page 86)
 - 14.6.9 Board Member Development (Page 89)
 - 14.6.10 Bylaws Review (Page 91)
 - 14.6.11 Community Mental Health Service Program (CMHSP) Application (Page 93)
 - 14.6.12 Conflict of Interest (Page 97)
 - 14.6.13 Consent Agenda (Page 103)
 - 14.6.14 Delegation to the Chief Executive Officer & Executive Limitations (Page 105)
 - 14.6.15 Freedom of Information Act (FOIA) Request (Page 107)
 - 14.6.16 General Management (Page 109)
 - 14.6.17 Legislative and Public Body Advocacy (Page 111)
 - 14.6.18 Monitoring Chief Executive Officer Performance (Page 113)
 - 14.6.19 New Board Member Orientation (Page 115)
 - 14.6.20 Office Closure Policy (Page 117)
 - 14.6.21 Policy and Procedure Development and Approval (Page 119)
 - 14.6.22 Population Health Integrated Care (Page 122)
- 15. Other Business
- 16. Public Comment (3 minutes per speaker)
- 17. Adjourn

FY24 MSHN Board Roster

Last Name	First Name	Email 1	Email 2	Phone 1	Phone 2	Appointing CMHSP	Term Expiration
Bohner	Brad	bbohner@tds.net		517.294.0009		LifeWays	2025
Brehler	Joe	jbrehler@sprynet.com		517.230.5911		CEI	2025
Brodeur	Greg	brodeurgreg@gmail.com		989.413.0621		Shia Health & Wellness	2027
DeLaat	Ken	kend@nearnorthnow.com		231.414.4173		Newaygo County MH	2026
Gibb	Bruce	brucegibb@gmail.com		989.975.0156		HBH	2026
Griesing	David	davidgriesing@yahoo.com		989.823.2687		TBHS	2027
Grimshaw	Dan	midstatetitlesvcs@mstsinc.com		989.823.3391	989.823.2653	TBHS	2026
Hicks	Tina	tinamariemshn@outlook.com		989.576.4169		GIHN	2027
Johansen	John	j.m.johansen6@gmail.com		616.754.5375	616.835.5118	MCN	2027
Ladd	Jeanne	stixladd@hotmail.com		989.634.5691		Shia Health & Wellness	2027
McFarland	Pat	pjmcfarland52@gmail.com		989.225.2961		BABHA	2026
McPeek-McFadden	Deb	deb2mcmail@yahoo.com		616.794.0752	616.343.9096	The Right Door	2027
O'Boyle	Irene	irene.oboyle@cmich.edu		989.763.2880		GIHN	2026
Palmer	Paul	ppalmer471@ymail.com		517.256.7944		CEI	2025
Pawlak	Bob	bopav@aol.com		989.233.7320		BABHA	2025
Peasley	Kurt	peasleyhardware@gmail.com		989.560.7402	989.268.5202	MCN	2027
Phillips	Joe	joe44phillips@hotmail.com		989.386.9866	989.329.1928	CMH for Central	2026
Purcey	Linda	dpurcey1995@charter.net		616.443.9650		The Right Door	2025
Raquepaw	Tracey	tl.raquepaw@icloud.com	raquepawt@michigan.gov	989.737.0971		Saginaw County CMH	2025
Scanlon	Kerin	kscanlon@tm.net		502.594.2325		CMH for Central	2025
Swartzendruber	Richard	rswartzn@gmail.com		989.269.2928	989.315.1739	HBH	2026
Twing	Susan	set352@hotmail.com		231.335.9590		Newaygo County MH	2025
Williams	Joanie	jkwms1@gmail.com		989.860.6230		Saginaw County CMH	2026
Woods	Ed	ejw1755@yahoo.com		517.392.8457		LifeWays	2027

Administration:

Sedlock	Joe	joseph.sedlock@midstatehealthnetwork.org		517.657.3036	989.529.9405		
Ittner	Amanda	amanda.ittner@midstatehealthnetwork.org		517.253.7551	989.670.8147		
Thomas	Leslie	leslie.thomas@midstatehealthnetwork.org		517.253.7546	989.293.8365		
Kletke	Sherry	sheryl.kletke@midstatehealthnetwork.org		517.253.8203	517.285.5320		

ACRONYMS - Following is a list of commonly used acronyms you may read or hear referenced in a MSHN Board Meeting:

ACA: Affordable Care Act	CRU: Crisis Residential Unit	HCBS: Home and Community Based Services
ACT: Assertive Community Treatment	CS: Customer Service	HHP: Health Home Provider
ARPA: American Rescue Plan Act (COVID-Related)	CSAP: Center for Substance Abuse Prevention (federal agency/SAMHSA)	HIPAA: Health Insurance Portability and Accountability Act
ASAM: American Society of Addiction Medicine	CSAT: Center for Substance Abuse Treatment (federal agency/SAMHSA)	HITECH: Health Information Technology for Economic and Clinical Health Act
ASAM CONTINUUM: Standardized assessment for adults with SUD needs	CW: Children’s Waiver	HMP: Healthy Michigan Program
ASD: Autism Spectrum Disorder	DAB: Disabled and Blind	HMO: Health Maintenance Organization
BBA: Balanced Budget Act	DEA: Drug Enforcement Agency	HRA: Hospital Rate Adjuster
BH: Behavioral Health	DECA: Devereux Early Childhood Assessment	HSAG: Health Services Advisory Group (contracted by state to conduct External Quality Review)
BHH: Behavioral Health Home	DMC: Delegated Managed Care (site visits/reviews)	HSW: Habilitation Supports Waiver
BPHASA – Behavioral and Physical Health and Aging Services Administration	DRM: Disability Rights Michigan	ICD-10: International Classification of Diseases – 10 th Edition
BH-TEDS: Behavioral Health–Treatment Episode Data Set	DSM-5: Diagnostic and Statistical Manual of Mental Disorders, 5 th Edition	ICO: Integrated Care Organization (a health plan contracted under the Medicaid/Medicare Dual eligible pilot project)
CC360: CareConnect 360	D-SNP: Dual Eligible Special Needs Plan	ICTS: Intensive Community Transitions Services
CCBHC: Certified Community Behavioral Health Center	EBP: Evidence-Based Practices	I/DD: Intellectual/Developmental Disabilities
CAC: Certified Addictions Counselor Consumer Advisory Council	EEO: Equal Employment Opportunity	IDDT: Integrated Dual Diagnosis Treatment
CEO: Chief Executive Officer	EMDR: Eye Movement & Desensitization Reprocessing therapy	IOP: Intensive Outpatient Treatment
CFO: Chief Financial Officer	EPSDT: Early and Periodic Screening, Diagnosis and Treatment	ISF: Internal Service Fund
CIO: Chief Information Officer	EQI: Encounter Quality Initiative	IT/IS: Information Technology/Information Systems
CCO: Chief Clinical Officer	EQR: External Quality Review (federally mandated review of PIHPs to ensure compliance with BBA standards)	KPI: Key Performance Indicator
CFR: Code of Federal Regulations	FC: Finance Council	LBSW: Licensed Baccalaureate Social Worker
CFAP: Conflict Free Access and Planning (Replacing CFMC)	FI: Fiscal Intermediary	LEP: Limited English Proficiency
CLS: Community Living Services	FOIA: Freedom of Information Act	LLMSW: Limited Licensed Masters Social Worker
CMH or CMHSP: Community Mental Health Service Program	FSR: Financial Status Report	LMSW: Licensed Masters Social Worker
CMHA: Community Mental Health Authority	FTE: Full-time Equivalent	LLPC: Limited Licensed Professional Counselor
CMHAM: Community Mental Health Association of Michigan	FQHC: Federally Qualified Health Centers	LPC: Licensed Professional Counselor
CMS: Centers for Medicare and Medicaid Services (federal)	FY: Fiscal Year (for MDHHS/CMHSP runs from October 1 through September 30)	LOCUS: Level of Care Utilization System
COC: Continuum of Care	GAIN: Global Appraisal of Individual Needs assessment for adolescents with SUD needs.	LTSS: Long Term Supports and Services
COD: Co-occurring Disorder	GF/GP: General Fund/General Purpose (state funding)	MAHP: Michigan Association of Health Plans (Trade association for Michigan Medicaid Health Plans)
CON: Certificate of Need (Commission) – State	HB: House Bill	MAT: Medication Assisted Treatment (see MOUD)
CPA: Certified Public Accountant		MCBAP: Michigan Certification Board for Addiction Professionals
CQS: – Comprehensive Quality Strategy		

ACRONYMS - Following is a list of commonly used acronyms you may read or hear referenced in a MSHN Board Meeting:

MCO: Managed Care Organization	OTP: Opioid Treatment Provider (formerly methadone clinic)	RFQ: Request for Quote
MDHHS: Michigan Department of Health and Human Services	PA: Public Act	RHC: Rural Health Clinic
MDOC: Michigan Department of Corrections	PA2: Liquor Tax act (funding source for some MSHN funded services)	RR: Recipient Rights
MEV: Medicaid Event Verification	PAC: Political Action Committee	RRR: Recipient Rights Advisor
MHP: Medicaid Health Plan	PASARR: Pre-Admission Screening and Resident Review	RRO: Recipient Rights Office/Recipient Rights Officer
MI: Mental Illness	PCP: Person-Centered Planning	SAMHSA: Substance Abuse and Mental Health Services Administration (federal)
Motivational Interviewing	Primary Care Physician	SAPT: Substance Abuse Prevention and Treatment (when it includes an “R”, means “Recovery”)
MichiCANS: Michigan Child and Adolescent Needs and Strengths	PEP: Performance Enhancement Plan	SARF: Screening, Assessment, Referral and Follow-up
MiHIA: Michigan Health Improvement Alliance	PFS: Partnership for Success	SCA: Standard Cost Allocation
MiHIN: Michigan Health Information Network	PEO: Professional Employer Organization	SDA: State Disability Assistance
MLR: Medical Loss Ratio	PEPM: Per Eligible Per Month (Medicaid funding formula)	SED: Serious Emotional Disturbance
MMBPIS: Michigan Mission Based Performance Indicator System	PI: Performance Indicator	SB: Senate Bill
MOUD: Medication for Opioid Use Disorder (a sub-set of MAT)	PIP: Performance Improvement Project	SIM: State Innovation Model
MP&A (MPAS): Michigan Protection and Advocacy Service	PIHP: Prepaid Inpatient Health Plan	SMI: Serious Mental Illness
MPCA: Michigan Primary Care Association (Trade association for FQHC’s)	PMV: Performance Measure Validation	SPMI: Severe & Persistent Mental Illness
MPHI: Michigan Public Health Institute	PN: Prevention Network	SSDI: Social Security Disability Insurance
MRS: Michigan Rehabilitation Services	Project ASSERT: Alcohol and Substance abuse Services and Educating providers to Refer patients to Treatment	SSI: Supplemental Security Income (Social Security)
NACBHDD: National Association of County Behavioral Health and Developmental Disabilities Directors	PRTF: Psychiatric Residential Treatment Facility	SSN: Social Security Number
NAMI: National Association of Mental Illness	PS: Protective Services	SUD: Substance Use Disorder
NASMHPD: National Association of State Mental Health Program Directors	PTSD: Post-Traumatic Stress Disorder	SUD OPB: Substance Use Disorder Regional Oversight Policy Board
NCQA: National Committee for Quality Assurance	QAPIP: Quality Assessment and Performance Improvement Program	SUGE: Bureau of Substance Use, Gambling and Epidemiology
NCMW: National Council for Mental Wellbeing	QAPI: - Quality Assessment Performance Improvement	TANF: Temporary Assistance to Needy Families
OC: Operations Council	QHP: Qualified Health Plan	THC: Tribal Health Center
OHCA: Organized Health Care Arrangement	QM/QA/QI: Quality Management/Assurance/Improvement	UR/UM: Utilization Review or Utilization Management
OHH: Opioid Health Home	QRT: Quick Response Team	VA: Veterans Administration
OIG: Office of Inspector General	RCAC: Regional Consumer Advisory Council	VBP: Value Based Purchasing
OMT: Opioid Maintenance Treatment - Methadone	REMI: MSHN’s Regional Electronic Medical Information software	WM: Withdrawal Management (formerly “detox”)
OP: Outpatient	RES: Residential Treatment Services	WSA: Waiver Support Application
	RFI: Request for Information	WSS: Women’s Specialty Services
	RFP: Request for Proposal	YTD: Year to Date
		ZTS: Zenith Technology Systems (MSHN Analytics and Risk Management Software)



TENTATIVE

**FY2025 MID-STATE HEALTH NETWORK
REGIONAL BOARD OF DIRECTORS MEETING CALENDAR**

(All meetings are scheduled to convene at 5:00 p.m. unless otherwise noted)

Meeting Date	Meeting Location
November 12, 2024 (Moved due to Election Day)	MyMichigan Medical Center 300 E. Warwick Dr. Alma, MI 48801
January 7, 2025	MyMichigan Medical Center 300 E. Warwick Dr. Alma, MI 48801
March 4, 2025	MyMichigan Medical Center 300 E. Warwick Dr. Alma, MI 48801
May 6, 2025	MyMichigan Medical Center 300 E. Warwick Dr. Alma, MI 48801
July 1, 2025	MyMichigan Medical Center 300 E. Warwick Dr. Alma, MI 48801
PUBLIC HEARING: September 9, 2025 (Moved due to Holiday)	MyMichigan Medical Center 300 E. Warwick Dr. Alma, MI 48801
September 9, 2025 (Moved due to Holiday)	

Calendar is tentative until Board approved

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

www.midstatehealthnetwork.org

Please contact Sherry Kletke, Executive Assistant, with questions related to the MSHN Board of Directors at sheryl.kletke@midstatehealthnetwork.org

Background

MSHN periodically updates its regional budget adjusting for revenue and expenditure variations throughout the fiscal year. The Fiscal Year (FY) 2024 Budget Amendment has been provided and presented for review and discussion. Please Note: MSHN's board approved the original FY 2024 budget in September 2023 and MDHHS final revenue figures were unknown at that time.

Recommended Motion:

Motion to approve the FY 2024 Budget Amendment as presented.

FY2024 Original Budget	FY2024 Amended Budget	FY2024 Budget Increase (Decrease)	Notes
---------------------------	--------------------------	---	-------

REVENUES

Prior Year Savings	\$ 6,930,100	\$ 7,601,858	\$ 671,758	Budget adjusted based on FY2023 financial audit and compliance examination adjustments
Medicaid Capitation SP/iSPA MH	438,980,340	442,881,499	3,901,160	Budget adjusted based on amended capitation rates and decreased enrollment
Healthy Michigan Plan Capitation MH	52,532,134	52,953,793	421,659	
Medicaid Waivers (HSW, SED, CWP)	129,946,291	128,411,949	(1,534,341)	
Medicaid Capitation Autism	62,485,816	61,890,966	(594,850)	
Medicaid Capitation SP/iSPA SUD	17,955,528	17,955,174	(354)	
Healthy Michigan Plan Capitation SUD	27,534,504	28,215,956	681,453	Budget adjusted based on number of CCBHC daily visits
CCBHC Supplemental Payments	76,975,695	82,975,052	5,999,357	
Medicaid Health Homes (Behavioral and Opioid)	5,696,610	3,199,278	(2,497,332)	Budget adjusted based on actual revenues
Community Grant and Other SUD Grants	16,895,320	16,895,320	-	
PA2 Liquor Tax SUD	4,736,318	4,813,170	76,852	Budget adjusted based on OPB approved amounts
Hospital Rate Adjustor	17,251,450	42,234,872	24,983,422	Budget adjusted based on actual revenues; HRA per diem rate increased in FY2024
Performance Bonus Incentive Payment	5,513,484	6,138,628	625,144	Budget adjusted based on amended capitation rates
Medicaid DHS Incentive Payment	1,757,910	1,600,650	(157,260)	Budget adjusted based on actual revenues
Local Match Contribution	1,550,876	1,550,876	-	
Other Grants	371,985	371,985	-	
Interest Income	1,300,000	2,500,000	1,200,000	Budget adjusted for increased earnings on investments
TOTAL REVENUE BUDGET	\$ 868,414,360	\$ 902,191,027	\$ 33,776,668	

EXPENDITURES

ADMINISTRATION:

Salaries and Wages	\$ 5,947,787	\$ 5,609,621	\$ (338,166)	Budget adjusted for partial year staff vacancies
Employee Benefits	2,105,489	1,919,673	(185,816)	Budget adjusted based on actual costs
Other Contractual Agreements	427,000	349,500	(77,500)	
IT Subscriptions and Maintenance	992,000	948,650	(43,350)	
Consulting Services	212,800	265,300	52,500	
Conference and Training Expense	138,550	72,650	(65,900)	
Human Resources Fees	63,050	59,135	(3,915)	Budget adjusted for staff vacancies
Mileage Reimbursement	82,475	54,150	(28,325)	Budget adjusted based on actual costs
Other Expenses	240,000	161,700	(78,300)	
Building Rent Amortization	39,004	39,004	-	
Telephone Expense	113,400	119,100	5,700	Budget adjusted based on actual costs
Office Supplies	22,250	25,250	3,000	
Printing Expense	63,000	53,070	(9,930)	
Meeting Expense	31,825	25,750	(6,075)	
Liability Insurance	32,500	33,259	759	
Audit Services	60,000	34,200	(25,800)	Budget adjusted based on actual costs
OPB and Council Per Diems	18,900	15,120	(3,780)	Budget adjusted based on meeting attendance
Dues and Memberships	8,250	7,600	(650)	
Legal Services	5,000	52,000	47,000	Budget adjusted based on actual costs; extensive review of MSHN contract boilerplates
Equipment Rent	2,650	2,055	(595)	
Internet Services	3,200	3,435	235	
Subtotal Administration	\$ 10,609,130	\$ 9,850,222	\$ (758,908)	

CMHSP and SUD EXPENSES and TAXES:

CMHSP Participant Medicaid, including CCBHC	\$ 634,672,325	639,870,702	\$ 5,198,377	Budget adjusted based on FY2024 CMHSP projected expenses
CMHSP Participant Healthy Michigan Plan, including CCBHC	75,126,687	79,984,117	4,857,430	
CMHSP Participant Autism	57,436,628	70,000,958	12,564,330	
CMHSP Participant Other	5,716,137	5,775,469	59,332	
SUD Medicaid Contracts	18,000,000	18,000,000	-	
SUD Healthy Michigan Plan Contracts	32,000,000	32,000,000	-	
Medicaid Health Homes (Behavioral and Opioid)	4,557,300	2,559,432	(1,997,868)	Budget adjusted based on actual costs
Community Grant and Other SUD Grants	16,051,640	16,051,640	-	
SUD PA2 Liquor Tax	4,736,318	4,813,170	76,852	Budget adjusted based on OPB approved amounts
Local Match Contribution	1,550,876	1,550,876	-	
Hospital Rate Adjustor	17,251,450	42,234,872	24,983,422	Budget adjusted based on actual costs; HRA per diem rate increased in FY2024
Insurance Provider Assessment	6,804,053	6,874,068	70,015	Budget adjusted based on annual assessment
Subtotal CMHSP and SUD Expenses and Taxes	\$ 873,903,414	\$ 919,715,304	\$ 45,811,890	
TOTAL EXPENDITURE BUDGET	\$ 884,512,544	\$ 929,565,526	\$ 45,052,982	

Revenue Over/(Under) Expenditures*	\$ (16,098,184)	\$ (27,374,498)	\$ (11,276,314)	
---	------------------------	------------------------	------------------------	--

Background

The draft original budget for Fiscal Year (FY) 2025 was developed based on the board-approved MSHN Strategic Plan and is based on input from MSHN leadership team and staff, MSHN Finance Council and the MSHN Operations Council.

The MSHN FY 2025 budget includes projected revenues of \$926,988,156 and estimated expenditures of \$956,315,397. Revenue projections are \$29,327,241 under expenditures. MSHN's FY 2023 carried forward was only \$7,601,858 which is much lower than previous fiscal years in which savings of at least 5% of revenue was achieved. This downward trend is expected to continue as the upcoming fiscal year's expenses are higher than revenue. Based on the FY 25 original budget, the PIHP will use Internal Service Funds to support operations while attempting to implement cost reduction strategies. Efforts to reduce cost have been challenging as there have been significant utilization increases in inpatient hospital days, autism, and community living supports (CLS) services.

MSHN's revenue estimates were based on MDHHS draft Rate Certification documents and included reduced enrollment projections. PIHP administration expense increased by \$2,271,331 from the FY 24 Amended Budget and is 1.27% of total FY 2025 regional expenses. Every year since its inception, MSHN has maintained an operations budget under 2%. Salaries and associated employee expenses are primary drivers of this increase and are mostly related to additional responsibilities in Integrated Health functions. Examples of Integrated Health include Certified Community Behavioral Health Centers (CCBHC), Opioid Health Home (OHH) and Behavioral Health Home (BHH) programs. In addition, CMHSPs submitted projected expense documentation and SUD totals are based on historical spending and trended utilization.

A public hearing on the FY 2025 budget was held on September 10, 2024.

MSHN is required to operate under a board approved budget.

Recommended Motion:

Motion to approve the FY 2025 Original Budget as presented.

FY2024 Amended Budget	FY2025 Original Budget	FY2025 Increase (Decrease) from Amended Budget	Notes
--------------------------	---------------------------	---	-------

REVENUES

Prior Year Savings	\$ 7,601,858	\$ -	\$ (7,601,858)	
Medicaid Capitation SP/ISPA MH	442,881,499	453,745,946	10,864,447	Budget based on FY2025 draft capitation rates
Healthy Michigan Plan Capitation MH	52,953,793	54,913,151	1,959,358	
Medicaid Waivers (HSW, SED, CWP)	128,411,949	132,323,679	3,911,730	
Medicaid Capitation Autism	61,890,966	71,076,093	9,185,127	
Medicaid Capitation SP/ISPA SUD	17,955,174	17,824,520	(130,654)	
Healthy Michigan Plan Capitation SUD	28,215,956	29,873,187	1,657,230	
CCBHC Supplemental Payments	82,975,052	87,161,564	4,186,512	Budget includes supplemental funding for CCBHC demonstration sites
Medicaid Health Homes (Behavioral and SUD)	3,199,278	5,111,655	1,912,377	Budget based on projected health home enrollment (625 BHH enrollees and 500 SUDHH enrollees)
Community Grant and Other SUD Grants	16,895,320	13,268,684	(3,626,636)	Budget based on DHHS allocations; discontinuation of COVID grant and reduction of SOR grant
PA2 Liquor Tax SUD	4,813,170	4,864,052	50,882	Budget based on OPB approved amounts
Hospital Rate Adjustor	42,234,872	44,346,616	2,111,744	Budget based on potential inpatient utilization increase
Performance Bonus Incentive Payment	6,138,628	6,390,223	251,595	Budget based on percentage of projected revenues
Medicaid DHS Incentive Payment	1,600,650	1,757,910	157,260	
Local Match Contribution	1,550,876	1,550,876	-	Budget based on FY2024 amount; FY2025 amount not available at time of budget development
Other Grants	371,985	280,000	(91,985)	Budget includes Veteran Navigator and Clubhouse Engagement
Interest Income	2,500,000	2,500,000	-	
TOTAL REVENUE BUDGET	\$ 902,191,027	\$ 926,988,156	\$ 24,797,129	

EXPENDITURES

ADMINISTRATION:

Salaries and Wages	\$ 5,609,621	\$ 6,786,808	\$ 1,177,188	Includes additional staff related to increased PIHP responsibilities
Employee Benefits	1,919,673	2,394,825	475,152	Additional staff
Other Contractual Agreements	349,500	679,700	330,200	Includes contract costs such as, but not limited to, IT and finance support services
IT Subscriptions and Maintenance	948,650	1,076,330	127,680	Includes software costs such as, but not limited to, care coordination, data analytics, document sharing, managed care, Microsoft Office, parity
Consulting Services	265,300	223,800	(41,500)	
Conference and Training Expense	72,650	128,850	56,200	Additional staff, in-person conferences
Human Resources Fees	59,135	74,350	15,215	Additional staff
Mileage Reimbursement	54,150	73,400	19,250	Increase in in-person activities
Other Expenses	161,700	232,700	71,000	Additional staff
Building Rent Amortization	39,004	40,186	1,182	
Telephone Expense	119,100	148,950	29,850	Additional staff
Office Supplies	25,250	36,700	11,450	
Printing Expense	53,070	75,000	21,930	
Meeting Expense	25,750	28,250	2,500	
Liability Insurance	33,259	34,590	1,331	
Audit Services	34,200	41,000	6,800	
OPB and Council Per Diems	15,120	20,820	5,700	
Dues and Memberships	7,600	11,793	4,193	
Legal Services	52,000	10,000	(42,000)	
Equipment Rent	2,055	-	(2,055)	
Internet Services	3,435	3,500	65	
Subtotal Administration	\$ 9,850,222	\$ 12,121,552	\$ 2,271,331	
Percent Administration Expenses to Total Expenses	1.06%	1.27%		

FY2024 Amended Budget	FY2025 Original Budget	FY2025 Increase (Decrease) from Amended Budget	Notes
--------------------------	---------------------------	---	-------

CMHSP and SUD EXPENSES and TAXES:

CMHSP Participant Medicaid, including CCBHC	639,870,702	\$ 650,170,473	\$ 10,299,771	
CMHSP Participant Healthy Michigan Plan, including CCBHC	79,984,117	84,813,618	4,829,501	Budget based on CMHSP FY2025 budgeted expenses
CMHSP Participant Autism	70,000,958	80,400,874	10,399,916	
CMHSP Participant Other	5,775,469	6,308,628	533,159	Budget includes Performance Bonus Incentive Payments and Clubhouse Engagement grant
SUD Medicaid Contracts	18,000,000	17,300,000	(700,000)	Anticipated cost containment through centralized SUD access for select services
SUD Healthy Michigan Plan Contracts	32,000,000	31,200,000	(800,000)	
Medicaid Health Homes (Behavioral and Opioid)	2,559,432	4,089,330	1,529,898	Budget based on projected health home enrollment (625 BHH enrollees and 500 SUDHH enrollees)
Community Grant and Other SUD Grants	16,051,640	12,205,295	(3,846,345)	Budget based on DHHS allocations; discontinuation of COVID grant and reduction of SOR grant
SUD PA2 Liquor Tax	4,813,170	4,864,052	50,882	Budget based on OPB approved amounts
Local Match Contribution	1,550,876	1,550,876	-	Budget based on FY2024 amount; FY2025 amount not available at time of budget development
Hospital Rate Adjustor	42,234,872	44,346,616	2,111,744	Budget based on potential inpatient utilization increase
Insurance Provider Assessment	6,874,068	6,944,082	70,014	Budget adjusted based on annual assessment
Subtotal CMHSP and SUD Expenses and Taxes	\$ 919,715,304	\$ 944,193,845	\$ 24,478,541	
TOTAL EXPENDITURE BUDGET	\$ 929,565,526	\$ 956,315,397	\$ 26,749,871	
Revenue Over/(Under) Expenditures	\$ (27,374,498)	\$ (29,327,241)	\$ (1,952,742)	

**REPORT OF THE MSHN CHIEF EXECUTIVE OFFICER
TO THE MSHN BOARD OF DIRECTORS
July/August 2024**

**Community Mental Health
Member Authorities**

- Bay Arenac Behavioral Health
- CMH of Clinton.Eaton.Ingham Counties
- CMH for Central Michigan
- Gratiot Integrated Health Network
- Huron Behavioral Health
- The Right Door for Hope, Recovery and Wellness (Ionia County)
- LifeWays CMH
- Montcalm Care Center
- Newaygo County Mental Health Center
- Saginaw County CMH
- Shiawassee Health and Wellness
- Tuscola Behavioral Health Systems
- FY 2024 Board Officers
 - Ed Woods
Chairperson
 - Irene O'Boyle
Vice-Chairperson
 - Deb McPeek-McFadden
Secretary

- Peer360 is a contractor with MSHN. In a [recently published article](#) in *Clinical Simulation in Nursing*, Peer360’s involvement not just in this study, but for years in helping educate and raise awareness about Substance Use Disorder (SUD) stigma for hundreds of health professionals in Michigan was acknowledged. Congratulations and thanks to our colleagues at Peer360 for their outstanding work over many years to help educate health professionals toward the goal of improving knowledge and reducing stigma associated with substance use treatment and recovery.

PIHP/REGIONAL MATTERS

1. MSHN releases 2024 Impact Report:

Mid-State Health Network has released a 2024 update to its Impact Report. The update focuses on accomplishments and other impacts over the last four years and is in celebration of our tenth anniversary. Highlights are organized into four main categories: People, Partners, Communities, and Employees. The 2024 Impact Report was distributed to board members via email and can be accessed [on our website at this link](#).

2. Conflict Free Access and Planning (CFAP) Update:

Please refer to my previous board reports for additional background if needed. As the MSHN Board is aware, Michigan Department of Health and Human Services (MDHHS) has stated its expectation that Prepaid Inpatient Health Plans (PIHPs) and Community Mental Health Service Programs (CMHSPs) will come into compliance with the CFAP requirements (separation of entity conducting service planning from entity responsible for service delivery). Several waiver renewals have been submitted by MDHHS to Centers for Medicare and Medicaid Services (CMS) that include this compliance requirement. MDHHS has stated to the PIHP Chief Executive Officers (CEOs) that CMS requested a CFAP-specific meeting with MDHHS that at the time was in the process of being scheduled. MDHHS has also stated that the 10/01/2024 implementation date has been rescinded, but a new compliance date has not yet been established. The field continues to await official written communications from MDHHS both in response to questions raised by the field and any formal notice of what will be required, timelines, etc.

3. MSHN Cost Containment Plan – Partial Access Centralization:

Please see my previous board reports for additional background information if needed. Work to plan implementation of partial centralization of access for withdrawal management (“detox”), residential treatment, and recovery housing continues. Information Technology (IT) systems are being updated to incorporate the change in regional practices. MSHN Providers are aware of the forthcoming changes and more information will be provided during our regional SUD provider meeting on September 19, 2024. MSHN intends to make a downward adjustment to financing at CMHSPs for 24/7/365 access in light of this partial centralization. MSHN is also asking CMHSPs to

consider establishing one CMHSP as the after hours call center for MSHN SUD access. Also, as noted in Deputy Director Amanda Ittner’s report, we have filled the access positions. As noted, planning and related work continues. As a reminder, MSHN anticipates improved beneficiary experiences through elimination of duplicate screenings as well as cost savings of over \$1M once fully implemented.

4. Psychiatric Inpatient Tiered Rates:

An initiative led by MDHHS and reportedly required by legislative boilerplate to establish tiered rates for psychiatric inpatient patients has been ongoing for about two years. In the Spring 2024, MDHHS indicated that it would require implementation of the system on and after 10/01/2024. Due to many complications and stakeholder feedback, MDHHS has rescinded this direction while issues are worked out.

The tiered rates proposed are associated with various staffing levels determined by the presentation of the individual served (a base rate, a 2:1 [staff to recipient], 1:1 and 1:2). The base rates modeled by the State’s actuary (Milliman) were well below what PIHPs and CMHSPs are paying today. This is one of the reasons that the Department is regrouping on this initiative.

Meanwhile, MSHN has established a regional process for establishing a single regional rate for each psychiatric hospital/unit. Each CMHSP holds its own contract, but base rate standardization (to eliminate wide variances in CMHSP rates paid) is the goal.

5. MSHN By-Laws:

As most readers are aware, the MSHN Board Bylaws have been out of sync with the Open Meetings Act, which has changed several times during the pandemic. In addition, a few other minor edits are desired by some members of the MSHN Operations Council. About 4 months ago, a subcommittee of the Operations Council met to ask the MSHN attorney for advice on several proposed changes. Following is a brief summary of proposed changes:

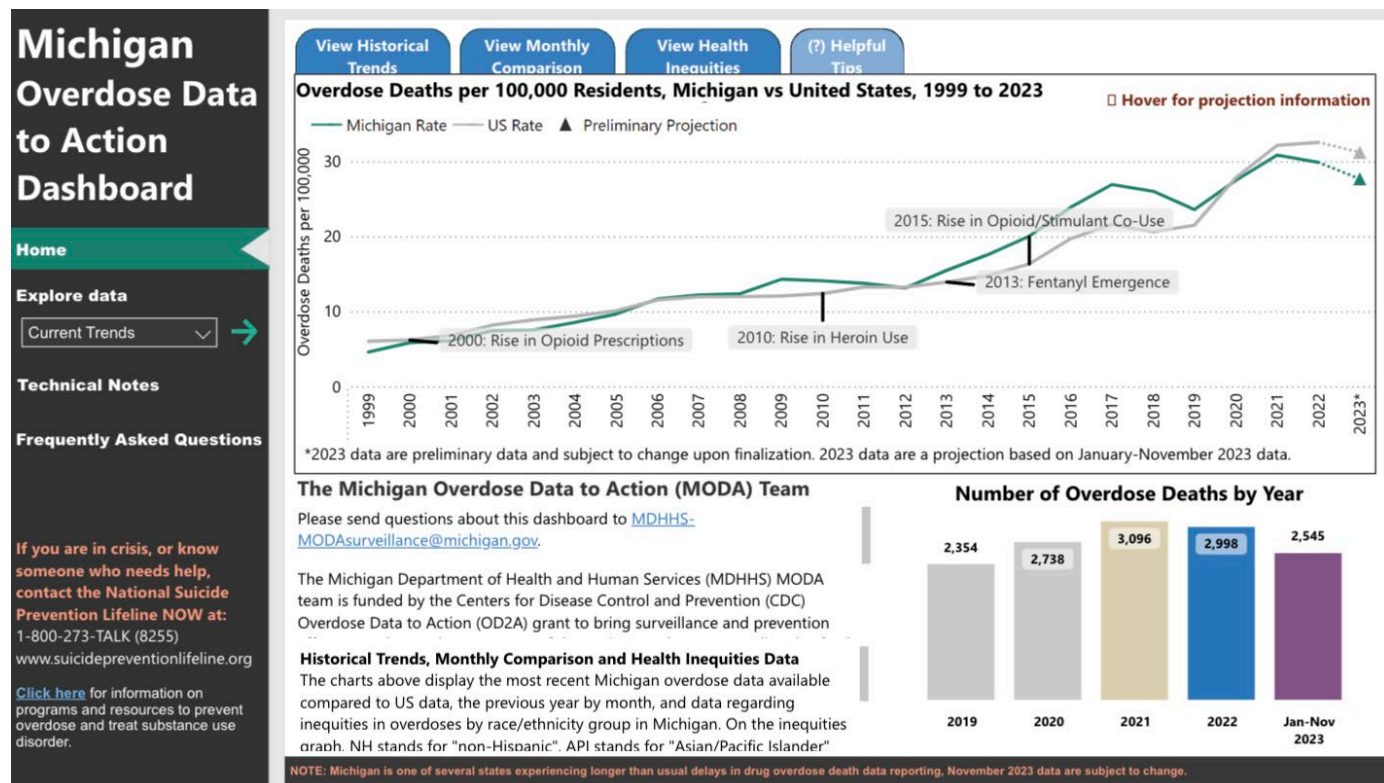
- Remove sentence indicating if there is any conflict between Operating Agreement and Bylaws, Operating agreement prevails.
- Remove outdated “coordinating agency” language and replace with “Department-designated community mental health entity” (which is the term used in the public health code).
- Remove “without limitation” within the phrase “The power to enter into contracts with a CMHSP...”
- Adjust very specific quorum and voting language with a more generic statement that requires MSHN Board to abide by the open meetings act as it may exist from time to time.
- Add anti-discrimination language applicable to the Board.

MSHNs Board of Directors does NOT have a vote on the bylaws. Two-thirds of the region’s CMHSP Participants must approve any changes to the bylaws for them to be effective and applicable to MSHN. My office has provided a customizable resolution and a tracked changes version of the bylaws for member CMHSP board action. I have asked the region’s CMHSP Participants to complete these resolutions by December 31, 2024. Final copies will be provided to the MSHN board when available.

6. Michigan Overdose Deaths:

At our harm reduction learning opportunity at the last meeting, we provided national overdose death data and board members requested Michigan-specific information. Please see the chart below (published by

the Michigan Department of Health and Human Services). Also note that the slide deck presented at the July board meeting has been updated with Michigan specific information and has been [posted to our website at this link](#).



7. Regional Financial Position:

For the entire fiscal year, MSHN has been projecting use of Internal Service Funds (ISF) to cover obligations of our provider partners. MSHN proposed, and the board adopted, an original regional budget deficit of nearly \$16M. In recent months, MSHN reported an improvement in the deficit to \$10M however the most recent Financial Status Report (FSR) submitted to MDHHS is projecting a deficit of about \$26M. MSHN has about \$55M in reserves, and if these projections hold, would require use of almost 50% of internal service funds on hand.

The increase in projected deficit is being driven primarily by decreased revenues due to higher than projected disenrollments of Medicaid beneficiaries and ongoing higher demand for services and supports (especially psychiatric inpatient, autism services, and community living supports. MSHN is contractually obligated to pay for Medicaid beneficiary services/supports. Per Eligible Per Month (PEPM) funds are disbursed monthly and after the fiscal year-end MSHN then cost settles with all CMHSPs.

This is the first time MSHN has been in this position in its ten-year history. Also note that many PIHPs are in a similar deficit position this year, which should signal that this is primarily a revenue-side issue.

Leslie Thomas, MSHN Chief Financial Officer, and I have stated often that this is the reason for having an internal service fund – to cover a bad year (or years). Replenishing funds is a top priority when the ISF is used.

There are [many rules around how the internal service fund](#) is used and how it is built, and there are very few ways to replenish the ISF. In general, ISF contributions can only be added to at fiscal year-end when there is a surplus of revenue (after all expenses have been covered) or with other PIHP managed funds. It is unlikely that a surplus of funds will be realized in the next couple of years (unless the revenue picture changes). MSHN has no other PIHP-managed funds on hand. In my view, it is worth considering our practices of distributing performance bonus earnings to redirect those earnings into ISF holdings. MSHN earns about \$5M annually in performance bonuses, which are contractually required to be distributed to our CMHSP Participants and become restricted local funds. However, doing so would require a change to our operating agreement.

The MSHN Operations Council has acknowledged that use of ISF requires a replenishment strategy and they acknowledge their individual responsibilities to ensure its health. What is needed is a strategy that works and avoids creating other problems. That solution is elusive, but we will continue to work toward that goal.

STATE OF MICHIGAN/STATEWIDE ACTIVITIES

8. Michigan Medicaid Fact Sheet:

The Kaiser Family Foundation has produced a resource entitled *Medicaid State Fact Sheets*. The information for [Michigan is at this link](#).

9. MSHN/MDHHS “Master Contract” for FY 25:

MDHHS has released the MDHHS/PIHP contract for FY 25. There are many edits to the contract, most improve clarity, add some new requirements, and a few provisions that have sparked some controversy. This contract is on the contract list for approval at this board meeting. I want to focus on the two primary issues that have sparked some controversy and explain my views on them.

Internal Service Fund (ISF):

Three PIHPs, supported by the CMH Association, see the ISF language proposed as a new limit on Internal Service Funds. Some of these PIHPs have funded their ISFs in prior years above 7.5% of revenues (based on actuarial soundness). MSHN has not operated this way in our ten-year history, and have always functioned with the understanding that the ISF is maximally funded at 7.5% of annual revenues. In the MSHN view, the proposed ISF language is substantially similar to previous contract provisions and the ISF Technical Requirement. Very little has been added that is new in the 2024 boilerplate that wasn't already in those other documents or reflected in actual practice. Two or three PIHPs are considering not signing the agreement with this language in it, believing that they can and should build ISFs to actuarially sound levels (beyond the 7.5% revenue limit). MSHN also thinks we should be able to fund the ISF to actuarially sound levels and will work to achieve that flexibility in the future. However, the contract language proposed by MDHHS is how MSHN has operated for a decade. MDHHS has also stated directly to the PIHP Contract Negotiations Group that it intends to continue dialog with PIHPs around ISF issues of importance to us but cannot complete the work in time for a change to the FY 25 contract. Some have cautioned that accepting MDHHS at their word requires perhaps more trust than we collectively have. Because the proposed language reflects what in Leslie Thomas' view and mine is current operating state, I do not intend to take exception to that language and will trust MDHHS to hold to their word on continuing dialog in this area.

From Leslie Thomas: “MDHHS has proposed language in the Master Medicaid Specialty Supports and Services Contract for Fiscal Year (FY) 2025 that would cap the amount of funding allowed to be retained by the PIHP and shift the current risk sharing arrangement between the parties to the financial benefit of MDHHS. Specifically, MDHHS has explicitly limited the Internal Service Fund (ISF) amount to 7.5% of current fiscal year revenue.

“MDHHS historically operated under the premise that the 7.5% cap has always been the intent and their argument is further strengthened by the Financial Status Report (FSR) template and instructions. Some PIHPs have countered noting the contract language allowed ISF contributions exceeding 7.5% as it necessary to manage future risk and actuarially sound. The same PIHPs have submitted FSRs to the Department with ISF balances exceeding the 7.5% limit and have board approved resolutions to support their position.

“To date, MSHN followed MDHHS guidance and has only contributed amounts at or under the 7.5% limit. The limit resulted in MSHN lapsing more than \$30 M in funds to the Department. These lapsed funds are need for FY 24 as we face the probability of using more than \$26 M in ISF to cover regional medically necessary expenses.”

Waskul Settlement:

I can provide more background if it is needed but note for the Board that MDHHS honored its word to provide replacement language for the Waskul provisions originally distributed and strongly opposed by the PIHPs.

This is the original language: “Contractor must comply with all terms and conditions of the Waskul Settlement Agreement that apply to Community Mental Health Partnership of Southeast Michigan (CMHPSM). The Waskul Settlement agreement can be found on the MDHHS website: <https://www.michigan.gov/mdhhs/keep-mi-healthy/mentalhealth/mentalhealth>.”

PIHPs requested that the language be stricken completely, or in the alternative PIHPs asked for exactly the language proposed by MDHHS, as follows:

“Contractor must comply with all terms and conditions of the Waskul Settlement Agreement once it is approved, and all contingencies have been met.”

Some of the contingencies include approval by the Centers for Medicare and Medicaid Services (CMS), appropriations by the Michigan Legislature, and others. My position is that including the language at this early stage (because the settlement hasn’t been approved by the Court) is premature, but I am comfortable with this replacement language and do not intend to take exception to it. MDHHS did what we asked them (alternatively) to do on this.

The CMH Association of Michigan has recommended that PIHPs not sign the agreement, recommending that PIHPs strike through objectionable language and return to MDHHS. MSHN’s attorney has stated directly to me that this is not a proper approach, and that since the PIHP signs first (and then MDHHS), MDHHS will not sign a contract altered in this manner. He referred to it as a “giant waste of time and effort.” A second approach was also recommended whereby the PIHPs add an addendum to the contract – our attorney advises that such an amendment where one party refuses contract language adopted by the other ends in the same place – no addendum/amendment.

The Association has also posited that contract requirements by MDHHS to which PIHPs object are not binding on PIHPs and that MDHHS will not follow through with cancellation (or defunding) of the contract if PIHPs refuse to sign. I do not agree with either position. One view is that MDHHS is looking for any excuse to transition PIHP contracts to Medicaid Health Plans (MHPs).

I have agreed to sign on to a formal letter to MDHHS stating our collective objections to the fait accompli position taken by MDHHS on these provisions, notifying them that offering “non-negotiable” language is not negotiating in good faith, stating our expectation and demand that these items be negotiated in a future amendment, and notifying MDHHS that PIHPs do not consider these provisions applicable until a mutually agreeable resolution is achieved.

I have also agreed to present these arguments to the Board prior to the board making a decision on this FY 25 base contract. Notwithstanding the notes above, my recommendation is for Board approval of the contract.

10. Certified Community Behavioral Health Center (CCBHC) In The News:

Second Wave Michigan has published an article in Michigan Mental Health entitled [CCBHCs extend mental health care to more Michiganders despite challenges](#).

FEDERAL/NATIONAL UPDATES AND ACTIVITIES

11. Chronic Healthcare System Underfunding Report:

The Trust for America’s Health has published a report entitled [The Impact of Chronic Underfunding on America’s Public Health System 2024: Trends, Risks, and Recommendations](#). “This annual report tracks federal and state investment in public health and finds that funding for core public health infrastructure remained flat for the past decade while the nation’s population and health risks grew. The report concludes that decades of underfunding has limited the public health system’s capacity to protect Americans’ health and respond to emergencies. Insufficient funding has left the nation’s public health system without the necessary resources to meet the public health challenges of the 21st century. According to the report, the country’s rising rates of chronic disease and its insufficient response to the COVID-19 public health emergency were due in part to decades of underinvestment in public health infrastructure and its workforce. A further concern is that the health security advancements made when policymakers increased public health funding due to the COVID-19 public health emergency are now at risk as this funding ends.”

12. CMS Autism Infographic:

CMS has announced the release of the [2024 Medicaid and CHIP Beneficiaries at a Glance: Autism Infographic](#). The infographic provides an overview of the prevalence of autism, characteristics of Medicaid and CHIP beneficiaries with autism, prevalence of common co-occurring health conditions, and utilization of treatment services from a national perspective.

13. Addressing Work Arrangements for Persons in Residential Treatment:

General Accountability Office (GAO) has published a report entitled [Substance Misuse Treatment and Recovery: Federal Guidance Needs to Address Work Arrangements for Those Living in Residential Facilities](#) (GAO-24-106101). “For the millions of Americans struggling with substance misuse, residential treatment and recovery facilities may provide much-needed housing and healthcare. Some facilities require residents to have jobs—which can provide financial stability and structure. But working too soon could be detrimental to their recovery, according to Health and Human Services (HHS) officials. HHS has published some informational guidance on the role of work in treatment and recovery. However, four of the five state substance misuse agencies GAO spoke with said additional guidance would be helpful, such as guidance on when best to start work. By developing a process to request and use state agencies' feedback, HHS could better promote effective work arrangements and help state agencies and facilities support residents' recovery. Furthermore, HHS officials told GAO that treatment facilities should not require work as a condition of receiving services. However, HHS' application and related documents for its Substance Use Prevention, Treatment, and Recovery Services (SUPTRS) Block Grant do not clearly provide guidance on work requirements at residential treatment or recovery facilities. Without clarifying guidance, HHS risks block grant funding going to facilities that are not fully in line with its best practices. GAO recommends that HHS (1) develop a process to consult state substance misuse agencies about their guidance needs for incorporating work into treatment and recovery and (2) state in SUPTRS Block Grant documents if and when work requirements are acceptable as a condition of accessing services in residential treatment and recovery facilities. HHS agreed with GAO's recommendations.”

14. 2023 National Survey on Drug Use and Health:

SAMHSA has released the [results of the 2023 National Survey on Drug Use and Health](#) (NSDUH) which shows how people living in United States reported their experience with mental health conditions, substance use and pursuit of treatment. The 2023 NSDUH report includes selected estimates by race, ethnicity and age group. The report is accompanied by two infographics offering visually packaged highlight data as well as visual data by race and ethnicity.

15. Loosening Federal Restrictions on Marijuana:

The [Washington Post has written](#) that “Attorney General Garland last week recommended loosening restrictions on marijuana, a historic shift in federal drug policy that could broaden access to the drug for medicinal use and boost cannabis industries in states where it is legal. The measure, if enacted, would not legalize marijuana at the federal level but still represents a milestone that could prove to be a political win for the President. The Justice Department submitted the formal recommendation to the White House [last Tuesday], an agency spokeswoman said in a statement. It follows the Drug Enforcement Administration’s (DEA’s) approval of a federal health agency recommendation that marijuana be reclassified. The White House’s Office of Management and Budget must review the measure, according to people familiar with the matter who spoke on the condition of anonymity to discuss internal administrative matters. The proposal, if accepted, would be formally published and would not go into effect for months until the public has a chance to comment. The DEA’s approval was first reported last Tuesday by the Associated Press. The DEA, the Justice Department and the White House declined to comment.”

16. FDA Action on Psychedelic Assisted Therapy:

It is [reported by the Washington Post](#) that “the FDA is expected to decide in early August whether to approve the nation’s first psychedelic-assisted therapy — and lawmakers from both parties are pushing for a green light. In a rare show of bipartisanship, 80 members of Congress sent letters to the President and FDA Commissioner urging the administration to follow the science and approve MDMA-assisted therapy to help address the veteran suicide epidemic.”

In a development reported August 10, [Online STAT reports](#) that “the FDA rejected MDMA as a treatment for post-traumatic stress disorder today, in a blow to drug activists and veterans who’ve long campaigned for the psychedelic treatment. Although two Phase 3 trials suggested the treatment was effective, strong opposition by an agency scientific advisory committee in June and allegations of missing adverse event data and research bias may have doomed the application by Lykos Therapeutics. The FDA requested that Lykos conduct an additional Phase 3 trial to further study the safety and efficacy of MDMA.”

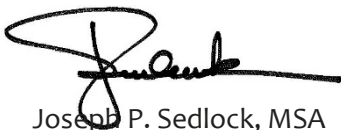
17. Recommendations to Strengthen the Behavioral Health Workforce:

The [Milbank Quarterly](#) has published an article regarding original research by the authors on the topic of [Policies to Build and Sustain in the Behavioral Health Workforce](#). To meet the demand for behavioral health services, many policy solutions aim to expand the workforce through task-sharing with nonspecialist providers (NSP) like peer specialists. Stony Brook University and University of California, San Diego, researchers recommend policymakers focus instead on building and sustaining the behavioral health workforce by increasing reimbursement rates and provider wages and establishing labor protections and other supports.”

18. Comparison of Presidential Candidates on Health Policy:

The Kaiser Family Foundation has published an [updated side-by-side comparison](#) of the positions of both candidates for the US presidency on the topic of health care policy.

Submitted by:



Joseph P. Sedlock, MSA
Chief Executive Officer
Finalized: 08/27/2024

Attachments:

- MSHN Michigan Legislative Tracking Summary



Compiled and tracked by Sherry Kletke

Below is a list of Legislative Bills MSHN is currently tracking and their status as of August 26, 2024:

BILL #	TITLE/INTRODUCER/DESCRIPTION	STATUS
HB 4169	Occupational Therapists (Rogers) Enacts occupational therapy licensure compact.	Passed in House (4/30/2024; 103-6; immediate effect)
HB 4170	Occupational Therapists (Wozniak) Modifies licensure process for occupational therapists to incorporate occupational therapy licensure compact.	Passed in House (4/30/2024; 103-6; immediate effect)
HB 4498	Disabilities Discrimination (Bierlein) Requires pre-suit notice of civil actions under the persons with disabilities civil rights act and provides an opportunity to comply.	Introduced (5/2/2023; To Judiciary Committee)
HB 4523 (PA 44)	Mental Health Court (Hope) Modifies violent offender eligibility for mental health court.	Signed by the Governor (5/22/2024; Signed: May 22, 2024, Effective: August 19, 2024)
HB 4525 (PA 45)	Drug Treatment Court (Filler) Modifies violent offender eligibility for drug treatment court.	Signed by the Governor (5/22/2024; Signed: May 22, 2024, Effective: August 19, 2024)
HB 4576	Behavioral Health Services (VanderWall) Provides specialty integrated plan for in behavioral health services.	Introduced (5/16/2023; To Health Policy Committee)
HB 4577	Mental Health (VanderWall) Provides updates regarding the transition from specialty prepaid inpatient health plans to specialty integration plans.	Introduced (5/16/2023; To Health Policy Committee)
HB 4690	Substance Abuse (Coffia) Modifies notice of a defendant's right to secular substance abuse disorder treatment.	Committee Hearing in House Judiciary Committee (6/21/2023)
HB 4693	Open Meetings (Fitzgerald) Allows nonelected and noncompensated public bodies to meet remotely.	Introduced (5/30/2023; To Local Government and Municipal Finance Committee)
HB 4707	Health Insurers (Brabec) Modifies coverage for intermediate and outpatient care for substance use disorder.	Advanced to Third Reading in House (10/24/2023)
HB 4745	Mental Health (BeGole) Expands petition for access to assisted outpatient treatment to additional health providers.	Introduced (6/14/2023; To Health Policy Committee)
HB 4746	Mental Health (Steele) Provides outpatient treatment for misdemeanor offenders with mental health issues.	Introduced (6/14/2023; To Health Policy Committee)
HB 4747	Mental Health (Kuhn) Expands hospital evaluations for assisted outpatient treatment.	Introduced (6/14/2023; To Health Policy Committee)

BILL #	TITLE/INTRODUCER/DESCRIPTION	STATUS
HB 4748	Mental Health (Tisdell) Allows use of mediation as a first step in dispute resolution.	Introduced (6/14/2023; To Health Policy Committee)
HB 4749	Community Mental Health (Harris) Provides community mental health oversight of competency exams for defendants charged with misdemeanors.	Introduced (6/14/2023; To Health Policy Committee)
HB 4769	Gender Neutral References (Coffia) Makes certain references in the mental health code gender neutral.	Introduced (6/15/2023; To Government Operations Committee)
HB 4817	Open Meetings (Carter, B.) Modifies procedures for electronic meetings of public bodies.	Introduced (6/15/2023; To Local Government and Municipal Finance Committee)
HB 4833	Substance Use Treatment (Puri) Modifies licensure for substance use disorder service programs.	Committee Hearing in House Health Policy Committee (6/13/2024)
HB 4841	Adult Foster Care (Young) Provides for enhanced standards on adult foster care facilities.	Committee Hearing in House Families, Children and Seniors Committee (9/19/2023)
HB 4960	Employment Discrimination (Snyder) Prohibits employers and labor organizations from requesting or maintaining a record of certain criminal history information about a job applicant or employee.	Reported in Senate (4/18/2024; By Civil Rights, Judiciary and Public Safety Committee)
HB 5077	Naloxone (VanderWall) Provides distribution of naloxone under the administration of opioid antagonist act to any individual.	Committee Hearing in Senate Health Policy Committee (6/18/2024)
HB 5078	Controlled Substances (Rheingans) Provides distribution of opioid antagonists by employees and agents of agencies under the administration of opioid antagonists act.	Committee Hearing in Senate Health Policy Committee (6/18/2024)
HB 5114	Mental Health Professionals (Rheingans) Expands definition of mental health professional to include physician assistants, certified nurse practitioners, and clinical nurse specialists-certified, and allows them to perform certain examinations.	Reported in House (5/22/2024; Substitute H-3 adopted; By Health Policy Committee)
HB 5124	Controlled Substances (Bollin) Modifies crime of manufacturing, delivering, or possession of with intent to deliver heroin or fentanyl to reflect changes in sentencing guidelines.	Committee Hearing in House Criminal Justice Committee (3/12/2024)
HB 5125	Controlled Substances (Lightner) Allows probation for certain major controlled substances offenses.	Committee Hearing in House Criminal Justice Committee (3/12/2024)

BILL #	TITLE/INTRODUCER/DESCRIPTION	STATUS
HB 5126	Controlled Substances (Witwer) Amends sentencing guidelines for delivering, manufacturing, or possessing with intent to deliver heroin or fentanyl.	Committee Hearing in House Criminal Justice Committee (3/12/2024)
HB 5127	Disabled Veterans (McFall) Extends eligibility for disabled veteran registration plate to partially disabled veterans.	Received in Senate (5/30/2024; To Veterans and Emergency Services Committee)
HB 5128	Controlled Substances (Skaggs) Modifies crime of manufacturing, delivering, or possession of with intent to deliver heroin or fentanyl to reflect changes in sentencing guidelines.	Introduced (10/12/2023; To Criminal Justice Committee)
HB 5129	Controlled Substances (Wilson) Allows probation for certain major controlled substances offenses.	Introduced (10/12/2023; To Criminal Justice Committee)
HB 5130	Controlled Substances (Filler) Amends sentencing guidelines for delivering, manufacturing, or possessing with intent to deliver heroin or fentanyl.	Introduced (10/12/2023; To Criminal Justice Committee)
HB 5178	Syringe Service Programs (Rheingans) Provides for syringe service programs.	Committee Hearing in House Health Policy Behavioral Health Subcommittee (6/13/2024)
HB 5179	Drug Paraphernalia (Rheingans) Modifies definition of drug paraphernalia.	Received in Senate (6/18/2024; To Health Policy Committee)
HB 5184	Social Workers (Brabec) Modifies social work licensure requirements and includes licensure for licensed clinical social workers.	Committee Hearing in House Health Policy Behavioral Health Subcommittee (6/13/2024)
HB 5185	Social Workers (Edwards) Modifies social work licensure requirements and includes licensure for licensed clinical social workers.	Committee Hearing in House Health Policy Behavioral Health Subcommittee (6/13/2024)
HB 5276	Mental Health (Conlin) Establishes office of mental health within the Michigan department of military and veterans affairs.	Received in Senate (6/25/2024; To Veterans and Emergency Services Committee)
HB 5277	Mental Health (Morse) Establishes office of mental health within the Michigan veterans affairs agency.	Received in Senate (6/25/2024; To Veterans and Emergency Services Committee)
HB 5278	Mental Health (Bezotte) Establishes veteran service officer mental health training program.	Introduced (10/26/2023; To Military, Veterans and Homeland Security Committee)
HB 5279	Mental Health (Brabec) Establishes office of mental health peer mentorship program within the Michigan department of military and veterans affairs.	Received in Senate (6/25/2024; To Veterans and Emergency Services Committee)

BILL #	TITLE/INTRODUCER/DESCRIPTION	STATUS
HB 5280	Mental Health (Bruck) Establishes Michigan azimuth bridge program for transitioning military service members' mental health.	Received in Senate (6/25/2024; To Veterans and Emergency Services Committee)
HB 5343	Mental Health Professionals (Arbit) Requires insurance providers to panel a mental health provider within a certain time period of application process.	Committee Hearing in House Health Policy Committee (2/6/2024)
HB 5344	Health Benefits (Brabec) Requires nonprofit health care corporation to panel a mental health provider within a certain time period of the application process.	Committee Hearing in House Health Policy Committee (2/6/2024)
HB 5345	Mental Health Parity (Arbit) Provides mental health parity and addiction equity compliance.	Committee Hearing in House Health Policy Committee (2/6/2024)
HB 5346	Mental Health Parity (Coffia) Requires certain annual reports of health insurers relating to mental health parity.	Committee Hearing in House Health Policy Committee (2/6/2024)
HB 5347	Health Insurers (Mentzer) Requires certain annual reports of nonprofit health care corporations.	Committee Hearing in House Health Policy Committee (2/6/2024)
HB 5371	Behavioral Health Clinics (Brabec) Provides certification and funding for certified community behavioral health clinics.	Committee Hearing in House Health Policy Behavioral Health Subcommittee (6/13/2024)
HB 5372	Behavioral Health Clinics (Green) Provides certification for certified community behavioral health clinics.	Committee Hearing in House Health Policy Behavioral Health Subcommittee (6/13/2024)
HB 5698	Mental Health (Young) Provides for screening and treatment for post traumatic prison disorder and requires certain other mental health screening, planning, and treatment of incarcerated individuals.	Introduced (5/1/2024; To Criminal Justice Committee)
HB 5720	National Guard (Bezotte) Provides for access to resources by National Guard members.	Received in Senate (6/25/2024; To Government Operations Committee)
HB 5725	Open Meetings (Alexander) Authorizes remote meeting participation for members of a public body meeting as a board of a prepaid inpatient health plan in certain circumstances.	Introduced (5/14/2024; To Local Government and Municipal Finance Committee)
HB 5736	Veterans' Services And Benefits (Mentzer) Requires employers to post notice of veterans' services and benefits.	Received in Senate (7/30/2024; To Labor Committee)
HB 5819	Veterans (Coffia) Modifies veterans trust fund act and removes period of war service requirement.	Introduced (6/13/2024; To Military, Veterans and Homeland Security Committee)

BILL #	TITLE/INTRODUCER/DESCRIPTION	STATUS
HB 5834	Illicit Drugs (Breen) Prohibits illicit use of xylazine and provides penalties.	Introduced (6/25/2024; To Judiciary Committee)
HB 5835	Illicit Drug (Breen) Provides sentencing guidelines for illicit use of xylazine.	Introduced (6/25/2024; To Judiciary Committee)
SB 28	Mental Health (Anthony) Expands definition of restraint.	Introduced (1/18/2023; To Health Policy Committee)
SB 399	Mental Health (Bellino) Modifies competitive grant program.	Introduced (6/21/2023; To Appropriations Committee)
SB 499	Controlled Substances (Irwin) Exempts conduct associated with entheogenic plants and fungi from criminal penalties in certain circumstances.	Introduced (9/14/2023; To Regulatory Affairs Committee)
SB 540	Veterans (Hertel, K.) Creates Michigan veterans coalition grant program.	Introduced (10/3/2023; To Veterans and Emergency Services Committee)
SB 541	Veterans (Hauck) Creates Michigan veterans coalition fund.	Introduced (10/3/2023; To Veterans and Emergency Services Committee)
SB 542	Controlled Substances (Hertel, K.) Allows choice of formulation, dosage, and route of administration for opioid antagonists by certain persons and governmental entities if department of health and human services distributes opioid antagonists free of charge.	Committee Hearing in Senate Health Policy Committee (6/18/2024)
SB 546	Liquor Licenses (Hauck) Modifies license to sell alcoholic liquor for consumption on the premises of a certain conference centers.	Received in House (3/19/2024; To Regulatory Reform Committee) Passed in Senate (3/19/2024; 37-0; Earlier advanced to Third Reading.)
SB 574	Veteran Benefits (Singh) Creates Tricare premium reimbursement program.	Introduced (10/10/2023; To Appropriations Committee)
SB 641	Open Meetings (McBroom) Revises provisions of open meetings act relating to virtual attendance and participation of members of public bodies at public meetings.	Introduced (11/7/2023; To Oversight Committee)
SB 647	Tobacco Products (Shink) Eliminates preemption of local ordinances pertaining to the sale of tobacco products or the licensure of distributors.	Introduced (11/9/2023; To Regulatory Affairs Committee)
SB 648	Tobacco Products (Chang) Creates excise tax on e-cigarettes and certain other tobacco products.	Introduced (11/9/2023; To Regulatory Affairs Committee)

BILL #	TITLE/INTRODUCER/DESCRIPTION	STATUS
SB 649	Tobacco Products (Cherry) Prohibits advertising for sale, displaying for sale, marketing, or selling a nicotine or tobacco product that has characterizing flavor.	Introduced (11/9/2023; To Regulatory Affairs Committee)
SB 650	Tobacco (Cherry) Revises reference to 1915 PA 31 in the age of majority act of 1971.	Introduced (11/9/2023; To Regulatory Affairs Committee)
SB 651	Tobacco Products (Singh) Requires license to sell a nicotine or tobacco product at retail.	Introduced (11/9/2023; To Regulatory Affairs Committee)
SB 652	Tobacco (Singh) Revises reference to 1915 PA 31 in the age of majority act of 1971.	Introduced (11/9/2023; To Regulatory Affairs Committee)
SB 653	Tobacco (Cavanagh) Revises reference to 1915 PA 31 in the age of majority act of 1971.	Introduced (11/9/2023; To Regulatory Affairs Committee)
SB 654	Youth Tobacco Act (Wojno) Sunsets criminal penalties and civil sanctions for minors that purchase, possess, or use tobacco products, vapor products, or alternative nicotine products.	Introduced (11/9/2023; To Regulatory Affairs Committee)
SB 695	Adult Foster Care (Singh) Modifies definitions and licensing provisions under adult foster care facility licensing act.	Committee Hearing in House Families, Children and Seniors Committee (6/18/2024)
SB 802	Mental Health (Wojno) Provides inclusion of mental health and substance use disorder services with the Michigan crisis and access line.	Introduced (3/19/2024; To Health Policy Committee)
SB 806	Mental Health (Hauck) Requires psychological evaluation on a minor in a hospital emergency room longer than a certain period of time due to a mental health episode.	Introduced (4/9/2024; To Health Policy Committee)
SB 870	Remote Meetings (McCann) Provides for remote meeting participation of certain public body members with disabilities.	Introduced (5/9/2024; To Civil Rights, Judiciary and Public Safety Committee)
SB 915	Mental Health (Hertel, K.) Revises person requiring treatment and modifies certain procedures for treatment.	Introduced (6/12/2024; To Health Policy Committee)
SB 916	Mental Health (Santana) Provides outpatient treatment for misdemeanor offenders with mental health issues.	Introduced (6/12/2024; To Health Policy Committee)
SB 917	Mental Health (Irwin) Expands hospital evaluations for assisted outpatient treatment.	Introduced (6/12/2024; To Health Policy Committee)
SB 918	Mental Health (Wojno) Expands petition for access to assisted	Introduced (6/12/2024; To Health Policy Committee)

BILL #	TITLE/INTRODUCER/DESCRIPTION	STATUS
	outpatient treatment to additional health providers.	
HCR 5	Psychological Trauma (Conlin) A concurrent resolution to urge the United States Congress, Department of Defense, and Department of Veterans Affairs to prioritize research and investment in non-technology treatment options for servicemembers and veterans who have psychological trauma as a result of military service.	Passed in Senate (9/7/2023; Voice Vote)

Community Mental Health
Member Authorities

Bay Arenac
Behavioral Health

CMH of
Clinton, Eaton, Ingham
Counties

CMH for Central Michigan

Gratiot Integrated Health
Network

Huron Behavioral Health

The Right Door for Hope,
Recovery and Wellness (Ionia
County)

LifeWays CMH

Montcalm Care Center

Newaygo County
Mental Health Center

Saginaw County CMH

Shiawassee Health and
Wellness

Tuscola Behavioral
Health Systems

Board Officers

Ed Woods
Chairperson

Irene O'Boyle
Vice-Chairperson

Deb McPeck-McFadden
Secretary

REPORT OF THE MSHN DEPUTY DIRECTOR to the Board of Directors July/August

Staffing Update

Mid-State Health Network wishes to extend our congratulations and appreciation to two employees who have been with the organization since August 2015 and are planning to retire this fall: Linda Proper, Business Analyst and Rebecca Emmenecker, Treatment Specialist. We greatly appreciate their contributions over the years and wish them the best in this next chapter.

MSHN has also filled the two (2) Access Specialist positions which completes the hiring for the New Substance Use Disorder (SUD) Access Department.

- William (Billy) Nichols will be joining MSHN on September 9, 2024. William comes to MSHN with many years of experience with Substance Use Disorder Counseling, as a Certified Alcohol and Drug Counselor and most recently with Washtenaw Community Mental Health as part of his internship for his Master of Social Work. Eric Turner will be joining MSHN on October 7, 2024.
- Eric comes to MSHN with many years of experience in the access department for Region 10 PIHP, most recently as the Access Clinical Manager and has his Master of Clinical Social Work.

MSHN is still looking to fill the two (2) Treatment Specialist positions and a Database and Report Coordinator position. Both positions are located on MSHN's website at:

<https://midstatehealthnetwork.org/stakeholders-resources/about-us/Careers>.

Performance Bonus Incentive Payment (PBIP) for Housing & Employment

The Michigan Department of Health and Human Services (MDHHS) contract with the Prepaid Inpatient Health Plan (PIHP) includes expectations within the Performance Bonus Incentive Program. For FY24 a new measure was included to "Implement data driven outcomes measurement to address social determinants of health". This measure is worth 40% of the PIHP pay for performance withhold that if met, turns into local for the Community Mental Health Service Programs (CMHSP). Specifically, PIHPs are required to analyze and monitor Behavioral Health-Treatment Episode Data Set (BH-TEDS) records to improve housing and employment outcomes for persons served. MSHN is required to submit a report of findings and project plans aimed at improving outcomes. This effort has been led by our Integrated Care Department with support from Quality and Information Technology. The results are summarized below.

Housing

The rate of homelessness decreased for all populations served except for individuals with Intellectual/Developmental Disabilities (I/DD) Only, however individuals with I/DD Only had an exceptionally low rate of homelessness compared to all other populations served. All populations served experienced similar improvement in living conditions for individuals who were homeless at admission:

- 25.00% movement for individuals with I/DD Only (*Small population size, n = 10)
- 17.23% movement for individuals with Mental Illness (MI) Only
- 18.28% movement for individuals with I/DD and MI
- 15.84% movement for individuals with SUD

Employment

The employment rate increased for all populations served, however increases were less than expected for all populations. Additionally, the rate of change was nearly the same for all populations except individuals with SUD.

- 0.60% increase for individuals with I/DD Only
- 0.99% increase for individuals with MI Only
- 0.87% increase for individuals with I/DD and MI
- 2.39% increase for individuals with SUD

All populations served experienced improvement in the percentage of individuals who were not in the labor force at admission and entered the labor force at most recent update record. Additionally, the rate of change was nearly the same for all populations except individuals with SUD.

- 2.85% movement for individuals with I/DD Only
- 3.62% movement for individuals with MI Only
- 3.35% movement for individuals with I/DD and MI
- 11.14% movement for individuals with SUD

Addressing and improving Social Determinants of Health (SDOH) for all populations served is a high priority for MSHN. The current housing and employment outcomes analysis complements the activities MSHN is already engaged in, however, the report also summarizes quality improvement efforts as a result of the analysis.

For the full reports on PBIP SDOH activities, *see the links below: PBIP FY24 Housing Analysis and PBIP FY24 Employment Analysis.*

Credentialing Committee Updates

The Credentialing Committee was established to provide counsel and approval of MSHN's Provider Network. Typical activities include: 1) appointment to the MSHN provider network through review of organizational credentials, 2) review credentials of practitioners who do not meet the agency's criteria; 3) give thoughtful consideration to credentialing information; 4) take action on credentialing recommendations of MSHN credentialed staff; 3) granting of privileges, as applicable, to MSHN credentialed staff; 4) regular assessment of provider performance, as it relates to credentialing; 5) oversight and monitoring of delegated credentialing responsibilities, and 6) credentialing policy/procedure development.

In the MSHN region, credentialing/re-credentialing is both a Prepaid Inpatient Health Plan function delegated to Community Mental Health Service Programs (CMHSP) Participants and a function directly performed by MSHN staff for substance use disorder (SUD) providers and MSHN employees. In July the Credentialing Committee, that includes the region's Medical Director, Chief Clinical Officer, Chief Behavioral Health Officer, Chief Quality and Compliance Officer, Chief Financial Officer, Contract Specialist and Deputy Director, approved nine (9) MSHN employee recredentialing files. In addition, the committee reviewed and updated the charter, reviewed the CMH summary report and prepared for the upcoming FY25 MDHHS contract changes related to credentialing.

To view more about the region's credentialing activities, see the link located on our website at:

<https://midstatehealthnetwork.org/stakeholders-resources/board-councils/councils-committees/credentialing-committee>

Information Technology Report FY24Q3

Mid-State Health Network Information Technology team provides services related to technology for the region. This includes assisting and supporting the region in meeting the contractual obligations for MDHHS, supporting the participating CMHSPs and SUD providers through managed care processes, strategic direction for technology initiatives and technical assistance with the MSHN team. This report is developed to:

- **Display statistics** of the MSHN region as it relates to MDHHS reporting.

- **Status projects** as impacting MSHN and the region through this reporting period.
- **Identify future initiatives** for FY24 and beyond.

Information Technology staff work with CMHSPs and SUD providers to submit BH-TEDS and encounters on a weekly and monthly basis. The staff identify any potential concerns or higher than normal error rates and follow-up with providers as needed. The report also includes the volume of files processed, based on consumers and services provided. It also includes the regions completion rate as compared to other PIHPs.

MSHN Information Technology department is supporting two larger implementation projects expected for FY25. MSHN Board of Directors will hear more about these projects as they move toward a recommendation.

- 1) Data Analytics Request for Proposal (RFP), including Predictive Modeling; and
- 2) Compliance Software Solutions

For the full report, *see the link below: Information Technology Department FY24 Q3 Report.*

Utilization Management Department Update

The MSHN Utilization Management (UM) department provides oversight of access and referral for substance use disorder (SUD) treatment services and authorization of SUD treatment services. The UM department also provides support and technical assistance to the SUD provider network related to these content areas. The purpose of the quarterly report is to:

1. Summarize Quarterly Activity in the areas of utilization review: prospective, concurrent, and retrospective
2. Conduct Environmental Scan of external and internal factors which may affect the UM Department’s ability to adequately perform responsibilities
3. Plan for Future Initiatives during FY24 and beyond

One of the many content areas in the quarterly report includes an analysis of authorizations that are auto approved as well as those that require a Utilization Management Specialist to review. The table below indicates the total number of authorizations processed in MSHN’s electronic management system each quarter during FY24.

FY 24	Auto Approved	Concurrent Review	Total	Average Rate of Concurrent Review	Average Number of Concurrent Reviews per Week
Q1	6466	1365	7831	21.1%	105
Q2	6187	1665	7852	21.2%	128

For more information on Utilization Reviews, *see the link below: FY24Q2 Utilization Management Department Report.*

Submitted by:



Amanda L. Ittner
Finalized: 8.27.24

Links to Reports:

- [PBIP Housing Analysis - FY24](#)
- [PBIP Employment Analysis – FY24](#)
- [Information Technology Report - FY24Q3](#)
- [Utilization Management Report - FY24Q2](#)

Background:

In accordance with the MSHN Board of Directors to review financials, at a minimum quarterly, the Statement of Net Position and Statement of Activities for the Period Ending July 31, 2024, have been provided and presented for review and discussion.

Recommended Motion:

The MSHN Board of Directors receives and files the Statement of Net Position and Statement of Activities for the Period Ending July 31, 2024, as presented.

**Mid-State Health Network
Statement of Activities
As of July 31, 2024**

		Columns Identifiers					
		A	B	C	D	E (C - D)	F (C / B)
Rows Numbers		Budget Annual	Actual Year-to-Date	Budget Year-to-Date	Budget Year-to-Date	Budget Difference	Actual % of Budget
		FY24 Original Bdgt		FY24 Original Bdgt			
		83.33%					
1	Revenue:						
2	Grant and Other Funding	\$ 371,985	193,295	309,988	(116,692)	51.96 %	1a
3	Medicaid Use of Carry Forward	\$ 6,930,100	7,601,858	5,775,083	1,826,775	109.69%	1b
4	Medicaid Capitation	836,629,761	705,715,461	697,191,467	8,523,993	84.35%	1c
5	Local Contribution	1,550,876	1,233,388	1,292,396	(59,008)	79.53%	1d
6	Interest Income	1,300,000	2,684,896	1,083,334	1,601,562	206.53%	1e
7	Non Capitated Revenue	21,631,638	13,855,721	18,026,365	(4,170,644)	64.05%	1f
8	Total Revenue	868,414,360	731,284,619	723,678,633	7,605,986	84.21 %	
9	Expenses:						
10	PIHP Administration Expense:						
11	Compensation and Benefits	8,053,276	5,831,135	6,711,064	(879,930)	72.41 %	
12	Consulting Services	212,800	194,049	177,334	16,716	91.19 %	
13	Contracted Services	131,550	129,914	109,625	20,289	98.76 %	
14	Other Contractual Agreements	427,000	262,338	355,833	(93,496)	61.44 %	
15	Board Member Per Diems	18,900	11,200	15,750	(4,550)	59.26 %	
16	Meeting and Conference Expense	229,275	101,115	191,062	(89,947)	44.10 %	
17	Liability Insurance	32,500	33,259	27,084	6,176	102.34 %	
18	Facility Costs	158,254	143,713	131,878	11,835	90.81 %	
19	Supplies	353,575	211,504	294,646	(83,143)	59.82 %	
20	Other Expenses	992,000	917,644	826,667	90,978	92.50 %	
21	Subtotal PIHP Administration Expenses	10,609,130	7,835,871	8,840,943	(1,005,072)	73.86 %	2a
22	CMHSP and Tax Expense:						
23	CMHSP Participant Agreements	774,358,597	657,863,935	645,298,831	12,565,104	84.96 %	1b,1c,2b
24	SUD Provider Agreements	72,537,438	50,277,696	60,447,865	(10,170,170)	69.31 %	1c,1f,2c
25	Benefits Stabilization	1,401,000	6,522,940	1,167,500	5,355,440	465.59 %	1b
26	Tax - Local Section 928	1,550,876	1,233,388	1,292,397	(59,008)	79.53 %	1d
27	Taxes- IPA/HRA	24,055,503	33,095,300	20,046,252	13,049,048	137.58 %	2d
28	Subtotal CMHSP and Tax Expenses	873,903,414	748,993,259	728,252,845	20,740,414	85.71 %	
29	Total Expenses	884,512,544	756,829,130	737,093,788	19,735,342	85.56 %	
30	Excess of Revenues over Expenditures	\$ (16,098,184)	\$ (25,544,511)	\$ (13,415,155)			

Mid-State Health Network
Statement of Net Position by Fund
As of July 31, 2024

Column Identifiers			
A	B	C	D B + C

Row Numbers		Behavioral Health Operating	Medicaid Risk Reserve	Total Proprietary Funds	
1	Assets				
2	Cash and Short-term Investments				
3	Chase Checking Account	9,360,476	0	9,360,476	1a
4	Chase MM Savings	34,862,507	0	34,862,507	1b
5	Savings ISF Account	0	25,956,613	25,956,613	1c
6	Savings PA2 Account	3,414,609	0	3,414,609	1c
7	Investment PA2 Account	3,499,661	0	3,499,661	1b
8	Investment ISF Account	0	31,998,837	31,998,837	1b
9	Total Cash and Short-term Investments	\$ 51,137,253	\$ 57,955,450	\$ 109,092,703	
10	Accounts Receivable				
11	Due from MDHHS	39,515,920	0	39,515,920	2a
12	Due from CMHSP - Non-Service Related	1,390	0	1,390	2b
13	Due from Other Governments	1,093,690	0	1,093,690	2c
14	Due from Miscellaneous	370,232	0	370,232	2d
15	Total Accounts Receivable	40,981,232	0	40,981,232	
16	Prepaid Expenses				
17	Prepaid Expense Rent	4,529	0	4,529	2e
18	Prepaid Expense Other	20,700	0	20,700	2f
19	Total Prepaid Expenses	25,229	0	25,229	
20	Fixed Assets				
21	Fixed Assets - Computers	189,180	0	189,180	2g
22	Accumulated Depreciation - Computers	(189,180)	0	(189,180)	2h
23	Lease Assets	203,309	0	203,309	2h
24	Accumulated Amortization - Lease Asset	(159,218)	0	(159,218)	2h
25	Total Fixed Assets, Net	44,091	0	44,091	
26	Total Assets	\$ 92,187,805	\$ 57,955,450	\$ 150,143,255	
27					
28	Liabilities and Net Position				
29	Liabilities				
30	Accounts Payable	\$ 5,484,675	\$ 0	\$ 5,484,675	1a
31	Current Obligations (Due To Partners)				
32	Due to State	34,120,826	0	34,120,826	3a
33	Other Payable	4,724,460	0	4,724,460	3b
34	Due to Hospitals (HRA)	10,974,900	0	10,974,900	1a, 3c
35	Due to State-IPA Tax	175,624	0	175,624	3d
36	Due to State Local Obligation	70,231	0	70,231	3e
37	Due to CMHSP Participants	48,039,931	0	48,039,931	3f
38	Accrued PR Expense Wages	238,883	0	238,883	3g
39	Accrued Benefits PTO Payable	453,466	0	453,466	3h
40	Accrued Benefits Other	64,887	0	64,887	3i
41	Total Current Obligations (Due To Partners)	98,863,208	0	98,863,208	
42	Lease Liability	46,179	0	46,179	2i
43	Deferred Revenue	6,719,714	0	6,719,714	1b 1c
44	Total Liabilities	111,113,776	0	111,113,776	
45	Net Position				
46	Unrestricted	(18,925,971)	0	(18,925,971)	3j
47	Restricted for Risk Management	0	57,955,450	57,955,450	1b
48	Total Net Position	(18,925,971)	57,955,450	39,029,479	
49	Total Liabilities and Net Position	\$ 92,187,805	\$ 57,955,450	\$ 150,143,255	

**Mid-State Health Network
Notes to Financial Statements
For the Ten-Month Period Ended,
July 31, 2024**

Please note: The Statement of Net Position contains Fiscal Year (FY) 2024 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. CMHSP cost settlement figures were extracted from the projection MDHHS Financial Status (FSR) Report submitted in August 2024. Typically, projection FSR figures would not be used in Financial Statements however MSHN's fiscal position dictates a departure from that practice to ensure the reports presented illustrate the anticipated fiscal year-end standing more accurately.

Preliminary Statement of Net Position:

1. Cash and Short-Term Investments
 - a) The Cash Chase Checking and Chase Money Market Savings accounts is the cash available for operations.
 - b) The Savings Internal Service Fund (ISF) and Investment ISF reflect designated accounts to hold the Medicaid ISF funds separate from all other funding per the MDHHS contract. MSHN holds nearly \$32 M in the investment account, which is about 55% of the available ISF balance. The investment percentage is less than historical amounts should the Region need to access funds for service delivery and other operational expenses. The remaining portion is held in a savings account and available for immediate use if needed. Internal Service Funds are used to cover the Region's risk exposure. In the event current Fiscal Year revenue is spent and all prior year savings are exhausted, PIHPs can transfer ISF dollars and use for remaining costs. MSHN has had a fully funded ISF which is 7.5% of Medicaid Revenue for the last several Fiscal Years.
 - c) The Savings PA2 account holds PA2 funds and is also offset by the Deferred Revenue liability account and investments exceeding \$3.49 M.
2. Accounts Receivable
 - a) More than 62% of the balance results from Certified Community Behavioral Health Centers' (CCBHC) supplemental funding which covers all mild to moderate recipients. Supplemental funding also covers a portion of the Prospective Payment System (PPS-1) for individuals with Severe Mental Impairments (SMI)/Severe Emotional Disturbance (SED)/Substance Use Disorder (SUD). In addition, Hospital Rate Adjustor (HRA) amounts due for April through July account for 28% of the balance. Lastly, the remaining balance stems from miscellaneous items.
 - b) Due from CMHSP – Non-Service Related shows a balance for one CMH's purchase of additional RELIAS (training software) licenses.
 - c) Due from Other Governments account is designated for Public Act (PA) 2 (liquor tax) payments. The outstanding balance totals FY 24 quarter 3 county billing.
 - d) Approximately 66% of the balance in Due from Miscellaneous represents amounts owed from providers for Medicaid Event Verification (MEV) findings. The remaining amount represents advances made to SUD providers to cover operations.
 - e) Prepaid Expense Rent balance consists of security deposits for MSHN office suites.
 - f) Prepaid Expense Other represents payments for a BOX upgrade, MSHN's file storage platform and its Zoom platform.
 - g) Total Fixed Assets - Computers represent the value of MSHN's capital asset net of accumulated depreciation.

- h) The Lease Assets category is now displayed as an asset and liability based on a new Governmental Accounting Standards Board (GASB) requirement. The lease assets figure represents FY 2022 – 2025 contract amounts for MSHN’s office space.

3. Liabilities

- a) MSHN estimates FY 2022 and FY 2021 lapses totaling \$13.5 M and \$19.1 M to MDHHS, respectively. The lapse amounts indicate the ISF was fully funded for both fiscal years, and that savings fell within the second tier (above 5%). Per contractual guidelines MDHHS receives half of every dollar generated beyond this threshold until the PIHP’s total savings reach the 7.5% maximum. Further, MDHHS recently informed MSHN that the FY 2020 \$1.2 M lapse included in this balance is no longer owed as there was a change in accounting pronouncement. MSHN will consult with its auditors to determine the appropriate disposition of the liability from its general ledger.
- b) This amount is related to SUD provider payment estimates and is needed to offset the timing of payments.
- c) HRA is a pass-through account for dollars sent from MDHHS to cover supplemental payments made to psychiatric hospitals. HRA payments are intended to incentivize hospitals to have available psychiatric beds as needed. Total HRA payments are calculated based on the number of inpatient hospital services reported.
- d) Due to State - IPA Tax contains funds held for tax payments associated with MDHHS Per Eligible Per Month (PEPM) funds. Insurance Plan Assessment taxes are applied to Medicaid and Healthy Michigan eligibles.
- e) Due to State Local Obligations has a balance resulting from advance payments made by two CMHSPs. MSHN submits the quarterly payment to MDHHS by the due date and then collects from the CMHSPs for their portion.
- f) Due to CMHSP represents FY 24 projected cost settlement figures based on the MDHHS Projection FSR. These amounts will be paid during the region’s final cost settlements, which generally occur in May or after Compliance Examinations are complete.

CMHSP	Cost Settlement	Payments/Offsets	Total
Bay	5,536,667.00	-	5,536,667.00
CEI	5,590,760.00	-	5,590,760.00
Central	8,508,898.00	-	8,508,898.00
Gratiot	1,679,487.00	-	1,679,487.00
Huron	2,396,028.00	-	2,396,028.00
The Right Door	1,403,268.00	-	1,403,268.00
Lifeways	11,504,547.00	-	11,504,547.00
Montcalm	630,173.00	-	630,173.00
Newaygo	3,865,037.00	-	3,865,037.00
Saginaw	6,748,033.00	-	6,748,033.00
Shiawassee	(577,050.00)	-	(577,050.00)
Tuscola	754,083.00	-	754,083.00
Total	48,039,931.00	-	48,039,931.00

- g) Accrued payroll expense wages represent expenses incurred in July and paid in August.
- h) Accrued Benefits PTO (Paid Time Off) payable is the required liability account set up to reflect paid time off balances for employees.
- i) Accrued Benefits Other represents retirement benefit expenses incurred in July and paid in August.
- j) The Unrestricted Net Position represents the difference between total assets, total liabilities, and the restricted for risk management figure.

Preliminary Statement of Activities – Column F now calculates the actual revenue and expenses compared to the full year’s original budget. Revenue accounts whose Column F percent is less than 83.33% translate to MSHN receiving less revenue than anticipated/budgeted. Expense accounts with Column F amounts greater than 83.33% shows MSHN’s spending is trending higher than expected. Please Note: Amounts listed in the Statement of Activities were adjusted to include figures reported on the MSHN Projection FSR submitted to MDHHS in August 2024. Typically, projection FSR figures would not be used in Financial Statements however MSHN’s fiscal position dictates a departure from that practice to ensure the reports presented illustrate the anticipated fiscal year-end standing more accurately.

1. Revenue

- a) This account tracks Veterans Navigator (VN) activity and other small grants. The variance is expected to lessen over time as CMHSP Clubhouse Grant payments are received.
- b) The region is estimating a \$7.6 M savings carry forward. This number increased from March’s Statement as a larger portion of CCBHC payments were charged to supplemental which reduced the amount paid by capitation. As a reminder, Medicaid Savings are generated when the prior year revenue exceeds expenses for the same period. In addition, A small portion of Medicaid Savings is sent to the CMHSPs as funding delegated for SUD activities which include access, prevention, and customer services. FY 2023 Medicaid Carry Forward must be used as the first revenue source for FY 2024.
- c) Medicaid Capitation – There is a positive variance in this account as the amount owed from MDHHS for Certified Community Behavioral Health Clinic (CCBHC) FY supplemental payments is included. Supplemental payments fully cover Prospective Payment System (PPS) rates (daily visits) for individuals classified as having mild to moderate Behavioral Health and/or SUD diagnoses. Medicaid Capitation payment files are calculated and disbursed to CMHSPs based on a per eligible per month (PEPM) methodology and paid to SUD providers based on service delivery.
- d) Local Contribution is flow-through dollars from CMHSPs to MDHHS. Typically, revenue equals the expense side of this activity under Tax Local Section 928. Local Contributions were scheduled to reduce over the next few fiscal years until completely phased out. FY 2024 amounts owed will be the same as FY 2023.
- e) Interest income is earned from investments and changes in principle for investments purchased at discounts or premiums. Interest income is currently trending higher than budget amounts and will likely grow throughout the year. Please Note: The “change in market value” account activity has been removed for the FY 24 statements as MSHN’s US treasury investments may be recorded at costs since they are held to maturity and the maturity date occurs within one year of purchase.
- f) This account tracks non-capitated revenue for SUD services which include Community Grant and PA2 funds. There is a large variance in this account because the budget amount represents the full MDHHS allocation amount regardless of planned spending. COVID dollars are the most unspent of Block Grants because of strict parameters regarding use of these funds.

2. Expense

- a) Total PIHP Administration Expense is slightly under budget. The line items with the largest dollar variances are Compensation and Benefits as some FY 2024 budgeted positions have not been filled.
- b) CMHSP participant Agreement expenses are over budget as the actual expense amounts were adjusted to reflect amounts contained in the projection FSR. MSHN funds CMHSPs based on per eligible per month (PEPM) payment file. The file contains CMHSP county codes which designate where the payments should be sent. MSHN sends the full payment less taxes and affiliation fees which support PIHP operations.

- c) SUD provider payments are less than anticipated and paid based on need. (Please see Statement of Activities 1c and 1f.)
- d) IPA/HRA actual tax expenses are higher than the budget amount as FY 24 HRA payments increased from \$308 to \$622. IPA estimates are impacted by variability in the number of Medicaid and Healthy Michigan eligibles. HRA figures will also vary throughout the fiscal year based on inpatient psychiatric utilization and contribute to the variance. (Please see Statement of Net Position 3c and 3d).

MID-STATE HEALTH NETWORK
SCHEDULE OF INTERNAL SERVICE FUND INVESTMENTS
As of July 31, 2024

DESCRIPTION	CUSIP	TRADE DATE	SETTLEMENT DATE	MATURITY DATE	CALLABLE	AMOUNT DISBURSED	PRINCIPAL	AVERAGE ANNUAL YIELD TO MATURITY	Chase Savings Interest	Total Chase Balance
UNITED STATES TREASURY BILL	91282CDR9	1.19.22	1.20.22	12.1.23		1,992,391.23	2,000,000.00			
UNITED STATES TREASURY BILL	91282CDR9						(2,000,000.00)			
UNITED STATES TREASURY BILL	912797FU6	6.14.23	6.15.23	12.14.23		9,746,615.56	10,000,000.00			
UNITED STATES TREASURY BILL	912797FU6						(10,000,000.00)			
UNITED STATES TREASURY BILL	912797GC5	7.12.23	7.13.23	1.11.24		19,476,648.89	20,000,000.00			
							(20,000,000.00)			
UNITED STATES TREASURY BILL	912797GM3	8.14.23	8.15.23	2.8.24		13,999,344.96	14,366,000.00			
UNITED STATES TREASURY BILL	912797GM3	8.14.23	8.15.23	2.8.24			(14,366,000.00)			
UNITED STATES TREASURY BILL	912797JM0	12.12.23	12.14.23	4.9.24		9,833,206.75	10,000,000.00			
UNITED STATES TREASURY BILL	912797JM0	12.12.23	12.14.23	4.9.24			(10,000,000.00)			
UNITED STATES TREASURY BILL	912797JQ1	12.29.23	1.2.24	4.30.24		1,966,250.28	2,000,000.00			
UNITED STATES TREASURY BILL	912797JQ1	12.29.23	1.2.24	4.30.24			(2,000,000.00)			
UNITED STATES TREASURY BILL	912797HF7	1.9.24	1.11.24	4.11.24		19,998,137.44	20,261,000.00			
UNITED STATES TREASURY BILL	912797HF7	1.9.24	1.11.24	4.11.24			(20,261,000.00)			
UNITED STATES TREASURY BILL	912797GB7	4.10.24	4.11.24	7.11.24		29,998,279.23	30,395,000.00			
UNITED STATES TREASURY BILL	912797GB7	4.10.24	4.11.24	7.11.24			(30,395,000.00)			
UNITED STATES TREASURY BILL	912797KZ9	4.29.24	4.30.24	8.27.24		1,999,458.02	1,999,458.02			
UNITED STATES TREASURY BILL	912797MA2	7.9.24	7.11.24	11.5.24		29,999,379.63	29,999,379.63			
JP MORGAN INVESTMENTS						31,998,837.65				31,998,837.65
JP MORGAN CHASE SAVINGS						25,710,000.82	0.010%	246,611.76		25,956,612.58
						<u>\$ 57,708,838.47</u>		<u>\$ 246,611.76</u>		<u>\$ 57,955,450.23</u>

U.S. Treasury Bills – Treasury Bills, or T-Bills, are sold in terms ranging from a few days to 52 weeks. T-Bills are short-term debt issued and backed by the full faith and credit of the United States government. T-Bills are typically sold at a discount from the par amount (par amount is also called face value). You can hold a T-Bill until it matures or sell it prior to maturity. When a T-Bill matures, you are paid the par amount. Assuming the T-Bill is held to maturity, the difference between the par amount at maturity and the original cost is the amount of interest earned. **Source: U.S Treasury Direct**

U.S. Agencies – An agency security is a low-risk debt obligation that is issued by a U.S. government-sponsored enterprise (GSE). A Government-Sponsored Enterprise (GSE) bond is an agency bond issued by such agencies as Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage (Freddie Mac), Federal Farm Credit Banks Funding Corporation, and the Federal Home Loan Bank. Unlike Treasury securities, government agency bonds are not expressly backed by the full faith and credit of the U.S. government, but they do carry an implied backing due to the continuing ties between the agencies and the U.S. government. Most agency securities pay a semi-annual fixed coupon. **Source: Investopedia**

Chase does not generate statements in months when no investment activity occurs. In these instances, a position report provided by Chase is used to determine the investment principal. In addition, the change in market value is derived from the difference in market value and cost.

MID-STATE HEALTH NETWORK
 SCHEDULE OF PA2 SAVINGS INVESTMENTS
 As of July 31, 2024

DESCRIPTION	CUSIP	TRADE DATE	SETTLEMENT DATE	MATURITY DATE	CALLABLE	AMOUNT DISBURSED	PRINCIPAL	AVERAGE ANNUAL YIELD TO MATURITY	Chase Savings Interest	Total Chase Balance
UNITED STATES TREASURY BILL	912797GM3	8.14.23	8.15.23	2.8.24		3,499,349.00	3,591,000.00	912797GM3		
UNITED STATES TREASURY BILL	912797GM3	8.14.23	8.15.23	2.8.24			(3,591,000.00)			
UNITED STATES TREASURY BILL	912797JZ1	2.7.24	2.8.24	6.4.24		3,499,228.51	3,558,000.00			
UNITED STATES TREASURY BILL	912797JZ1	2.7.24	2.8.24	6.4.24			(3,558,000.00)			
UNITED STATES TREASURY BILL	9127979LK1	6.3.24	6.4.24	10.1.24		3,499,660.72	3,499,660.72			
							3,499,660.72			3,499,660.72
JP MORGAN INVESTMENTS							3,411,783.45	0.010%	2,825.79	3,414,609.24
JP MORGAN CHASE SAVINGS										
							<u>\$ 6,911,444.17</u>		<u>\$ 2,825.79</u>	<u>\$ 6,914,269.96</u>

U.S. Treasury Bills – Treasury Bills, or T-Bills, are sold in terms ranging from a few days to 52 weeks. T-Bills are short-term debt issued and backed by the full faith and credit of the United States government. T-Bills are typically sold at a discount from the par amount (par amount is also called face value). You can hold a T-Bill until it matures or sell it prior to maturity. When a T-Bill matures, you are paid the par amount. Assuming the T-Bill is held to maturity, the difference between the par amount at maturity and the original cost is the amount of interest earned. **Source: U.S Treasury Direct**

U.S. Agencies – An agency security is a low-risk debt obligation that is issued by a U.S. government-sponsored enterprise (GSE). A Government-Sponsored Enterprise (GSE) bond is an agency bond issued by such agencies as Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage (Freddie Mac), Federal Farm Credit Banks Funding Corporation, and the Federal Home Loan Bank. Unlike Treasury securities, government agency bonds are not expressly backed by the full faith and credit of the U.S. government, but they do carry an implied backing due to the continuing ties between the agencies and the U.S. government. Most agency securities pay a semi-annual fixed coupon. **Source: Investopedia**

Chase does not generate statements in months when no investment activity occurs. In these instances, a position report provided by Chase is used to determine the investment principal. In addition, the change in market value is derived from the difference in market value and cost.

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 FY24 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 FY24 contract listing.

MID-STATE HEALTH NETWORK					
FISCAL YEAR 2024 NEW AND RENEWING CONTRACTS					
September 2024					
CONTRACTING ENTITY	CMHSP SERVICE AREA	CONTRACT TERM	CURRENT FY24 CONTRACT AMOUNT	FY24 TOTAL CONTRACT AMOUNT	FY24 INCREASE/ (DECREASE)
PIHP/CMHSP MEDICAID SUBCONTRACTS					
CEI Community Mental Health Authority	Clinton, Eaton & Ingham	10.1.23 - 9.30.24	166,132,574	166,593,127	460,553
LifeWays	Jackson & Hillsdale	10.1.23 - 9.30.24	107,586,113	107,621,370	35,257
Saginaw County Community Mental Health Authority	Saginaw	10.1.23 - 9.30.24	131,171,356	131,233,623	62,267
The Right Door for Hope, Recovery & Wellness	Ionia	10.1.23 - 9.30.24	25,418,995	25,576,406	157,411
			\$ 430,309,038	431,024,526	715,488
CONTRACTING ENTITY	CONTRACT SERVICE DESCRIPTION (Revenue Contract)	CONTRACT TERM	FY24 CURRENT CONTRACT AMOUNT	FY24 TOTAL CONTRACT AMOUNT	FY24 INCREASE/ (DECREASE)
Michigan Department of Health & Human Services (EGrAMS)	Recovery Incentives Infrastructure	9.1.24 - 9.30.24	-	15,000	15,000
			\$ -	\$ 15,000	\$ 15,000

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 FY25 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 FY25 contract listing.

MID-STATE HEALTH NETWORK
FISCAL YEAR 2025 NEW AND RENEWING CONTRACTS
 September 2024

	CONTRACTING ENTITY	CONTRACT SERVICE DESCRIPTION	CONTRACT TERM	FY2025 CONTRACT AMOUNT	FY2024 CONTRACT AMOUNT	INCREASE/ (DECREASE)
PIHP RETAINED FUNCTION CONTRACTS						
1	CEI Community Mental Health Authority	File Management, Historical data Repository & Data Exchange Processing	10.1.24 - 9.30.25	\$ 175,000	\$ 175,000	-
2	Dr. Zakia Alavi, MD	Chief Medical Officer (Rate of \$145/Hr.)	10.1.24 - 9.30.25	\$ -	\$ -	-
				\$ 175,000	\$ 175,000	\$ -
	CONTRACTING ENTITY	CONTRACT SERVICE DESCRIPTION	CONTRACT TERM	FY2025 CONTRACT AMOUNT	FY2024 CONTRACT AMOUNT	INCREASE/ (DECREASE)
PIHP ADMINISTRATIVE FUNCTION CONTRACTS						
3	Addis Enterprises (AE Design)	Website Design and Development	10.1.24 - 9.30.25	\$ 23,000	\$ 23,000	-
4	ASAM	ASAM Continuum License Agreement & BAA	6.24.21 - 6.23.24			
5	BOX	Box Consulting Project/Document Storage Enterprise Licenses	2.6.24 - 2.6.27	\$ 29,520	\$ 29,100	420
6	CoStaff	PEO Services	10.1.24 - 9.30.25	\$ 60,040	\$ 60,040	-
	EAP Amendment (New Directions)	Employee Assistance Program (Renewal)	4.1.24 - 3.31.25	\$ 3,350	\$ 3,350	-
7	CMHAM	CMHAM to coordinate 13 ASAM Criteria 4 trainings for the SUD provider network in FY25	10.1.24 - 9.29.25	\$ 75,000	\$ -	75,000
8	Hazelton Publishing	ASAM Criteria 4 Manuals for SUD provider network training in FY25	10.1.24 - 9.29.25	\$ 85,000	\$ 85,000	-
9	Healthy Transitions, LLC (fka FHPCC)	Crisis Residential Unit	10.1.24 - 3.31.25	\$ 130,000	\$ 260,000	(130,000)
10	Linda Fletcher, MS, CPNP	PDN Services	10.1.24 - 9.30.25	\$ 2,640	\$ 2,640	-
11	Maner Costerisan, East Lansing, Michigan	Accounting and Financial Management System Support	10.1.24 - 9.30.25	\$ 71,700	\$ 69,300	2,400
12	Michigan Consortium of Healthcare Excellence (MCHE)	MCG Parity Software	10.1.24 - 10.1.27	\$ -	\$ 77,000	(77,000)
13	Michigan Optometric Association	Facilities Rental (Yr. 3 of 3 lower ste.'s)	10.1.24 - 9.30.25	\$ 40,185	\$ 39,480	705
14	Microsoft AZURE	Subscription Service	10.1.24 - 9.30.25	\$ 72,000	\$ 72,000	-
15	MIHIN	Use Case & SOW and MIDGATE	10.1.24 - 9.30.25	\$ 104,000	\$ 104,000	-
16	Milliman	DRIVE License Agreement; 1k per user	10.1.24 - 9.30.25	\$ 2,000	\$ 2,000	-
17	Open Beds, Inc.	IPHU Bed Registry	10.6.21 - Open	\$ -	\$ -	-
18	PCE Systems	MCIS System	10.1.24 - 9.30.25	\$ 345,200	\$ 345,200	-
19	PEC Technologies	Web Development/Random Sampling	10.1.24 - 9.30.25	\$ 5,000	\$ 5,000	-
20	Providence Consulting Company, Lansing, Michigan	Computer Help Desk Support and Security	10.1.24 - 9.30.25	\$ 134,185	\$ 134,185	-
	GreatAmerica Financial Services Corp.	Subscription Service Re Laptops (3 yr. Term)	5.1.23 - 4.30.26	\$ 125,000	\$ 125,000	-
21	Relias Learning, LLC	On-Line Training Services Package (60 mos. Full term)	11.1.24 - 10.31.25	\$ 437,955	\$ 437,955	-
22	Roslund Prestage & Company, Alma, Michigan	Single, Financial and Compliance Audits	10.1.24 - 9.30.25	\$ 32,100	\$ 30,650	1,450
23	Train For Change	Facilitate 13 ASAM Criteria 4 Trainings for MSHN SUD provider network in FY25	10.1.24 - 9.29.25	\$ 123,120	\$ -	123,120
24	TBD Solutions, LLC, Ada Michigan	Ongoing Consultative Support ("Open"); per hour rate (\$195 + expenses)	10.1.24 - 9.30.25	\$ -	\$ -	-
25	TBD Solutions, LLC, Ada Michigan	Data Analysis and Knowledge Services	10.1.24 - 9.30.25	\$ 163,800	\$ 163,800	-
26	Wakely Consulting Group	FY23 Internal Service Fund Analysis	3.1.23 - 3.1.26	\$ 30,000	\$ 30,000	-
27	Zenith Technology Solutions (ZTS)	Metrics, Data Analysis, Outcome Measures, Monitoring	10.1.24 - 9.30.25	\$ 280,000	\$ 280,000	-
28	Zoom Video Communications	Video / Phone Meeting/Zoom Phone	2.13.23 - 4.13.26 (Auto-Renew)	\$ 15,200	\$ 15,200	-
				\$ 2,389,995	\$ 2,393,900	\$ (3,905)
	CONTRACTING ENTITY	CMHSP SERVICE AREA	CONTRACT TERM	FY2025 CONTRACT AMOUNT	FY2024 CONTRACT AMOUNT	INCREASE/ (DECREASE)
PIHP/CMHSP MEDICAID SUBCONTRACTS						
29	Bay-Arenac Behavioral Health	Bay & Arenac	10.1.24 - 9.30.25	\$ 68,802,312	61,737,986	7,064,326
30	CEI Community Mental Health Authority	Clinton, Eaton & Ingham	10.1.24 - 9.30.25	\$ 185,240,111	166,132,574	19,107,537
	Clubhouse Spenddown MOU		10.1.24 - 9.30.25	\$ 48,805	60,000	(11,195)
31	Community Mental Health of Central Michigan	Clare, Gladwin, Isabella, Mecosta, Midland, Osceola	10.1.24 - 9.30.25	\$ 146,277,792	140,062,912	6,214,880
	Clubhouse Spenddown MOU		10.1.24 - 9.30.25	\$ 56,935	123,000	(66,065)
32	Gratiot Integrated Health Network	Gratiot	10.1.24 - 9.30.25	\$ 22,430,273	20,945,682	1,484,591
33	Huron County Community Mental Health Authority	Huron	10.1.24 - 9.30.25	\$ 16,907,275	14,471,258	2,436,017
34	LifeWays	Jackson & Hillsdale	10.1.24 - 9.30.25	\$ 115,644,832	107,586,113	8,058,719
	Clubhouse Spenddown MOU		10.1.24 - 9.30.25	\$ 23,590	28,985	(5,395)
35	Montcalm Care Network	Montcalm	10.1.24 - 9.30.25	\$ 29,960,000	28,328,026	1,631,974
	Clubhouse Spenddown MOU		10.1.24 - 9.30.25	\$ 24,400	30,000	(5,600)
36	Newaygo County Community Mental Health Authority	Newaygo	10.1.24 - 9.30.25	\$ 19,258,236	18,929,717	328,519
37	Saginaw County Community Mental Health Authority	Saginaw	10.1.24 - 9.30.25	\$ 134,273,926	131,171,356	3,102,570
	Clubhouse Spenddown MOU		10.1.24 - 9.30.25	\$ 16,270	20,000	(3,730)
38	Shiawassee Health & Wellness	Shiawassee	10.1.24 - 9.30.25	\$ 26,851,480	26,938,253	(86,773)
39	The Right Door for Hope, Recovery & Wellness	Ionia	10.1.24 - 9.30.25	\$ 24,823,678	25,418,995	(595,317)
40	Tuscola Behavioral Health Systems	Tuscola	10.1.24 - 9.30.25	\$ 24,915,048	25,512,768	(597,720)
				\$ 815,554,963	\$ 767,497,625	\$ 48,057,338

	SUD PROVIDERS				FY2024 CONTRACT	INCREASE/
	CONTRACTING ENTITY	PROJECTS/PROGRAM DESCRIPTION	CONTRACT TERM	FY2025 CONTRACT AMOUNT	AMOUNT	(DECREASE)
SUD SERVICE PROVIDER CONTRACTS (Cost Reimbursement/Fee For Services) NOTE: Fee for Service contracts show "-" amount						
41	Addiction Treatment Services	Treatment and Recovery	10.1.24 - 9.30.25	\$ -	-	-
42	Arbor Circle	Treatment and Prevention	10.1.24 - 9.30.25	\$ 386,397	408,411	(22,014)
43	Bear River Health	Treatment	10.1.24 - 9.30.25	\$ -	350,940	(350,940)
44	Behavioral Health Group (BHG)(f.k.a. MTC)	Treatment	10.1.24 - 9.30.25	\$ -	20,930	(20,930)
45	Big Brothers/Big Sisters of Jackson	Prevention	10.1.24 - 9.30.25	\$ 54,056	52,834	1,222
46	Boys and Girls Club of Great Lakes Bay Region	Prevention	10.1.24 - 9.30.25	\$ 299,508	226,609	72,899
47	Catholic Charities of Shiawassee & Genesee Counties	Prevention	10.1.24 - 9.30.25	\$ 145,453	186,548	(41,095)
48	Catholic Human Services	Treatment	10.1.24 - 9.30.25	\$ -	3,760	(3,760)
49	Cherry Street (Health) Services	Treatment	10.1.24 - 9.30.25	\$ -	6,580	(6,580)
50	Child & Family Charities	Prevention	10.1.24 - 9.30.25	\$ 126,182	148,449	(22,267)
51	City of Saginaw (Police Dept.)	Prevention	10.1.24 - 9.30.25	\$ 63,269	70,385	(7,116)
52	CMH for CEI - CMHSP	Treatment	10.1.24 - 9.30.25	\$ 816,191	799,475	16,716
53	Community Program, Inc. (dba Meridian Health Services)	Treatment	10.1.24 - 9.30.25	\$ -	-	-
54	Cristo Rey Community Center	Treatment and Prevention	10.1.24 - 9.30.25	\$ 433,560	458,514	(24,954)
55	District Health Department #10	Prevention	10.1.24 - 9.30.25	\$ 101,305	116,305	(15,000)
56	DOT Caring Centers, Inc./ Saginaw Valley Centers, Inc.	Treatment	10.1.24 - 9.30.25	\$ -	1,880	(1,880)
57	Eaton Regional Education Service Agency (RESA)	Prevention	10.1.24 - 9.30.25	\$ 639,126	729,849	(90,723)
58	Families Against Narcotics (FAN)	LOA/LC	10.1.24 - 9.30.25	\$ 28,532	-	28,532
59	Family Services & Children's Aid	Treatment and Prevention	10.1.24 - 9.30.25	\$ 849,152	700,940	148,212
60	First Ward Community Center	Prevention	10.1.24 - 9.30.25	\$ 271,677	478,297	(206,620)
61	Flint Odyssey House, Inc.	Treatment	10.1.24 - 9.30.25	\$ -	-	-
62	Gratiot County Child Advocacy Association	Prevention	10.1.24 - 9.30.25	\$ 230,000	264,482	(34,482)
63	Great Lakes Bay Pride	LOA/LC	10.1.24 - 9.30.25	\$ 5,000	-	-
64	Great Lakes Recovery Center	Treatment	10.1.24 - 9.30.25	\$ -	3,500	(3,500)
65	Harbor Hall, Inc.	Treatment	10.1.24 - 9.30.25	\$ -	-	-
66	HealthSource Saginaw, Pathways Chemical Dependency Center	Treatment	10.1.24 - 9.30.25	\$ -	-	-
67	Home of New Vision (HNV)	Treatment/ Prevention/Harm Reduction	10.1.24 - 9.30.25	\$ 559,313	715,512	(156,199)
68	Huron County Health Department	Prevention	10.1.24 - 9.30.25	\$ 193,763	198,670	(4,907)
69	Ingham County Health Department	Treatment (PORT)/Prevention	10.1.24 - 9.30.25	\$ 258,819	240,103	18,716
70	Ionia County Health Department	Prevention	10.1.24 - 9.30.25	\$ 240,881	155,620	85,261
71	Kalamazoo Probation Enhancement Program (KPEP)	Treatment	10.1.24 - 9.30.25	\$ -	-	-
72	LifeWays Community Mental Health Authority	Treatment and Prevention	10.1.24 - 9.30.25	\$ 190,449	166,552	23,897
73	List Psychological Services, Inc.	Treatment and Prevention	10.1.24 - 9.30.25	\$ 79,300	167,698	(88,398)
74	McCullough, Vargas & Associates	Treatment	10.1.24 - 9.30.25	\$ -	6,580	(6,580)
75	McLaren Bay Region (McLaren Prevention Services)	Prevention	10.1.24 - 9.30.25	\$ 197,450	232,588	(35,138)
76	Mid-Michigan District Health Department	Prevention	10.1.24 - 9.30.25	\$ 304,432	306,132	(1,700)
77	Mid-Michigan Health Services	Treatment (OHH Only)	10.1.24 - 9.30.25	\$ -	-	-
78	Mid-Michigan Recovery Services (f.k.a. NCALRA)	Treatment/Recovery	10.1.24 - 9.30.25	\$ 396,643	257,983	138,660
79	New Paths	Treatment	10.1.24 - 9.30.25	\$ -	1,880	(1,880)
80	North Kent Guidance Services, LLC	Treatment	10.1.24 - 9.30.25	\$ -	-	-
81	Our Hope Association (Women Only)	Treatment	10.1.24 - 9.30.25	\$ -	1,880	(1,880)
82	Parishioner's On Patrol	Community Outreach (LOA)	10.1.24 - 9.30.25	\$ 5,000	5,000	-
83	Peer 360	Prevention	10.1.24 - 9.30.25	\$ 1,180,850	964,780	216,070
84	Pinnacle Recovery Services	Recovery	10.1.24 - 9.30.25	\$ -	1,440	(1,440)
85	Prevention Network	Prevention	10.1.24 - 9.30.25	\$ 40,703	40,703	-
86	Professional Psychological & Psychiatric Services (PPPS)	Treatment	10.1.24 - 9.30.25	\$ 7,500	10,000	(2,500)
87	Punks w/ Lunch	Harm Reduction (LOA)	10.1.24 - 9.30.25	\$ 46,000	21,298	24,702
88	Randy's House	Recovery	10.1.24 - 9.30.25	\$ 80,281	362,072	(281,791)
89	Recovery Pathways, LLC	Treatment	10.1.24 - 9.30.25	\$ 379,942	340,296	39,646
90	Sacred Heart Rehabilitation Center	Treatment and Prevention	10.1.24 - 9.30.25	\$ 127,062	108,386	18,676
91	Saginaw County Health Dept.	Harm Reduction Syringe Services (LOA)	10.1.24 - 9.30.25	\$ 5,000	18,090	(13,090)
92	Saginaw Odyssey House	Treatment/Recovery	10.1.24 - 9.30.25	\$ -	2,500	(2,500)
93	Saginaw Youth Protection Council	Prevention	10.1.24 - 9.30.25	\$ 246,323	301,922	(55,599)
94	Salvation Army	Treatment	10.1.24 - 9.30.25	\$ -	940	(940)
95	Samaritas	Treatment	10.1.24 - 9.30.25	\$ 14,400	210,709	(196,309)
96	Shiawassee County Circuit Court - Family Division	Prevention	10.1.24 - 9.30.25	\$ 16,620	16,620	-
97	St. John's Police Department	Prevention	10.1.24 - 9.30.25	\$ 7,579	7,244	335
98	Sunrise Centre	Treatment	10.1.24 - 9.30.25	\$ -	-	-
99	Ten Sixteen Recovery Network	Treatment/Prevention/Recovery	10.1.24 - 9.30.25	\$ 1,819,803	1,947,320	(127,517)
100	The Legacy Center - Midland Area Partnership	Prevention	10.1.24 - 9.30.25	\$ 185,000	174,066	10,934
101	Victory Clinical Services	Treatment	10.1.24 - 9.30.25	\$ -	-	-
102	VCS Battle Creek		10.1.24 - 9.30.25	\$ -	-	-
103	VCS III - Jackson		10.1.24 - 9.30.25	\$ -	-	-
104	VCS IV - Saginaw		10.1.24 - 9.30.25	\$ 15,350	25,520	(10,170)
105	VCS Lansing		10.1.24 - 9.30.25	\$ -	-	-
106	W.A. Foote Memorial Hospital (dba Henry Ford Allegiance Health)	Treatment and Prevention	10.1.24 - 9.30.25	\$ 120,226	151,524	(31,298)

SUD PROVIDERS						FY2024 CONTRACT	INCREASE/
CONTRACTING ENTITY	PROJECTS/PROGRAM DESCRIPTION	CONTRACT TERM	FY2025 CONTRACT AMOUNT	AMOUNT	(DECREASE)		
SUD SERVICE PROVIDER CONTRACTS (Cost Reimbursement/Fee For Services) NOTE: Fee for Service contracts show "-" amount							
107	WAI-IAM (Rise Transitional Housing)	Recovery	10.1.24 - 9.30.25	\$ -	7,820		(7,820)
108	Wedgwood Christian Services	Treatment	10.1.24 - 9.30.25	\$ -	31,656		(31,656)
109	Wellness, Inx	Treatment and Prevention	10.1.24 - 9.30.25	\$ 618,718	705,295		(86,577)
110	Women of Colors	Prevention	10.1.24 - 9.30.25	\$ 165,000	252,765		(87,765)
				\$ 11,951,815	\$ 13,187,852		\$ (1,241,037)
CONTRACT SERVICE DESCRIPTION						FY2024 CONTRACT	INCREASE/
CONTRACTING ENTITY	(Revenue Contract)	CONTRACT TERM	FY2025 CONTRACT AMOUNT	AMOUNT	(DECREASE)		
PIHP REVENUE CONTRACTS							
111	Michigan Department of Health & Human Services (EGrAMS)	ARPA Prevention	10.1.24 - 9.30.25	\$ 150,000	150,000		-
112		ARPA Treatment	10.1.24 - 9.30.25	\$ 300,000	300,000		-
113		Clubhouse Engagement	10.1.24 - 9.30.25	\$ 170,000	261,985		(91,985)
114		Treatment & Access Management	10.1.24 - 9.30.25	\$ 6,481,639	6,481,639		-
115		Prevention	10.1.24 - 9.30.25	\$ 2,183,762	2,183,762		-
116		State Disability Assistance	10.1.24 - 9.30.25	\$ 295,155	295,155		-
117		State Opioid Response III	10.1.24 - 9.30.25	\$ 2,000,000	3,505,000		(1,505,000)
118		SUD - Administration	10.1.24 - 9.30.25	\$ 720,182	720,182		-
119		SUD Services - Tobacco II	10.1.24 - 9.30.25	\$ 4,000	4,000		-
120		SUD Services - Women's Specialty Services	10.1.24 - 9.30.25	\$ 929,872	929,872		-
121		Veteran's Systems Navigator	10.1.24 - 9.30.25	\$ 110,000	110,000		-
122		Recovery Incentives Infrastructure	10.1.24 - 9.30.25	\$ 15,000	15,000		-
123		Michigan Gambling Disorder Prevention Project	10.1.24 - 9.30.25	\$ 189,074	189,074		-
** FY20 first year to require individualized signatures on agreement							
124	Michigan Department of Health & Human Services	Medicaid Managed Specialty Supports and Services Program(s), the Healthy Michigan Program and Substance Use Disorder Community Grant Programs (FY25)	10.1.24 - 9.30.25	\$ -	-		-
				\$ 13,548,684	\$ 15,145,669		\$ (1,596,985)

FISCAL YEAR (FY) 2025 CMHSP CONTRACTS INFORMATION

FY 2025 CMHSP expense amounts are projected to exceed revenue by \$26.2 M. The MSHN region, including its Board of Directors, have adopted a philosophy of living within the anticipated per eligible per month (PEPM) revenue. In fact, the Cash Management Budget and Oversight policy describes expectations in detail. One of the key components of this policy states if MSHN's or a CMHSP's expenses exceed revenue by more than one percent, a cost containment plan is warranted. For the past several fiscal years, there have been many instances of expenses exceeding revenue. However, those times included maximum savings (including lapsed funds) as well as a fully funded Internal Service Fund (ISF) both of which may be used for risk management activities.

In FY 2025, seven of twelve CMHSPs are projecting revenue deficits and there is no anticipated FY 2024 savings carry forward. Unless there is a significant increase in anticipated enrollment and/or revenue rates, MSHN will use dollars from the ISF to cover cost overruns. Unfortunately, covering projected FY 25 costs may exhaust ISF dollars. The PIHP continues its advocacy effort with MDHHS as existing circumstances point to the fiscal position stemming primarily from revenue rates. Once final revenue rates are received, the region can begin effective cost containment efforts and develop strategies to operate within PEPM amounts. CMHSPs have reported significant utilization increases in inpatient hospital days, autism and community living supports (CLS) services.

As was stated during the FY 24 budget process, it is unreasonable to assume expected deficits can be extinguished within one fiscal year without causing irreparable harm to consumers. While we are projecting another deficit for FY 25, it is crucial that the board approve the CMHSP contracts so funds can continue to flow for beneficiary services and supports.”

Thank you for your attention.

**MID-STATE HEALTH NETWORK
FISCAL YEAR 2025 CMHSP CONTRACTS
September 2024**

CONTRACTING ENTITY	CMHSP SERVICE AREA	CONTRACT TERM	FY2025 CONTRACT AMOUNT	FY2024 CONTRACT AMOUNT	INCREASE/ (DECREASE)	FY 2025 REVENUE PROJECTION	REVENUE OVER/(UNDER) EXPENSE	REVENUE % DEFICIT
PIHP/CMHSP MEDICAID SUBCONTRACTS								
Bay-Arenac Behavioral Health	Bay & Arenac	10.1.24 - 9.30.25	68,802,315	61,737,986	7,064,329	60,309,452	(8,492,863)	-14.08%
CEI Community Mental Health Authority	Clinton, Eaton & Ingham	10.1.24 - 9.30.25	185,240,111	166,132,574	19,107,537	201,806,851	16,566,740	
Community Mental Health of Central Michigan	Clare, Gladwin, Isabella, Mecosta, Midland, Osceola	10.1.24 - 9.30.25	146,277,792	140,062,912	6,214,880	135,250,925	(11,026,867)	-8.15%
Community Mental Health Authority Gratiot County	Gratiot	10.1.24 - 9.30.25	22,430,273	20,945,682	1,484,591	20,333,342	(2,096,931)	-10.31%
Huron County Community Mental Health Authority	Huron	10.1.24 - 9.30.25	16,907,275	14,471,258	2,436,017	11,437,189	(5,470,086)	-47.83%
The Right Door for Hope, Recovery & Wellness	Ionia	10.1.24 - 9.30.25	24,823,678	25,418,995	(595,317)	26,762,155	1,938,477	
LifeWays Community Mental Health Authority	Jackson & Hillsdale	10.1.24 - 9.30.25	115,644,832	107,586,113	8,058,719	101,763,241	(13,881,591)	-13.64%
Montcalm Care Network	Montcalm	10.1.24 - 9.30.25	29,960,000	28,328,026	1,631,974	27,422,590	(2,537,410)	-9.25%
Newaygo County Community Mental Health Authority	Newaygo	10.1.24 - 9.30.25	19,258,236	18,929,717	328,519	19,263,738	5,502	0.03%
Saginaw County Community Mental Health Authority	Saginaw	10.1.24 - 9.30.25	134,273,926	131,171,356	3,102,570	132,541,277	(1,732,649)	-1.31%
Shiawassee County Community Mental Health Authority	Shiawassee	10.1.24 - 9.30.25	26,851,480	26,938,253	(86,773)	27,321,627	470,147	1.72%
Community Mental Health Authority Tuscola County	Tuscola	10.1.24 - 9.30.25	24,915,048	25,512,768	(597,720)	24,915,048	(0)	0.00%
			815,384,966	767,235,640	48,149,326	789,127,434	(26,257,532)	

Mid-State Health Network (MSHN) Board of Directors Meeting
Tuesday, July 2, 2024
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 and the Board Member Conduct Policy. Mr. Woods asked for a moment of silence in respect to the passing of fellow board member, Ms. Gretchen Nyland. Mr. Woods gave a warm welcome to the new board member, Linda Purcey appointed from The Right Door for Hope, Recovery, and Wellness.

2. Roll Call

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

Board Member(s) Present: Greg Brodeur (Shiawassee), Ken DeLaat (Newaygo), Bruce Gibb (Huron), David Griesing (Tuscola), Dan Grimshaw (Tuscola), Tina Hicks (Gratiot), John Johansen (Montcalm), Pat McFarland (Bay-Arenac), Deb McPeek-McFadden (The Right Door), Irene O’Boyle (Gratiot), Kurt Peasley (Montcalm), Joe Phillips (CMH for Central Michigan), Linda Purcey (The Right Door), Tracey Raquepaw (Saginaw), Kerin Scanlon (CMH for Central Michigan), Richard Swartzendruber (Huron), and Ed Woods (LifeWays)

Board Member(s) Remote: Jeanne Ladd (Shiawassee)-joined at 5:07 p.m.

Board Member(s) Absent: Brad Bohner (LifeWays), Joe Brehler (CEI), Paul Palmer (CEI), Bob Pawlak (Bay-Arenac), Susan Twing (Newaygo), and Joanie Williams (Saginaw)

Staff Member(s) Present: Joseph Sedlock (Chief Executive Officer), Amanda Ittner (Deputy Director), Leslie Thomas (Chief Financial Officer), Sherry Kletke, (Executive Support Specialist), Dr. Dani Meier (Chief Clinical Officer), and Sarah Andreatti (Substance Use Disorder Prevention Administrator)

Staff Member(s) Remote: Kim Zimmerman (Chief Compliance and Quality Officer)

3. Approval of Agenda for July 2, 2024

Board approval was requested for the Agenda of the July 2, 2024, Regular Business Meeting.

MOTION BY KURT PEASLEY, SUPPORTED BY DAVID GRIESING, FOR APPROVAL OF THE AGENDA OF JULY 2, 2024, REGULAR BUSINESS MEETING, AS PRESENTED. MOTION CARRIED: 17-0.

4. Public Comment

There was no public comment.

5. 2024 MSHN Revised Corporate Compliance Plan

Ms. Amanda Ittner presented an overview of the revisions to the 2024 Corporate Compliance Plan based upon new requirements from the Office of Inspector General received after the plan was approved at the March 2024 board meeting and recommends board approval.

MOTION BY DEB McPEEK-McFADDEN, SUPPORTED BY JOHN JOHANSEN, TO APPROVE AND ACKNOWLEDGE RECEIPT OF THE REVISED 2024 CORPORATE COMPLIANCE PLAN. MOTION CARRIED: 17-0.

6. Harm Reduction Presentation

Dr. Dani Meier and Sarah Andreotti provided board members with a Harm Reduction presentation. Mr. Joe Sedlock thanked Dr. Meier and Ms. Andreotti for their presentation and their excellent work in Substance Use Disorder Prevention in the MSHN region.

7. Chief Executive Officer’s Report

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

- Conflict Free Access and Planning (CFAP) Update
- Healthy Transitions Crisis Residential Unit
- MSHN Cost Containment Plan – Partial Access Centralization
- Open Meetings Act “Restoration” Update
- MSHN Bylaws
- Regional Autism Funding Mechanism Change

8. Deputy Director’s Report

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

- Balanced Scorecard Measures for FY24
- Universal Credentialing Update and Semi-Annual Report – FY24
- Compliance and Quality Department Report FY24Q2
- Medicaid and Healthy Michigan Disenrollments

9. 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, 2024.

MOTION BY TINA HICKS, SUPPORTED BY JOHN JOHANSEN, TO RECEIVE AND FILE THE PRELIMINARY STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES FOR THE PERIOD ENDED MAY 31, 2024, AS PRESENTED. MOTION CARRIED: 17-0.

10. Contracts for Consideration/Approval

Ms. Leslie Thomas provided an overview of the FY2024 contract listing provided in the meeting packet and requested the board authorize MSHN's CEO to sign and fully execute the contracts listed on the FY2024 contract listing.

MOTION BY IRENE O'BOYLE, SUPPORTED BY TINA HICKS, TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO SIGN AND FULLY EXECUTE THE CONTRACTS AS PRESENTED AND LISTED ON THE FY24 CONTRACT LISTING. MOTION CARRIED: 17-0.

11. Executive Committee Report

Mr. Ed Woods informed board members the Executive Committee met on June 21, 2024, and reviewed the following:

- MSHN Cost Containment Strategy – Partial SUD Access Centralization
- Regional Crisis Residential Unit

12. Chairperson's Report

Mr. Ed Woods asked for an update from Mr. David Griesing as a follow up of the board's sponsorship of his attendance at the National Conference occurring this past April 2024. Mr. Griesing thanked MSHN for the opportunity to attend and enjoyed the conference and was especially intrigued by the presentation related to Artificial Intelligence and its use in the health care industry.

13. Approval of Consent Agenda

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

MOTION BY KEN DELAAT, SUPPORTED BY DAVID GRIESING, TO APPROVE THE FOLLOWING DOCUMENTS ON THE CONSENT AGENDA: APPROVE MINUTES OF THE MAY 7, 2024 BOARD OF DIRECTORS MEETING; RECEIVE POLICY COMMITTEE MEETING MINUTES OF JUNE 4, 2024; RECEIVE OPERATIONS COUNCIL KEY DECISIONS OF MAY 22, 2024 AND JUNE 17, 2024; AND TO APPROVE ALL THE FOLLOWING POLICIES: ADVANCE DIRECTIVES, CUSTOMER HANDBOOK, CUSTOMER SERVICE, ENROLLEE RIGHTS, INFORMATION ACCESSIBILITY/LIMITED ENGLISH PROFICIENCY (LEP), MEDICAID BENEFICIARY APPEALS/GRIEVANCES, REGIONAL CONSUMER ADVISORY COUNCIL, SUD

RECIPIENT RIGHTS, COMPLIANCE REPORTING AND INVESTIGATIONS, AND DISCLOSURE OF OWNERSHIP POLICY. MOTION CARRIED: 17-0**14. Other Business**

There was no other business.

15. Public Comment

There was no public comment.

16. Adjournment

The MSHN Board of Directors Regular Business Meeting adjourned at 6:29 p.m.

Mid-State Health Network SUD Oversight Policy Advisory Board

Wednesday, April 17, 2024, 4:00 p.m.

CMH Association of Michigan (CMHAM)

507 S. Grand Ave

Lansing, MI 48933

Meeting Minutes

1. Call to Order

Chairperson Steve Glaser called the MSHN SUD Regional Oversight Policy Board (OPB) of Directors Meeting to order at 4:00 p.m. Mr. Glaser reminded members participating virtually may not participate in or vote on matters before the board. Mr. Glaser extended a warm welcome to the new alternate member, Susan Svetcos, recently appointed by Gladwin County.

Board Member(s) Present: Lisa Ashley (Gladwin)-joined at 4:20 p.m., Lori Burke (Shiawassee), Irene Cahill (Ingham), Bruce Caswell (Hillsdale)-departed at 5:05 p.m., Steve Glaser (Midland), Charlean Hemminger (Ionia), John Hunter (Tuscola), Bryan Kolk (Newaygo), John Kroneck (Montcalm), Jim Moreno (Isabella), Justin Peters (Bay), Jerrilynn Strong (Mecosta), and Dwight Washington (Clinton)

Board Member(s) Remote: None

Board Member(s) Absent: Nichole Badour (Gratiot), George Gilmore (Clare), Christina Harrington (Saginaw), Robert Luce (Arenac), Joe Murphy (Huron), Kim Thalison (Eaton), David Turner (Osceola), and Ed Woods (Jackson)

Alternate Members Present: Simar Pawar (Ingham)-joined at 4:13 p.m.

Alternate Members Remote: Susan Svetcos (Gladwin)-joined at 4:03 p.m.

Staff Members Present: Joe Sedlock (Chief Executive Officer), Amy Keinath (Finance Manager), Dr. Dani Meier (Chief Clinical Officer), Dr. Trisha Thrush (Director of Substance Use Disorder Services and Operations); Sarah Andreotti (SUD Prevention Administrator), and Sherry Kletke (Executive Support Specialist)

Staff Members Remote: Sarah Surna (Prevention Specialist), Kate Flavin (Treatment Specialist), and Sherrie Donnelly (Treatment and Recovery Specialist)

BOARD APPROVED JUNE 26, 2024

2. Roll Call

Secretary Dwight Washington provided the Roll Call for Board Attendance and informed the Board Chair, Steve Glaser, that a quorum was present for Board meeting business.

3. Approval of Agenda for April 17, 2024

Board approval was requested for the Agenda of the April 17, 2024 Regular Business Meeting, as presented.

MOTION BY BRYAN KOLK, SUPPORTED BY JERRILYNN STRONG FOR APPROVAL OF THE APRIL 17, 2024 REGULAR BUSINESS MEETING AGENDA, AS PRESENTED. MOTION CARRIED: 12-0.

4. Approval of Minutes from the February 21, 2024 Regular Business Meeting

Board approval was requested for the draft meeting minutes of the February 21, 2024 Regular Business Meeting.

MOTION BY JOHN HUNTER, SUPPORTED BY BRYAN KOLK, FOR APPROVAL OF THE MINUTES OF THE FEBRUARY 21, 2024 MEETING, AS PRESENTED. MOTION CARRIED: 12-0.

5. Public Comment

There was no public comment.

6. Board Chair Report

Chair Steve Glaser reported he is glad to see many counties are appointing alternates to the board.

7. Deputy Director Report

Mr. Joe Sedlock, covering for Ms. Amanda Ittner, provided an overview of the written report included in the board meeting packet, and available on the MSHN website, highlighting:

Regional Matters:

- Substance Use Disorder (SUD) Oversight Policy Board (OPB) Intergovernmental Agreement
- 1115 Behavioral Health Demonstration Renewal
- FY2023 Annual Compliance Report
- SUD Value Based Purchasing (VBP)

State of Michigan/Statewide Activities

- Michigan Opioid Advisory Commission 2024 Annual Report Available

8. Chief Financial Officer Report

Ms. Amy Keinath, covering for Ms. Leslie Thomas, provided an overview of the financial reports included in board meeting packets:

BOARD APPROVED JUNE 26, 2024

- FY2024 PA2 Funding and Expenditures by County
- FY2024 PA2 Use of Funds by County and Provider
- FY2024 Substance Use Disorder (SUD) Financial Summary Report as of February 2024

9. FY24 Substance Use Disorder PA2 Contract Listing

Ms. Amy Keinath, covering for Ms. Leslie Thomas, provided an overview and information on the FY24 Substance Use Disorder (SUD) PA2 Contract Listing as provided in the packet.

MOTION BY IRENE CAHILL, SUPPORTED BY DWIGHT WASHINGTON, FOR APPROVAL OF THE FY24 SUBSTANCE USE DISORDER (SUD) PA2 CONTRACT LISTING, AS PRESENTED. MOTION CARRIED: 13-0.

10. SUD Operating Update

Dr. Dani Meier provided an overview of the written SUD Operations Report included in the board meeting packet, highlighting the below.

- Annual Prevention Conference being held May 7-8, 2024 in Frankenmuth
- New Prevention Provider in Newaygo County – District Health Department #10 replacing Newaygo RESA.
- New team member, Jodie Smith hired as the Data and Grant Coordinator
- Planning and Coordination of monthly Lunch & Learn topics
- MSHN’s Equity Upstream Learning Collaborative Action Plans

11. Harm Reduction Presentation

Ms. Tammy Maidlow from the Ingham County Health Department’s overdose prevention and harm reduction group presented board members information on Narcan training and harm reduction strategies. Ms. Maidlow provided members with harm reduction materials and had Narcan available for anyone interested.

12. Other Business

There was no other business.

13. Public Comment

There was no public comment.

14. Board Member Comment

Board members expressed appreciation to Ms. Tammy Maidlow for the Harm Reduction presentation.

Chairperson Steve Glaser reminded members that the next meeting is scheduled on June 26, 2024, due to the adjustment for the Juneteenth holiday.

15. Adjournment

BOARD APPROVED JUNE 26, 2024

Chairperson Steve Glaser adjourned the MSHN SUD Oversight Policy Advisory Board Meeting at 5:32 p.m.

*Meeting minutes submitted respectfully by:
MSHN Executive Support Specialist*

BOARD APPROVED JUNE 26, 2024

Mid-State Health Network SUD Oversight Policy Advisory Board

Wednesday, June 26, 2024, 4:00 p.m.
CMH Association of Michigan (CMHAM)
507 S. Grand Ave
Lansing, MI 48933

Meeting Minutes

1. Call to Order

Chairperson Steve Glaser called the MSHN SUD Regional Oversight Policy Board (OPB) of Directors Meeting to order at 4:00 p.m. Mr. Glaser reminded members participating virtually may not participate in or vote on matters before the board.

Board Member(s) Present: Lori Burke (Shiawassee), Irene Cahill (Ingham), Bruce Caswell (Hillsdale), Steve Glaser (Midland), John Hunter (Tuscola), Bryan Kolk (Newaygo), John Kroneck (Montcalm), Jim Moreno (Isabella), Justin Peters (Bay), Jerrilynn Strong (Mecosta), Kim Thalison (Eaton), Dwight Washington (Clinton)-joined at 4:12 p.m., and Ed Woods (Jackson)

Board Member(s) Remote: George Gilmore (Clare), Christina Harrington (Saginaw), and Charlean Hemminger (Ionia)

Board Member(s) Absent: Lisa Ashley (Gladwin), Nichole Badour (Gratiot), Robert Luce (Arenac), Joe Murphy (Huron), and David Turner (Osceola)

Alternate Members Present: Simar Pawar (Ingham)-joined at 4:13 p.m., and Susan Svetcos (Gladwin)

Staff Members Present: Amanda Ittner (Deputy Director), Leslie Thomas (Chief Financial Officer), Dr. Dani Meier (Chief Clinical Officer), Dr. Trisha Thrush (Director of Substance Use Disorder Services and Operations); and Sherry Kletke (Executive Support Specialist)

Staff Members Remote: Sarah Surna (Prevention Specialist), Sarah Andreotti (SUD Prevention Administrator), Kate Flavin (Treatment Specialist), and Sherrie Donnelly (Treatment and Recovery Specialist), Kari Gulvas (Prevention Specialist), and Rebecca Emmenecker (Treatment Specialist)

Members of the Public Remote: Dr. Maroney; Recovery Pathways

BOARD APPROVED AUGUST 21, 2024

2. Oversight Policy Board Member Ten Year Service Recognition

Ms. Amanda Ittner presented Mr. John Hunter with a plaque in recognition of his 10 years of service on the board.

3. Roll Call

Ms. Sherry Kletke provided the Roll Call for Board Attendance and informed the Board Chair, Steve Glaser, that a quorum was present for Board meeting business.

4. Approval of Agenda for June 26, 2024

Board approval was requested for the Agenda of the June 26, 2024 Regular Business Meeting, as presented.

MOTION BY BRUCE CASWELL, SUPPORTED BY JIM MORENO, FOR APPROVAL OF THE JUNE 26, 2024 REGULAR BUSINESS MEETING AGENDA, AS PRESENTED. MOTION CARRIED: 13-0.

5. Approval of Minutes from the April 17, 2024 Regular Business Meeting

Board approval was requested for the draft meeting minutes of the April 17, 2024 Regular Business Meeting.

MOTION BY BRYAN KOLK, SUPPORTED BY JIM MORENO, FOR APPROVAL OF THE MINUTES OF THE APRIL 17, 2024 MEETING, AS PRESENTED. MOTION CARRIED: 13-0.

6. Public Comment

There was no public comment.

7. Board Chair Report

Chairperson Steve Glaser introduced Susan Svetcos, the alternate member recently appointed from Gladwin County.

8. Deputy Director Report

Ms. Amanda Ittner provided an overview of the written report included in the board meeting packet, and available on the MSHN website, highlighting:

Regional Matters:

- Substance Use Disorder (SUD) Oversight Policy Board (OPB) Intergovernmental Agreement
- Substance Use Disorder (SUD) Oversight Policy Board (OPB) – Term Renewals
- FY2023 Substance Use, State Opioid Response (SOR) Site Review Results
- 25th Annual Substance Use and Co-Occurring Disorder Hybrid Conference
- Annual Disclosure of Ownership, Controlling Interest, and Criminal Convictions

BOARD APPROVED AUGUST 21, 2024

- Provider Network Adequacy Assessment (NAA) – FY23

State of Michigan/Statewide Activities

- Public Meetings – House Bill 5725

9. Chief Financial Officer Report

Ms. Leslie Thomas provided an overview of the financial reports included in board meeting packets:

- FY2024 PA2 Funding and Expenditures by County
- FY2024 PA2 Use of Funds by County and Provider
- FY2024 Substance Use Disorder (SUD) Financial Summary Report as of April 2024

10. FY24 Substance Use Disorder PA2 Contract Listing

Ms. Leslie Thomas reported there were no contracts needing approval at this time.

11. SUD Operating Update

Dr. Dani Meier provided an overview of the written SUD Operations Report included in the board meeting packet, highlighting the below.

- FY25 Prevention & Community Recovery Annual Plan and budget reviews
- 94 people attended the annual MSHN Prevention conference held May 7-8, 2024
- Planning and Coordination of monthly Lunch & Learn topics

12. Other Business

There was no other business.

13. Public Comment

A member of the public raised questions about eligibility for PA2 funding. The matter was referred to administration for follow-up.

14. Board Member Comment

There were no board member comments.

15. Adjournment

Chairperson Steve Glaser adjourned the MSHN SUD Oversight Policy Advisory Board Meeting at 4:43 p.m.

*Meeting minutes submitted respectfully by:
MSHN Executive Support Specialist*

BOARD APPROVED AUGUST 21, 2024

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

Friday, June 21, 2024 - 9:00 a.m.

Committee Members Present: Ed Woods, Chairperson; Irene O’Boyle, Vice Chairperson; Deb McPeek-McFadden, Secretary; Kurt Peasley, Member at Large; David Griesing, Member at Large

Other Board Members Present: Greg Brodeur

Staff Present: Joe Sedlock, Chief Executive Officer; Amanda Ittner, Deputy Director

1. **Call to order:** Chairman Woods called this meeting of the MSHN Board Executive Committee to order at 9:01 a.m.

Mr. Woods noted the thank you card from Gretchen Nyland’s family. The note will also be distributed to the board in the meeting packet.

2. **Approval of Agenda:** Motion by D. McPeek-McFadden supported by D. Griesing to approve the agenda for the 06/21/2024 Executive Committee Meeting. Motion Carried.

3. **Guest MSHN Board Member Comments:** None

4. **Board Matters**

- 4.1 July 2, 2024 Draft Board Meeting Agenda: Agenda Reviewed. MSHN will add MSHN Corporate Compliance Plan Update. There were no other recommended changes.

- 4.2 Other: Thanks to J. Sedlock and S. Kletke for organizing the 10 year recognition awards.

5. **Administration Matters**

- 5.1 Conflict Free Access and Planning – Draft Board Briefing Paper: J. Sedlock provided an update based on his written report included in the meeting packet. This update will also be included in his written report to the board.

- 5.2 MSHN Cost Containment Strategy – Partial Centralization of SUD Access: J. Sedlock summarized a MSHN cost containment strategy that will partially centralize SUD access for residentially based services/supports based on his written report included in the meeting packet. After hiring the required number of employees, the plan will likely yield between \$1.5 and \$2M in savings. This update will also be included in his written report to the board.

- 5.3 Regional Crisis Residential Unit: A. Ittner announced that the regional crisis residential unit opened for admissions as of June 17.

- 5.4 Other: None

6. **Other**

- 6.1 Any other business to come before the Executive Committee: None

- 6.2 Next scheduled Executive Committee Meeting: 08/16/2024, 9:00 a.m.

7. **Guest MSHN Board Member Comments:** None

8. **Adjourn:** This meeting was adjourned at 9:30 a.m.

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

Friday, August 16, 2024 - 9:00 a.m.

Committee Members Present: Ed Woods, Chairperson; Irene O’Boyle, Vice Chairperson; Deb McPeek-McFadden, Secretary; Kurt Peasley, Member at Large; David Griesing, Member at Large

Other Board Members Present: Ken DeLaat; Greg Brodeur

Staff Present: Joe Sedlock, Chief Executive Officer; Amanda Ittner, Deputy Director

1. **Call to order:** Chairman Woods called this meeting of the MSHN Board Executive Committee to order at 9:01 a.m.
2. **Approval of Agenda:** Motion by D. McPeek-McFadden supported by K. Peasley to approve the agenda for the 08/16/2024 Executive Committee Meeting. Motion Carried.
3. **Guest MSHN Board Member Comments:** None
4. **Board Matters**
 - 4.1 Draft September 9, 2024 Draft Public Hearing Agenda: The Committee reviewed the draft public budget hearing agenda. No recommended changes.
 - 4.2 Draft September 9, 2024 Governing Board Meeting Agenda: The Committee reviewed the draft regular board meeting agenda. No recommended changes and noted that the agenda is not final until approved by the board at the meeting.
 - 4.3 Draft Fiscal Year 2025 Executive Committee Meeting Calendar: The Committee reviewed the Executive Committee meeting calendar for FY 25. Motion by I. O’Boyle supported by D. Griesing to adopt the meeting calendar as presented. Motion carried.
 - 4.4 Draft Fiscal Year 2025 Board Meeting Calendar: The Committee reviewed the draft MSHN Board Meeting Calendar for FY 25. The Committee noted that the November board meeting is on election day and requests that this date be changed to November 12 so as not to conflict before presenting it to the full board for consideration. Motion by I. O’Boyle, supported by D. Griesing to recommend adoption of the meeting calendar as revised to the full board for approval. Motion carried.
 - 4.5 Other (if any): J. Sedlock provided a brief overview of Operations Council proposed edits to the MSHN bylaws and a summary of the required approval process. Edits are minor in nature. J. Sedlock will include this information in his report to the board.
5. **Administration Matters**
 - 5.1 Conflict Free Access and Planning Update: J. Sedlock provided an update that MDHHS has formally announced that they are rescinding the 10/01/2024 implementation date, but MDHHS has not provided a substitute implementation date. J. Sedlock noted that there hasn’t been any written communications of any nature on the Conflict Free Access and Planning requirements, responses to questions/concerns from the field, or any other update. MDHHS has indicated they have included their conflict free access and planning design decisions into recent waiver renewal applications and that CMS has requested a meeting with MDHHS specific to conflict free federal regulations implementation in Michigan. A. Ittner also described the current state assessment process that is taking place in the region.
 - 5.2 Other - MSHN Financial Status Update (Current year, FY 24) – J. Sedlock alerted the Committee that current projections for FY 24 year-end have worsened. In the Financial Status Report submitted to

MDHHS on August 14, MSHN projected use of Internal Service Funds at roughly \$26M. The main drivers of this situation are that total revenues have decreased by more than \$8M and there have been increases in beneficiary services costs in Medicaid and Healthy Michigan at some CMHSPs in the region. Leslie Thomas, MSHNs Chief Financial Officer, will provide better information at the September board meeting.

6. **Other**

- 6.1 Any other business to come before the Executive Committee: None
- 6.2 Next scheduled Executive Committee Meeting: 10/18/2024, 9:00 a.m.

7. **Guest MSHN Board Member Comments:** None

8. **Adjourn:** This meeting was adjourned at 9:44 a.m.

MID-STATE HEALTH NETWORK
BOARD POLICY COMMITTEE MEETING MINUTES
TUESDAY, AUGUST 6, 2024 (VIDEO CONFERENCE)

Members Present: John Johansen, Irene O’Boyle, Kurt Peasley, and David Griesing

Members Absent: Jeanne Ladd

Staff Present: Joe Sedlock, (Chief Executive Officer); Sherry Kletke (Executive Support Specialist)

1. CALL TO ORDER

Mr. John Johansen called the Board Policy Committee meeting to order at 10:01 a.m.

2. APPROVAL OF THE AGENDA

MOTION by David Griesing, supported by Kurt Peasley, to approve the August 6, 2024, Board Policy Committee Meeting Agenda as presented. Motion Carried: 4-0.

3. POLICIES UNDER DISCUSSION

Mr. John Johansen invited Mr. Joe Sedlock to inform members of the revisions made to the Travel Policy under the Finance Chapter. Edits include language for consistency between board member and staff travel and clarifies the applicability of the IRS daily rates for meal reimbursements.

MOTION by Irene O’Boyle, supported by David Griesing, to approve and recommend the policy under discussion as presented. Motion Carried: 4-0.

4. NEW POLICIES FOR REVIEW

Mr. Johansen invited Mr. Sedlock to discuss the new policies listed below. Mr. Sedlock provided members with background information for the purposes of the new policies. Mr. Sedlock informed members there will be a new Population Health chapter for policies due to the expansion of population health and integrated care in the MSHN region.

CHAPTER: INFORMATION TECHNOLOGY

1. CONTROLLED ACCESS AND LEAST PRIVILEGE
2. DATA ENCRYPTION
3. REMOVABLE MEDIA

CHAPTER: POPULATION HEALTH

1. HEALTH HOME PROVIDER

MOTION by Kurt, supported by David, to approve and recommend the new policies for review as presented. Motion carried: 4-0.

Board Policy Committee August 6, 2024: Minutes are Considered Draft until Board Approved

5. POLICIES UNER BIENNIAL REVIEW

Mr. Johansen invited Mr. Sedlock to provide a review of the substantive changes within the policies listed below. Policies under the General Management chapter have been reviewed by the Chief Executive Officer, the Deputy Director, the Chief Population Health Officer, and the Executive Support Specialist. The Population Health and Integrated Care Policy has been moved out of the General Management chapter to the new Population Health Chapter.

CHAPTER: GENERAL MANAGEMENT

1. APPOINTED COUNCILS, COMMITTEES AND WORKGROUPS
2. BOARD GOVERNANCE
3. BOARD MEMBER CONDUCT AND MEETINGS
4. BOARD MEMBER DEVELOPMENT
5. BYLAWS REVIEW
6. COMMUNITY MENTAL HEALTH SERVICE PROGRAM (CMHSP) APPLICATION
7. CONFLICT OF INTEREST
8. CONSENT AGENDA
9. DELEGATION TO THE CHIEF EXECUTIVE OFFICER & EXECUTIVE LIMITATIONS
10. FREEDOM OF INFORMATION ACT (FOIA) REQUEST
11. GENERAL MANAGEMENT
12. LEGISLATIVE AND PUBLIC BODY ADVOCACY
13. MONITORING CHIEF EXECUTIVE OFFICER PERFORMANCE
14. NEW BOARD MEMBER ORIENTATION
15. OFFICE CLOSURE POLICY
16. POLICY AND PROCEDURE DEVELOPMENT AND APPROVAL

CHAPTER: POPULATION HEALTH

1. POPULATION HEALTH INTEGRATED CARE

MOTION by David Griesing, supported by Kurt Peasley, to approve and recommend the policies under biennial review as presented. Motion carried: 4-0.

6. APPROVAL OF FY25 MEETING CALENDAR

MOTION by David Griesing, supported by Irene O'Boyle, to approve the FY25 meeting calendar as presented. Motion carried: 4-0.

7. NEW BUSINESS

8. ADJOURN

Mr. John Johansen adjourned the Board Policy Committee Meeting at 10:15 a.m.

*Meeting Minutes respectfully submitted by:
MSHN Executive Support Specialist*

Board Policy Committee August 6, 2024: Minutes are Considered Draft until Board Approved

REGIONAL OPERATIONS COUNCIL/CEO MEETING

Key Decisions and Required Action

Date: 07/15/2024

Members Present: Chris Pinter; Ryan Painter; Maribeth Leonard; Carol Mills; Julie Majeske; Tracey Dore; Tammy Warner; Kerry Possehn; Michelle Stillwagon; Bryan Krogman; Sandy Lindsey; Sara Lurie
Members Absent: Joseph Sedlock (PTO)
MSHN Staff Present: Amanda Ittner, Leslie Thoms

Agenda Item		Action Required			
CONSENT AGENDA	No discussion				
	Received and acknowledged	By Who	N/A	By When	N/A
FY24 Savings Estimate through May 2024	<p>L. Thomas reviewed the savings estimate through May 2024. Significant changes reported from Autism, CLS, filled open positions, provider closure (CMH had to absorb).</p> <p>Cost containment plans for FY24 are still being implemented as reported by Finance Officers, however items noted above have impacted the results.</p> <p>FY25 draft rates include the DCW increase. Concerns regarding the area factor. CCBHC rates and the portion coming from capitation is unknown and will be significant in the planning. Final rates should be available in late August, however last year wasn't until late September.</p>				
	Discussion and planning	By Who	N/A	By When	N/A
PBIP/BHH/OHH Distribution Procedure (Follow-Up from June 2024)	<p>L. Thomas reviewed the edits to the Distribution Procedure as requested from the June Operations Council meeting.</p> <p>Adjustments: Add clarity related to BHH CMHSP Participants PIHP Admin Surplus would be used first to cover regional deficits.</p>				
	L. Thomas will send out the revised procedure as well as a clean version for review/approval via email.	By Who	L. Thomas	By When	7.31.24
Conflict Free Access and Planning – Updates/Discussion	<p>No update since June meeting, except the CFAP response from K. Jordan on 6.21.24 regarding CMS clarification on the CMHA proposal. CMS visit starts today with MDHHS.</p> <p>MDHHS has indicated a tech requirement document will be coming, moving the timeline for implementation plan submissions, that include links to survey for CMHs to complete, code chart/table to identify applicable rule, Q&A. Nothing further on “rural exemption” or “only willing/qualified”.</p> <p>No receipt of Contract Language proposal yet CMS Waiver Applications & 1915i all include CFAP language:</p>				

Agenda Item	Action Required				
	<ul style="list-style-type: none"> • The person completing the clinical assessment tool cannot be the supports coordinator or a direct service provider to comply with Conflict Free Access and Planning requirements. • The state assures the independence of persons performing evaluations, assessments, and plans of care. • The mandated separation required in the MDHHS/PIHP contract that assures the assessor(s) of eligibility will not make final determinations about the amount, scope and duration of 1915i services. • The MDHHS/PIHP contract assures the provider responsible for the independent HCBS needs assessment are separate from the case manager/supports coordinator providers responsible for the development of the IPOS. • MDHHS delegates the responsibility for the authorization AND UTILIZATION MANAGEMENT of the service plan to the PIHPs. THE PIHP'S CANNOT DELEGATE THESE UM FUNCTIONS TO THE CMHSP OR CONTRACTED PROVIDER ENTITY. The PIHPs delegate the responsibilities of plan development AND MONITORING to CMHSP OR CONTRACTED PROVIDER. <p>GIHN developed an implication for service array that was shared in CLC/UM Committee. Decision: August Operations Council will designate time to discuss current state of each CMHSP.</p>				
	A.Ittner will send out Outline for use in August meeting	By Who	A. Ittner	By When	7.20.24
<p>HIDE SNP Contacts (Humana, CareSource, others)</p>	<p>A.Ittner reviewed the HIDE (Highly Integrated Dual Eligible) SNP (Special Needs Plan) model currently known as MI Health Link program limited to four regions throughout Michigan. (not in MSHN region) In January of 2026, it will be transitioning to a statewide model that integrates long term care services and supports or LTSS. It doesn't include behavioral health. However, coordination agreements similar to the MHP agreements with the PIHPs, are required, that include expectations with mutually served beneficiaries. Stronger language regarding referrals to the PIHP and tracking of such, SDOH screening and data sharing. On version 2 of the agreement.</p> <p>MSHN Board received an overview in March 2023 related to DNSP models by HMA.</p> <p>MSHN has received requests from Humana (Saginaw, Bay, Arenac, Huron, Tuscola, Shiaw) and CareSource (HAP merger) which indicated a desire to bid on areas in our region. MSHN met with Humana to discuss current coordination efforts and roles of PIHP/CMHSPs in our region. CareSource sent us an agreement to sign and return. MSHN requested a meeting first, which was then canceled by CareSource.</p> <p>Selection announcement planned for 10.31.24 Discussed the increased care coordination activities requested by MDHHS as part of the performance bonus objectives under the joint planning.</p>				
	Discussion only	By Who	N/A	By When	N/A

Agenda Item		Action Required			
MSHN FY25 Cost Containment Plan – Overview	<p>A. Ittner reviewed the changes to the SUD Access process, with implementation date of October 1, 2024. MSHN will now directly manage/authorize Residential, Withdrawal Management and Recovery Housing services. This change will ensure appropriate placement and length of stay for individuals as well as reduce duplication within the system due to multiple screenings.</p> <p>MSHN currently delegates access to the CMHSPs through the funding for “24/7/365” and will be reviewing this process with Operations Council in August/September. Gathering data related to numbers of screenings in REMI as they have been historically low. The current funding to the CMHs includes not only access, but prevention and customer service. Very little activity is being reported by some CMHs.</p> <p>Discussed the impact on CMHs who provide Residential, WM and Recovery Housing. Concern this could create more obstacles/barriers.</p> <p>August/September Operations Council meeting will designate time to review the implementation plan and address after hours coverage.</p>				
	MSHN will schedule CMH provider specific meeting to discuss the transition plan for SUD access and related concerns.	By Who	A.Ittner/S.Pletcher	By When	8.15.24
Crisis Residential – Healthy Transitions	<p>Healthy Transitions is the Crisis Residential Unit opened by MSHN/region to provide CRU services to our region. They can officially accept clients as of last week. CMHs report being contacted by Healthy Transitions regarding openings.</p> <p>MSHN is still awaiting some CMHs to return signed contract.</p>				
	Discussion only	By Who	N/A	By When	N/A
AGENDA TOPIC					
		By Who		By When	
AGENDA TOPIC					
		By Who		By When	

REGIONAL OPERATIONS COUNCIL/CEO MEETING

Key Decisions and Required Action

Date: 08/19/2024

Members Present: Chris Pinter; Ryan Painter; Maribeth Leonard; Tracey Dore; Tammy Warner; Kerry Possehn; Michelle Stillwagon; Bryan Krogman; Sara Lurie; Julie Majeske

Members Absent: Sandy Lindsey; Carol Mills;

MSHN Staff Present: Joseph Sedlock; Amanda Ittner; for relevant topics: L. Thomas, S. Pletcher, T. Lewicki, K. Zimmerman

Agenda Item		Action Required			
CONSENT AGENDA	<p>Reports accepted; no items pulled out of consent. J. Sedlock indicated Humana would like to meet with our CMHSPs to discuss HIDE SNP and will coordinate a joint meeting.</p>				
	<p>Consent agenda approved J. Sedlock will arrange for a regional Ops Council meeting with Humana.</p>	By Who	N/A J. Sedlock	By When	N/A 08/30/24
FY25 Medicaid Subcontracting Contract – Change Log and Training Grid	<p>L. Thomas reviewed the change log and the training grid No questions from Ops members</p>				
	<p>MSHN will update page numbering on change log prior to posting and sending versions to Ops Council</p>	By Who	L. Thomas	By When	8.31.24
FY25 Regional Psychiatric Inpatient Contract – Change Log	<p>L. Thomas reviewed the change log No questions from Ops members</p>				
	<p>MSHN will send out contract templates for CMHSP use.</p>	By Who	L. Thomas	By When	8.31.24
FY25 Regional ABA Contract – Change Log	<p>L. Thomas reviewed the change log No questions from Ops members</p>				
	<p>MSHN will send out contract templates for CMHSP use.</p>	By Who	L. Thomas	By When	8.31.24
FY25 Fiscal Management Services Contract – Change Log	<p>L. Thomas reviewed the change log No questions from Ops members</p>				
	<p>MSHN will send out contract templates for CMHSP use.</p>	By Who	L. Thomas	By When	8.31.24
SUD Access Changes	<p>S. Pletcher reviewed the document sent out to Ops Council regarding the SUD Access changes being planned for October 1, 2024. Priority is to determine after hours coverage as MSHN is determining how this will be handled for FY25. CMHSPs, per the Operating Agreement, have the first right to provide afterhours access on behalf of the region. CEICMH indicated they would consider providing that for the region.</p>				
	<p>MSHN will coordinate a meeting with CEICMH to present afterhours for the region and to discuss the process for CEI as a SUD provider.</p>	By Who	S. Pletcher	By When	8.31.24

Agenda Item		Action Required			
SUD 24/7/365 CMHSP Performance	S. Pletcher reviewed the report for FY23 access/screenings reported by CMHs and pulled from MSHN’s REMI system. Group discussed the challenges with duplicative data entry, in addition with dual diagnosis individuals.				
	J. Sedlock indicated that with the coming changes to centralize bed based services at MSHN, MSHN will initiate a change to the level of funding provided for 24/7/365 access.				
	Discussion Only	By Who	N/A	By When	N/A
Conflict Free Access and Planning – Current State Data Gathering and Information Review	A.Ittner provided an overview of the summary in the packet. T. Lewicki reviewed the resources and checklist by waiver services. A. Ittner reviewed the data gathering template. Group discussed completion of the information by September 23, 2024.				
	MSHN will send out link to box via email with completion by 9.23.24				
	Discussion Only	By Who	A.Ittner/CMHSPs	By When	9.23.24
Compliance Programs Systems Update	K. Zimmerman reviewed the status of the regions’ progress towards purchasing a compliance tracking software. The Compliance Officers will be getting back together to discuss feedback and bring back a proposals to Operations Council.				
	Discussion Only				
	Discussion Only	By Who	N/A	By When	N/A
Disenrollment File Update	A.Ittner informed the Operations Council that the file received for July was .7% down from 2.6% average we had last year. At a peak, we were at 567,000 enrollees now at 384,000. Prior to COVID, we were at 482,000 enrollees.				
	Informational Only				
	Informational Only	By Who	N/A	By When	N/A
September Meeting (Conflicts with SUD Conference) - Reschedule	J. Sedlock indicated a conflict with the SUD conference and would like to reschedule to the following Monday, September 23. Group agreed.				
	MSHN will send out revised meeting invite.				
	Discussion Only	By Who	J. Sedlock	By When	8.31.24
FY25 Draft Operations Council Meeting Calendar	J. Sedlock presented the FY25 schedule as all virtual and only have in person meetings as needed, for strategic planning, etc. Ops Council decided they would like at least a few in person meetings preferably in the late summer and spring. (August, May)				
	MSHN will send out revised meeting invite.				
	Discussion Only	By Who	J. Sedlock	By When	8.31.24
Regional Financing Update	L. Thomas discussed the projected FY24 FSR submitted to MDHHS. The financial picture changed with now a use of the ISF of \$26m. This is due to \$8m decrease in revenue from disenrollments and \$7m increase in CMH expenditures. The Interim report is due in November, which will be the next time we have a more accurate estimate for year-end.				
	Discussion Only				
	Discussion Only	By Who	N/A	By When	N/A

Agenda Item	Action Required
	Discussed revenue and amount of distribution from MDHHS, along with rate changes. Discussed the increases in expenditures; community hospital, CLS, Autism, PC.

POLICIES AND PROCEDURE MANUAL

Chapter:	Finance		
Section:	Travel		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 02.04.2014	Related Policies: Financial Management
Procedure: <input type="checkbox"/>	Author: Chief Financial Officer	Review Date: 07.11.2023	
Page: 1 of 3			

Purpose

Mid-State Health Network (MSHN) recognizes that employees, students, volunteers and Board members may be required to travel on behalf of MSHN. It is the intent of MSHN to provide for the reasonable expenses associated with that travel.

Policy

It is the policy of Mid-State Health Network (MSHN) that all reasonable expenses for official travel will be reimbursed in accordance with State and Federal laws and the guidelines set forth below. It is recognized that exceptions are on occasion, necessary. Such exceptions shall be approved, in advance, when possible, by the Chief Executive Officer (CEO).

- A. All employees are required to drive their own automobile in the course of their employment. Employees will be reimbursed at IRS Mileage Rate. Mileage will generally be computed from the employee’s “official station” (OS) if within the State of Michigan and shall be based on Google Maps calculations. If the OS is outside of the State of Michigan, the MSHN Office is designated as the OS for purposes of calculating business mileage. Employees will not be reimbursed for mileage to MSHN’s office or other company designated locations for internal meetings, internal trainings, or other MSHN office-based activities¹. The OS of a Board member or volunteer is determined to be their home (provided it is in the State of Michigan) and reimbursement shall be calculated from that starting location.
- B. Should employees/Board members/volunteers attend pre-authorized meetings, conference, conventions, or seminars on behalf of MSHN, the following shall apply:
 1. Travel by private automobile shall be reimbursed at the IRS mileage rate, ~~provided reimbursement shall not exceed tourist air fare, plus an allowance to and from the airport.~~
 2. Any business travel outside of the State of Michigan requires prior CEO or Deputy Director approval. Travel within the State of Michigan for paid conferences, conventions, or seminars must be approved by the Director or Chief within the employees’ reporting line. Administrators may approve travel vouchers. If travel is by common carrier, ~~tourist commercial~~ fare will be reimbursed if receipts have been retained and submitted with the expense report. Travel reimbursement must be reasonable. One element of reasonableness is comparison of the approximate travel reimbursement against the approximate cost of available alternate means of transportation.
 3. Reimbursement for meals plus tip will be allowed while traveling out-of-town to/from or at the place of any meeting, conference, seminar, or convention not to exceed the daily amount established by the Internal Revenue Service (IRS). when receipts are provided. Where no receipt is available and a meal expense is claimed, reimbursement will be made up to the daily amount established by the Internal Revenue Service (IRS). Meals for internal departmental meetings are not covered unless prior approval is given by the CEO. Such allowance shall be

¹ Travel to/from the official station of the employee to the Lansing, Michigan area for official business not conducted at the MSHN offices (including but not limited to provider site visits, board meetings, events involving the State of Michigan or other stakeholders, and trainings) will be paid per the terms of this policy.

on a “per meal” basis and are not to exceed three in one day. Detailed receipts are required to be reimbursed (Credit slips not detailing items purchased are not acceptable). Claims for reimbursement of conference expenses (other than mileage and meals) must be supported with adequate documentation (receipts) for reimbursement to be made. Documentation must include proof of payment: detailed credit card statement; original receipt from conference stating amount paid; or copy of personal check with registration documentation.

4. Tolls and telephone expenses will be reimbursed when it is necessary as part of the trip on behalf of MSHN; taxi fare (or available alternatives, such as Lyft or Uber) is reimbursable only if the trip was made for business purposes.
 5. Parking fees during the conference, convention, seminar, or meeting will be reimbursed if receipts are retained and submitted with the expense report.
- C. Lodging costs and incidental expenses for overnight stays are permitted for external conferences and trainings that are at least two consecutive days. Expense reports shall be submitted to the Chief Financial Officer (CFO) for payment after the appropriate Supervisor approvals and following the convention, conference, seminar, or meeting attended by the employee. A short explanation of each expense must accompany the expense report, along with receipts.
- D. Expense Not Reimbursed: MSHN does not reimburse expenses which are not pertinent to required travel unless specific advanced approval has been obtained in writing from the CEO and may include but is not limited to.
1. Expenses associated with the spouse or family member who may be travelling with the MSHN representative.
 2. Expenses associated with speeding or parking violations.
 3. Alcoholic beverages.
 4. State tax (where MSHN is exempt from tax)
- E. Expense submitted greater than 60 days: All reimbursement requests must be submitted within 60 days of the travel expense being incurred. Per the IRS Publication 463, "Travel, Entertainment, Gift, and Car Expenses," employees must adequately account to MSHN for travel expenses within a reasonable period of time or the amount may become taxable. A reasonable period of time is defined as adequately accounting for your expenses within 60 days of them being incurred. Any reimbursement requests submitted after 60 days require approval of the Chief Executive Officer.

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:

CEO: Chief Executive Officer

CFO: Chief Financial Officer

CMHSP: Community Mental Health Service Program

IRS: Internal Revenue Service

MSHN: Mid-State Health Network

Official Station (OS): An employee’s “official station” is deemed their home address (as noted in most recent Remote Agreement) in the State of Michigan unless otherwise mandated by the CEO -Employees with official residences in other States will not be reimbursed for expenses associated with travel to and from Michigan. All other guidelines in this policy apply for expense reimbursement. Some employees, with variable assignments, may have a daily OS assignment, which is defined based on their established work schedule. For the purpose of this policy, the OS for Board members or volunteers is the address provided on their employment forms (or home).

References/Legal Authority

IRS Mileage Rates: <http://www.irs.gov/Tax-Professionals/Standard-Mileage-Rates>

Change Log:

Date of Change	Description of Change	Responsible Party
02.04.2014	New policy	Chief Financial Officer
11.06.2015	Policy update	Chief Financial Officer
03.20.17	Policy update	Chief Financial Officer
03.2018	Policy update	Chief Financial Officer
03.2019	Annual Review	Chief Financial Officer
02.2020	Added Lansing Area Lodging	Chief Financial Officer
01.2021	Biennial Review	Chief Financial Officer
01.2023	Policy Update	Chief Financial Officer
<u>05.2024</u>	<u>Policy Update</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	Information Technology		
Title:	Controlled Access and Least Privilege		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Page: 1 of 2	Review Cycle: Biennial Author: Chief Information Officer	Adopted Date: 07.2024 Review Date:	Related Policies:

Purpose

This policy ensures that Mid-State Health Network (MSHN) employees have access only to the information and resources necessary for their job roles. This policy minimizes the risk of threats and accidental data exposure by enforcing strict access controls.

Policy

The following statements define the principles and rules for implementing and enforcing controlled access and least privilege in the organization:

- Access to data, systems, and networks shall be granted on a need-to-know and need-to-use basis, in accordance with the user's job role and responsibilities.
- Access to data, systems, and networks shall be limited to the minimum level and duration necessary for the user to perform their assigned tasks and functions.
- Access to data, systems, and networks shall be authorized by the respective data, system, or network owner, or their designated delegate.
- Access to data, systems, and networks shall be reviewed and verified periodically, at least biennially, to ensure its validity, appropriateness, and compliance.
- Access to data, systems, and networks shall be revoked or modified promptly when the user's job role or responsibilities change, or when the user leaves the organization or no longer requires access.
- Access to data, systems, and networks shall be monitored and logged for audit and investigation purposes, and any unauthorized or suspicious access attempts or activities shall be reported and escalated.
- Access to data, systems, and networks shall be protected by strong authentication and encryption mechanisms, and users shall not share, disclose, or compromise their access credentials or devices.

Responsibilities

The following roles and responsibilities are assigned for the implementation and enforcement of this policy:

- The Leadership Team through the guidance of the Chief Information Officer (CIO) is responsible for overseeing the development, review, and approval of this procedure and ensuring its alignment with the organization's strategic goals and objectives.
- The Information Technology (IT) Service Provider is responsible for managing the access control processes and procedures, conducting regular audits and assessments, and reporting on the effectiveness and compliance of this policy (as identified through contractual language).
- Supervisors are responsible for identifying and classifying the data under their custody, determining the access requirements and permissions for the data, and approving or denying access requests, using the Computer Access form.

- The IT Service Provider is responsible for identifying and configuring the systems under their management, determining the access requirements and permissions for the systems, and approving or denying access requests.
- The IT Service Provider is responsible for identifying and securing the networks under their management, determining the access requirements and permissions for the networks, and approving or denying access requests.
- The Users are responsible for complying with this policy and the access control processes, requesting access only for legitimate business purposes, and safeguarding their access credentials and devices.

Exceptions

Any exceptions to this policy must be justified by a valid business or operational reason and approved by the supervisor, in writing, prior to granting the exception, which is at the discretion of the Chief Information Officer. Exceptions shall be documented by the CIO and reviewed periodically, at least biennially, to ensure their continued validity and appropriateness.

Non-Compliance

Any violation of this policy may result in disciplinary action, up to and including termination of employment or contract, legal action, or civil or criminal liability, as applicable.

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

CIO: Chief Information Officer

IT: Information Technology

MSHN: Mid-State Health Network

Other Related Materials

N/A

References/Legal Authority

N/A

Change Log:

Date of Change	Description of Change	Responsible Party
07.01.2024	New Policy	Chief Information Officer

POLICIES AND PROCEDURE MANUAL

Chapter:	Information Technology		
Title:	Data Encryption		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Page: 1 of 2	Review Cycle: Biennial Author: Chief Information Officer	Adopted Date: 07.2024 Review Date:	Related Policies:

Purpose

This policy ensures that all data, both at rest and in transit, is encrypted and protected from unauthorized access, modification, or disclosure.

Policy

All data, both at rest and in transit, must be encrypted using approved encryption algorithms and standards. The encryption keys must be securely stored and managed, and only authorized personnel should have access to them. The encryption process must be documented and audited regularly. Any breach or suspected breach of this policy must be reported immediately to the Chief Information Officer (CIO).

The Chief Information Officer is responsible for ensuring Mid-State Health Network (MSHN) systems operate according to the following requirements and for testing all of the following:

- **All data in motion** transmitted over public networks, internal networks, or between our organization and external parties must be encrypted using secure protocols, such as Secure Sockets Layer (SSL) or Transport Layer Security (TLS). Encryption strength and protocols used for data in motion must align with industry best practices and relevant regulatory requirements. Any emails with sensitive information (e.g. person served protected information) must be encrypted.
- **All data at rest** must be encrypted using Advanced Encryption Standard-256 (AES-256) or higher encryption algorithm based on industry best practices and relevant regulatory requirements. This includes data stored on internal and external hard drives of laptops, desktops, tablets, servers, mobile devices of any kind, flash drives, CDs, DVDs, and cloud services. The encryption keys must be stored separately from the data and must be protected by strong passwords with multi-factor authentication. Backups of sensitive information are a form of data-at-rest and must be encrypted in a manner that protects the integrity of the data and prevents access by unauthorized individuals or information systems, like those used in data exfiltration and encryption attacks.
- **All encryption keys** must be generated, stored, and managed using approved encryption software and hardware. The encryption software and hardware must be updated regularly to ensure compliance with the latest security standards and best practices. The encryption keys must be backed up and restored securely and must be revoked or destroyed when no longer needed.
- **All encryption activities** must be logged and monitored using approved encryption tools and systems. The encryption logs and reports must be reviewed and audited regularly by authorized personnel. The encryption tools and systems must be configured to alert and notify the relevant parties in case of any encryption errors, failures, or anomalies.
- **Third-party service providers and cloud services:** MSHN CIO or designee will review the data encryption practices of any third-party vendor who handles sensitive information to be sure they meet our standards prior to engaging with them and conduct periodic reviews of their information security practices,

including data encryption. Data at rest, in motion, and in use within a cloud service must be encrypted using these same standards.

- **Compliance Monitoring:** MSHN CIO or designee will regularly monitor and audit compliance with this Data Encryption procedure to ensure adherence to the established encryption requirements. Non-compliance with this procedure may result in disciplinary action, including termination of employment or contract.

Applies to

- All Mid-State Health Network Staff
- Selected MSHN Staff, as follows:
 - MSHN’s CMHSP Participants: Policy Only Policy and Procedure
 - Other: IT Service Provider

Definitions

AES-256: Advanced Encryption Standard 256. One of the highest encryption standards in existence today and is used by the federal government to encrypt classified data.

CIO: Chief Information Officer

Encryption is storing sensitive information with a secret code. It scrambles the data so only those with the correct code can unlock it.

Data in motion refers to data that is actively moving from one device or system to another. An example would be sending an email with an attached document. The document and the email itself are considered data in motion.

Data at rest refers to data not actively being accessed or used. An example would be a document that was saved on the computer's hard drive. The document is not open or being modified but stored on the computer.

Data in use refers to information being accessed, processed, or used by individuals or computer systems. An example would be a document open and actively edited. Document editing, typing, or reading is considered data in use.

MSHN: Mid-State Health Network

SSL: Secure Sockets Layer

TSL: Transport Layer Security

Other Related Materials

N/A

References/Legal Authority

N/A

Change Log:

Date of Change	Description of Change	Responsible Party
07.01.2024	New Policy	Chief Information Officer

POLICIES AND PROCEDURE MANUAL

Chapter:	Information Technology		
Title:	Removable Media		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Page: 1 of 2	Review Cycle: Biennial Author: Chief Information Officer	Adopted Date: 07.2024 Review Date:	Related Policies:

Purpose

The purpose of this policy is to protect the organization's information assets from unauthorized access, disclosure, modification, damage, or loss that may result from the use of removable media devices such as USB drives, CDs, DVDs, external hard drives, flash memory cards and other portable storage devices.

Policy

The following statements define the rules and policies for using removable media devices in the Mid-State Health Network (MSHN) organization:

- Removable media devices with an unknown origin, such as a thumb drive found on the floor, desk, breakroom, conference room, etc., must NEVER be mounted on any organization's computer to look at what data the device may contain. A common cyber-attack scheme is to leave anonymous devices infected with malware in places where employees will find them, then when the employee is curious to see what is on the drive, their computer becomes infected.
- Removable media devices must not be used with MSHN devices.
- Removable media devices must not be used to bypass or circumvent any security controls or measures implemented by Mid-State Health Network or its network or systems.
- Removable media devices must not be connected to or used on any unauthorized, untrusted, or insecure computer, network, or system.

The organization reserves the right to confiscate, inspect, or erase any removable media device or its contents that are suspected of violating this procedure or posing a security risk.

The Chief Information Officer's (CIO) role is responsible for developing, maintaining, and updating this policy, and for providing guidance and support on the use of removable media devices.

The Information Technology (IT) Service Provider is responsible for providing the technical controls and tools for managing and monitoring the use of removable media devices, and for responding to any information security incidents or issues involving removable media devices.

MSHN supervisors are responsible for ensuring that their staff comply with this policy and for reporting any violations or exceptions to the Chief Information Officer.

Employees who utilize removable media devices are responsible for following this procedure and for protecting the organization's information or data on removable media devices from unauthorized access, disclosure, modification, damage, or loss.

Exceptions

Any exceptions to this procedure must be justified by a compelling business or operational need and approved by the Chief Information Officer in writing. Exceptions must be documented and reviewed periodically by the CIO to ensure that they are still valid and necessary.

- Removable media devices must be encrypted using the approved encryption software and methods and must have a strong password or passphrase to access the encrypted data.
- Removable media devices must be scanned for malware, viruses, spyware, or ransomware before they are connected to the organization's network or systems.
- Removable media devices must be labeled with the owner's name and contact information and must have a unique identifier or serial number.
- Removable media devices must be stored in a secure location when not in use and must not be left unattended or exposed to theft, loss, or damage.
- Removable media devices must be disposed of or destroyed in a secure manner when they are no longer needed or authorized and must be wiped or erased of any residual data.
- Removable media devices must not be shared with or loaned to other users or third parties without prior authorization from the Chief Information Officer.
- Removable media devices must not be used to store or transport any information or data classified as confidential, restricted, or sensitive, unless there is a valid business need and written approval from the Chief Information Officer.

Non-Compliance

Any violation of this policy will be reported to the CIO and the Deputy Director. Depending on the violation, next steps may result in disciplinary action, up to and including termination of employment or contract, legal action, or criminal prosecution, depending on the severity and impact of the violation and in accordance with the Personnel Manual.

Applies to

- All Mid-State Health Network Staff
- Selected MSHN Staff, as follows:
- MSHN’s CMHSP Participants: Policy Only Policy and Procedure
- Other: IT Service Provider

Definitions

CIO: Chief Information Officer

IT: Information Technology

MSHN: Mid-State Health Network

Other Related Materials

N/A

References/Legal Authority

N/A

Change Log:

Date of Change	Description of Change	Responsible Party
07.01.2024	New Policy	Chief Information Officer

POLICIES AND PROCEDURE MANUAL

Chapter:	Population Health		
Title:	Health Home Provider Policy		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date:	Related Policies: MSHN SUD Service Provider Procurement Policy
Procedure: <input type="checkbox"/>	Author: Chief Population Health Officer	Review Date:	
Page: 1 of 3			

Purpose

The purpose of this policy is to outline the selection process and criteria used by Mid-State Health Network (MSHN) for adding new Health Home Partners (HHP) to its Opioid Health Home (OHH) and Behavioral Health Home (BHH) initiatives.

Policy

1. It is the policy of MSHN to expand health home initiatives in its 21-county region. In furtherance of this policy, MSHN will consider contracting with interested Health Home Partners (HHP) that meet the minimum requirements outlined in the [Michigan Department of Health and Human Services \(MDHHS\) Opioid Health Home Handbook](#) or [MDHHS Behavioral Health Home Handbook](#).

Opioid Health Home Partners must meet applicable Federal and State licensing standards in addition to Medicaid provider certification and enrollment requirements as either an Opioid Treatment Program (OTP) or an Office Based Opioid Treatment Provider (OBOT). Examples of Opioid Health Home Partners include:

- Community Mental Health Services Program (CMHSP)
- Federally Qualified Health Center (FQHC)/Primary Care Safety Net Clinic
- Hospital-based Physician Group
- Physician-based Clinic
- Physician or Physician Practice
- Rural Health Clinics
- Substance Use Disorder (SUD) Provider other than Opioid Treatment Program
- Tribal Health Center

Behavioral Health Home Partners must enroll or be enrolled in Michigan Medicaid and agree to comply with all Michigan Medicaid program requirements. Examples of Behavioral Health Home Partners include:

- Community Mental Health Services Program (CHMSP)
- Federally Qualified Health Center (FQHC)/Primary Care Safety Net Clinic
- Rural Health Center
- Tribal Health Center
- Clinical Practices or Clinical Group Practices
- Community/Behavioral Health Agencies

2. Provider organizations that are interested in becoming either a Behavioral Health Home Partner or Opioid Health Home Partner must submit a completed MSHN Provider Network Application and Ownership & Controlling Interest Disclosure Statement (if not already a MSHN-paneled SUD Provider or CMHSP Participant).

3. CMHSP Participants may elect to join the Behavioral Health Home initiative at any time. CMHSP Participants will be notified and retain the right of first refusal prior to MSHN selecting new Behavioral Health Home Partners within the CMHSP geographic catchment area.

4. If multiple interested provider organizations meet the minimum requirements to become a HHP, MSHN may utilize the following additional selection criteria when necessary to prioritize certain providers for health home expansion:
 - Provider operates an established health home at a different site/location with a demonstrated history of success and is committed to expansion.
 - Provider will expand or increase access to services in underserved area(s), and/or to underserved populations, and/or to populations experiencing disparities in access or outcomes.
 - Provider demonstrates capacity to increase beneficiary enrollment and projected service utilization volume for the identified health home initiative.
 - Provider holds accreditation from a nationally recognized body specific to a health home, patient-centered medical home, or integrated care [National Committee for Quality Assurance (NCQA), Accreditation Association for Ambulatory Health Care (AAAHC), Joint Commission, Commission on Accreditation of Rehabilitation Facilities (CARF), etc.].
 - Other provider characteristics or performance factors deemed desirable by MSHN.
 - Evaluation of MSHN administrative capacity to support expansion of health home initiatives.
 - Readiness and experience of provider as evidenced by MSHN pre-contract site review.

5. MSHN, in its sole discretion, may restrict or otherwise limit the number of Health Home Partners that can participate in health home initiatives in any portion of or for all of its region. Factors that are considered in these circumstances include, but are not limited to, level(s) of utilization of the same or similar services in the geographic or sub-geographic area to be served, consumer choice considerations, quality, cost, pricing, provider saturation, other market factors or other programmatic considerations.

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:

AAAHC: Accreditation Association for Ambulatory Health Care’

BHH: Behavioral Health Home

CARF: Commission on Accreditation of Rehabilitation Facilities

CMHSP: Community Mental Health Service Program

FQHC: Federally Qualified Health Center are nonprofit health centers or clinics that serve medically underserved areas and populations.

HHP: Home Health Partners provide comprehensive care management, care coordination, health promotion, comprehensive transitional care and follow-up, individual and family support, and referral to community social services to Medicaid beneficiaries with serious and complex chronic conditions.

MDHHS: Michigan Department of Health and Human Services

MSHN: Mid-State Health Network

NCQA: National Committee for Quality Assurance

OHH: Opioid Health Home

OTP: Outpatient Treatment Programs provide medication-assisted treatment (MAT) for people diagnosed with an opioid use disorder.

OBOT: Office Based Opioid Treatment (OBOT) allows primary care or general health care prescribers with a DATA waiver to dispense or prescribe any Controlled Substances Act (CSA) scheduled III, IV, V medication approved by the Food and Drug Administration (FDA) for the treatment of opioid use disorder.

PIHP: Prepaid Inpatient Health Plan

SUD: Substance Use Disorder

References/Legal Authority:

[Medicaid Managed Specialty Supports and Services Contract: Concurrent 1915\(B\)/\(c\) Waiver Programs, the Health Michigan Program and Substance Use Disorder Community Grant Programs](#)

[MDHHS BHH Handbook](#)

[MDHHS OHH Handbook](#)

Change Log:

<u>Date of Change</u>	<u>Description of Change</u>	<u>Responsible Party</u>
10.2023	New Policy	Chief Population Health Officer

POLICIES AND PROCEDURE MANUAL

Chapter:	Governance and General Management		
Title:	Appointed Councils, Committees and Workgroups		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 02.04.2014	Related Policies: N/A
Procedure: <input type="checkbox"/>	Author: Chief Executive Officer	Review Date: 09.13.2022	
Page: 1 of 3			

Purpose

All standing or appointed councils, committees, and workgroups shall operate in accordance with Mid-State Health Network’s (MSHN) values, policies and procedures; and shall serve to support the organization’s strategic direction, mission, and vision. This policy outlines the expectations for approval of an organized body and stipulates expectations for creation of a charter.

Policy

Institutional planning, performance monitoring and decision making shall be conducted in a clear and efficient manner. When these efforts are delegated to a council or committee a specific charter shall be adopted and approved by the MSHN Board (if created by the Board) or the Operations Council (for regional bodies not created by the board) as granted by the authority of the Operating Agreement. As specified in the Operating Agreement, all councils, committees, or workgroups formed are advisory to MSHN. Board created bodies are advisory to the MSHN Board. The charter shall authorize the purpose, scope, authority, membership, and structure of the council/committee. The authority and scope of a council/committee shall not exceed the authority and/or scope of the MSHN Chief Executive Officer (CEO). The CEO may create or authorize and charter internal workgroups or committees as deemed beneficial or necessary to advise that office on organizational or other matters.

- A. Per the MSHN Operating Agreement, formation of a council is at the discretion of the Board and includes:
- Operations Council,
 - Consumer Advisory Council*,
 - Substance Use Disorder Oversight Policy Board*,
 - Quality Improvement Council,
 - Finance Council
 - Information Technology Council
 - *Michigan Department of Health and Human Services (MDHHS) required bodies

Council Appointments: Each member of the Operations Council, except as otherwise noted above (*), shall appoint representatives from their respective [Community Mental Health Service Program \(CMHSP\)](#) to serve on designated councils, with equal voting authority for each CMHSP Participant. Additional representation (for example, from the substance abuse prevention and treatment provider network, service participants) and/or subject matter experts may be added to the Council, without voting privileges, on a standing or ad hoc basis by the MSHN Chief Executive Officer.

Additional Councils: Additional councils may be created from time to time, as determined by the MSHN Board.

- B. Standing committees may be formed at the direction of the MSHN CEO in consultation with the Operations Council. Membership while typically representative of the CMHSP Participants,

shall be defined based on the scope of committee’s work and the competencies and resources necessary to complete the Committee’s work.

C. A Council/Committee Charter shall include:

1. The council’s or committee’s statement of purpose,
2. Decision-making context, scope and authority,
3. Identification of key customers/stakeholders and their requirements,
4. Planning including defined goals and responsibilities,
5. Monitoring/reporting requirements and defined accountability (key customer requirement and key process requirements),
6. Membership (including required participation),
7. Role and responsibilities,
8. Meeting (frequency, times, attendance, proceedings, minutes, etc.)
9. A description of the process for annual review of the council/committee’s effectiveness
10. Council and Committee Charters shall be reviewed annually and approved by the MSHN Chief Executive Officer and Operations Council as a part of the annual Quality Assessment and Performance Improvement Plan review.

D. Workgroups may be formed at the direction of the MSHN CEO, the Operations Council or a member of MSHN staff. Workgroups shall have a clearly defined charge, scope of authority and will develop an action plan that defines a timeline within which the groups work will be complete.

Applies to:

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

Definitions:

CEO: [Chief Executive Officer](#)

CMHSP: [Community Mental Health Service Program](#)

Council: An organized and standing body of MSHN that provides direct council to the Chief Executive Officer and/or Board.

Committee: An organized body of MSHN that serves to monitor system/process effectiveness, recommend system/process improvement or change, share information and exchange ideas. Committees are accountable to the CEO and Operations Council.

MSHN: Mid-State Health Network

Workgroup: An organized ad-hoc group of MSHN that is project specific and time limited. The group serves to solve a problem, implement a new process/strategy, or develop a program/funding proposal. Workgroups are accountable to the standing committee or MSHN staff overseeing its formation and the project plan.

Other Related Materials:

MSHN Operating Agreement

MSHN Board By-laws

References/Legal Authority:

N/A

Change Log:

Date of Change	Description of Change	Responsible Party
----------------	-----------------------	-------------------

02.2014	New Policy	Chief Executive Officer
03.2015	Annual Review, Update Format, Addition of Definitions	Chief Executive Officer
03.2016	Annual Review, Revision	Chief Executive Officer
01.2017	Annual Review	Chief Executive Officer
01.2018	Annual Review	Chief Executive Officer
01.2019	Annual Review	Chief Executive Officer
07.2020	Biennial Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	Board Governance		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 07.02.2014	Related Policies: General Management Board Member Conduct
Procedure: <input type="checkbox"/>	Author: CEO and Board Executive Committee	Review Date: 09.13.2022	
Page: 1 of 2			

Purpose

This policy is intended to clarify the Mid-State Health Network (MSHN) Board’s policy governance role; to keep the Board focused upon its philosophy, accountability and the specifics of its role.

Policy

The Board shall carry out its responsibilities using a governing style consistent with policy governance by:
 (a) Establishing and reviewing strategic priorities; (b) Setting policies necessary to assure achievement of the Prepaid Inpatient Health Plans (PIHP) essential role and to minimize/manage organizational risk; and (c) Conducting an annual Board evaluation to monitor its behavior and practices against this policy.

To this end, Board members shall:

- Be proactive, prepared and participate responsibly;
- Remember a Board member’s identity is with the governance of the organization, not the staff;
- Represent the entire MSHN region, not a single constituency;
- Be responsible for group behavior and productivity, and support the Chairperson in addressing divergence from this expectation;
- Be respectful of views that differ from your own without being intimidated by them;
- Use your special expertise to inform and educate the Board;
- Orientate to the whole, not the parts;
- Think upward and outward more than downward and inward;
- Tolerate issues that cannot be quickly settled;
- Don’t tolerate putting off the big issues forever;
- Support the Boards’ final decision;
- Stay focused on strategic priorities and Board defined objectives (Ends).

Applies to:

- All Mid-State Health Network Staff: All Mid-State Health Network Board Members
- Selected MSHN Staff, as follows:
- MSHN’s Affiliates: Policy Only Policy and Procedure
- Other: Sub-contract Providers

Definitions:

MSHN: Mid-State Health Network
PIHP: Prepaid Inpatient Health Plans

Other Related Materials:

Board By-Laws
 Board Annual Evaluation

References/Legal Authority:

John Carver, *Re-inventing your Board: A Step by Step Guide to Implementing Policy Governance*, Jossey-Bass Publishers, San Francisco, 1997

Change Log:

Date of Change	Description of Change	Responsible Party
04.09.2014	New	CEO; Board Executive Committee
05.05.2015	Annual Review – No Changes	CEO; Board Executive Committee
05.03.2016	Annual Review	CEO; Board Executive Committee
03.2017	Annual Review	Chief Executive Officer
09.2018	Annual Review	Chief Executive Officer
01.2019	Annual Review	Chief Executive Officer
07.2020	Biennial Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURES MANUAL

Chapter:	General Management		
Title:	Board Member Conduct and Board Meetings		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 01.06.2015	Related Policies: Compliance & Program Integrity Conflict of Interest Confidentiality and Notice of Privacy
Procedure: <input type="checkbox"/>	Author: Chief Executive Officer	Review Date: 09.13.2022	
Page: 1 of 3			

Purpose

The Mid-State Health Network (MSHN) Board exists to represent and make decisions in the best interest of the entire organization and its regional stakeholders. The Board is established to assure development and approval of effective policies that provide for compliance with the approved strategic direction, the MSHN Corporate Compliance Plan, the Board’s fiduciary responsibility, approved policies, and authorized contracts.

Each Board Member is expected to adhere to a high standard of ethical conduct and to act in accordance with MSHN’s Mission and Core Values. The good name of MSHN depends upon the way Board Members conduct business and the way the public perceives that conduct.

Policy

A. MSHN Board members shall be guided by the following principles in carrying out their responsibilities:

Loyalty: Board members shall act so as to protect MSHN’s interests and those of its employees, assets and legal rights, and Board Members shall serve the interests of MSHN, its beneficiaries, partner Community Mental Health Service Programs, contracted providers, and the consumers they serve. If an individual Board member disagrees with a decision made by the Board, he/she shall identify if speaking on the matter after the meeting that they are speaking as an individual and not for the Board.

Care: Board members shall apply themselves with seriousness and diligence to participating in the affairs of MSHN and shall act prudently in exercising management-governance oversight of the organization. Board Members are expected to be familiar with MSHN’s business and the environment in which the organization operates, and understand MSHN’s policies, strategies, and core values.

Inquiry: Board members shall take steps necessary to be sufficiently informed to make decisions on behalf of MSHN and to participate in an informed manner in Board activities.

Compliance with Laws, Rules, and Regulations: Board members shall comply with all laws, rules, policies (including Board-approved operational plans, such as but not limited to the Corporate Compliance Plan) and regulations applicable to MSHN.

Observance of Ethical Standards: Board members must adhere to the highest of ethical standards in the conduct of their duties. These include honesty, fairness, and integrity. Unethical actions, or the appearance of unethical actions, are not acceptable.

Integrity of Records and Public Reporting: Board members shall promote accurate and reliable preparation and maintenance of MSHN's financial and other records to assure full, fair, accurate, timely, understandable, open, and transparent disclosure.

Conflicts of Interest: Board members must act in accordance with the Conflicts of Interest Policy adopted by the MSHN Board, and as amended from time to time.

Confidentiality: Board members shall maintain the confidentiality of information entrusted to them by or about MSHN its business, consumers, or providers, contractors except when disclosure is authorized or legally mandated.

Board Interaction with Payers, Regulators, the Community and Media: The Board recognizes that payers/regulators, members of the media, MSHN’s stakeholder groups and the public at large have significant interests in the organization’s actions and governance, therefore the Board seeks to ensure appropriate communication, subject to concerns about confidentiality. The Board designates the Chief Executive Officer as the primary point of contact and spokesperson for MSHN.

- If comments from the MSHN Board are appropriate, they should be reviewed and discussed by the Board in advance, and, in most circumstances, come from the Chairperson of the Board.

B. **Enforcement:** Board members will discuss with the Board Chairperson any questions or issues that may arise concerning compliance with this policy. Breaches of this policy, whether intentional or unintentional, shall be reviewed in accordance with the MSHN Operating Agreement (Article VIII - Section 8.1) “Dispute Resolution Process.” Action to remove a Board member shall occur in accordance with approved bylaws (Section 4.5) “Removal.”

Board Meeting Procedures:

- A. MSHN Board meetings shall be conducted in accordance with board bylaws and parliamentary procedures. Specifically, the process of decision and order of procedures shall occur as outlined in the bylaws- applicable policies, or established parliamentary procedures~~section 5.6-5.12.~~
- B. On matters of general comment or comments of a personal nature, after being recognized by the Chairperson, each Board member may speak on items presently before the Board twice, for up to three (3) minutes each time. The Chairperson may extend an additional (3) minute speaking period at the request of the individual board member or if duly authorized by board action. Any member can make a motion to suspend the rule, which motion must be seconded. If the motion passes, the rule shall be suspended for the duration of consideration of the item before the Board.
- C. On matters involving questions about an item presently before the Board, there shall be no limit on board member questions or other inquiry.
- D. On matters of debate involving significant differences in views among board members about an item presently before the Board, the Board Chair may designate a timeframe within which the debate is to occur. The Board, by motion duly seconded and adopted, may extend the period for debate. Any member can motion to close debate, which motion must be seconded and is not debatable. If the motion passes, such debate shall terminate.

Applies to:

- All Mid-State Health Network Staff
- Mid-State Health Network Board Members
- Selected MSHN Staff, as follows: Chief Executive Officer
- MSHN’s CMHSP Participants: Policy Only Policy and Procedure
- Other: Sub-contract Providers

Definitions:

- Boardsmanship:** Describes the competencies and skills necessary to be an effective Board member
- CEO:** Chief Executive Officer
- MSHN:** Mid-State Health Network
- MDHHS:** Michigan Department of Health and Human Services
- PIHP:** Pre-Paid Inpatient Health Plan

Other Related Materials:

MSHN Corporate Compliance Program
MSHN Operating Agreement
Board By-Laws
SUD Intergovernmental Agreement

References/Legal Authority:

MSHN Operating Agreement
MSHN Board Bylaws
MDHHS-PIHP Contract section 29.0 Ethical Conduct; 30.0 Conflict of Interest

Change Log:

Date of Change	Description of Change	Responsible Party
01.06.2015	New	Chief Executive Officer
11.2015	Annual Review	Chief Executive Officer
03.2017	Annual Review	Chief Executive Officer
11.2018	Follow-up Review	Chief Executive Officer
01.2019	Annual Review	Chief Executive Officer
07.2020	Biennial Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

Chapter:	General Management		
Title:	Board Development		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Page: 1 of 2	Review Cycle: Biennial Author: Chief Executive Officer	Adopted Date: 11.04.2014 Review Date: 09.13.2022	Related Policies: Board Compensation New Board Member Orientation Program Integrity Travel

Purpose

Mid-State Health Network (MSHN) Board members need to be well informed and to expand their knowledge of trends and issues affecting behavioral healthcare and the organization’s governance. In addition, Board members need to develop and reinforce the skills required for effective policy-making, budget planning, and Boardsmanship.

Policy

As deemed necessary or appropriate MSHN Board members shall be afforded opportunities for continuous learning and development. The purpose of Board development is to enhance governance, support effective strategic planning (inclusive of industry trends), assure fiscal stewardship, and to achieve compliance with MSHN’s integrity program.

Board education shall be a scheduled part of routine and special Board meetings as defined by the Board and in accordance with approved policy. MSHN Board members may request to attend relevant conferences to supplement learning. All off-site training shall be scheduled and reimbursed in accordance with MSHN policies for Board Compensation and Travel.

At a Board Meeting subsequent to attendance at an educational event, members are encouraged to report briefly to the Board and to the public to share knowledge gained and thoughts on implications for local governance. Board members are also encouraged to study and share with the Board materials of interest they have acquired.

Applies to:

- All Mid-State Health Network Staff
- Mid-State Health Network Board Members
- Selected MSHN Staff, as follows: Chief Executive Officer
- MSHN CMHSP Participants: Policy Only Policy and Procedure
- Other: Sub-contract Providers

Definitions:

CEO: Chief Executive Officer
MSHN: Mid-State Health Network

Other Related Materials:

MSHN Corporate Compliance Program

MSHN Quality Assurance and Performance Improvement Program

References/Legal Authority:

PIHP-MDHHS Contract

Open Meetings Act

Change Log:

Date of Change	Description of Change	Responsible Party
11.2014	New	Chief Executive Officer
11.2015	Annual Review	Chief Executive Officer
03.2017	Annual Review	Policy Committee
09.2018	Annual Review	Chief Executive Officer
01.2019	Annual Review	Chief Executive Officer
07.2020	Biannual Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	MSHN Bylaws Review		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 05.07.2019	Related Policies:
Procedure: <input type="checkbox"/>	Author: Chief Executive Officer	Review Date: 09.13.2022	
Page: 1 of 2			

Purpose

The purpose of this policy is to establish the conditions and processes to be used for periodic and ad hoc review of the [Mid-State Health Network \(MSHN\)](#) Bylaws.

Policy

In applicable parts, the Mid-State Health Network Bylaws (adopted 07.01.2014) provide that:

- 1) “Each [Community Mental Health Service Program \(CMHSP\)](#) Participant shall possess the powers and rights retained and reserved to the CMHSP Participants under these Bylaws which shall include the power to approve...All amendments, restatements or adoption of new bylaws...” (Article II, Sections 2.3 and 2.3.1)
- 2) “Any action by the CMHSP Participants to amend or repeal these Bylaws or adopt new Bylaws will require approval by two-thirds (2/3) of the existing CMHSP Participants in the form of duly adopted written resolutions from their respective governing bodies, to be binding upon the entity (Article XI).

This policy and related procedures address three pathways available to initiate consideration of the current Bylaws and any amendments thereto:

- 1) Regular, Periodic Review
- 2) CMHSP Participant Initiated
- 3) MSHN Initiated

Regular, Periodic Review:

Regular, periodic review is in the interests of MSHN, its CMHSP Participants, other stakeholders and the individuals served through the Regional Entity. It is the policy of Mid-State Health Network to establish a governance-level process and responsibility for the regular periodic review of the organization’s bylaws, recognizing that changes to bylaws are a significant undertaking. Thus, the Bylaws of the Mid-State Health Network shall be formally reviewed not less than every five years. (NOTE: The Bylaws were first adopted in 2014).

CMHSP Participant Initiated:

It is the policy of Mid-State Health Network that its current CMHSP Participants may initiate a bylaws review process at times outside of the regular, periodic review process. Because of the magnitude of effort involved in changing the MSHN Bylaws, a simple majority of the Chief Executive Officers of the current CMHSP Participants, may request Mid-State Health Network to establish a governance-level process for review of the organization’s bylaws, recognizing that changes to bylaws are a significant undertaking. The CMHSP Participants initiating the process for bylaws review should clearly state, in writing, the specific existing (or new) sections of the bylaws to be addressed in the review process. The CMHSP Participants acting to request a bylaws review process should be in agreement on the bylaws content (not necessarily the specific language) which is the subject for the review. The bylaws review process will be limited to the content area identified. Nothing in this policy curtails or limits the rights of

CMHSP Participants to pursue independent action as provided for in the MSHN bylaws. However, this policy and related procedures are the preferred method for initiating bylaws changes.

MSHN- Initiated:

It is the policy of Mid-State Health Network that the MSHN as the Regional Entity may initiate a bylaws review process at times outside of the regular, periodic review process. Because of the magnitude of effort involved in changing the MSHN Bylaws, a majority of the currently seated MSHN Board members must vote to initiate the bylaws review process in the form of duly adopted resolution, which must specify the existing (or new) sections of the bylaws to be addressed in the review process.

~~This policy shall be implemented in accordance with the Bylaws Revision Procedure.~~

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

Bylaws: Bylaws of the Entity as most recently adopted and filed pursuant to the provisions therein contained.

CMHSP: Community Mental Health Service Program

CMHSP Participant: the community mental health services programs named in first paragraph above that have entered into this Operating Agreement. (Operating Agreement, Article I, Section D)

Entity: the regional entity named in the first paragraph above, which was formed pursuant to 1974 P.A. 258, as amended, MCL §330.1204b as a public governmental entity separate from the CMHSP Participants that established it. (MCL § 330.1204b(3).) (Operating Agreement, Article I, Section E)

MSHN: Mid-State Health Network

Other Related Materials

References/Legal Authority

MSHN Bylaws
Operating Agreement

Change Log:

Date of Change	Description of Change	Responsible Party
03.29.2019	New Policy	Chief Executive Officer
07.21.2020	Biennial Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURE MANUAL

Chapter	General Management		
Title:	CMHSP Application or MDHHS Assignment to the MSHN Region		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 05.07.2019	Related Policies:
Procedure: <input type="checkbox"/>	Author: Chief Executive Officer	Review Date: 09.13.2022	
Page: 1 of 4			

Purpose

The purpose of this policy is to establish the general criteria and specific processes to be used in evaluating potential Community Mental Health Services Program ([CMHSP](#)) requests to become a part of the Mid-State Health Network region or to evaluate Michigan Department of Health and Human Services ([MDHHS](#)) initiated assignment of a Community Mental Health Services Program to the Mid-State Health Network ([MSHN](#)) region.

Background

Section 2.4 of the Bylaws of Mid-State Health Network provides:

“New CMHSP Participants to the Entity may be added pending written support from the State for purposes of preserving the community mental health system. If addition of these new CMHSP Participants to the Entity is not required by the State, it is seen as within the sole discretion of the existing CMHSP Participants. Thus when not required by the State, the addition of new CMHSP Participants to the Entity requires the approval of two-thirds (2/3) of the governing bodies of the existing CMHSP Participants, conveyed via a duly adopted written resolution of these governing bodies. New CMHSP Participants added to the Entity will be entitled to any membership or governance rights in the same manner as the existing CMHSP Participants. Any new CMHSP Participants added under this section will forward any claims to existing Medicaid risk reserves to the Entity on a pro-rated basis upon date of admission as negotiated with [Michigan Department of Community Health \(MDCH\)](#).” [\(MDCH no longer exists and has been succeeded by Michigan Department of Health and Human Services\)](#).

Policies

- 1) It is the policy of Mid-State Health Network to conduct due diligence activities as detailed in this policy and any related procedures in the event that:
 - a. A Community Mental Health Services Program (CMHSP) requests participation in the Mid-State Health Network Regional Entity; and/or
 - b. The Michigan Department of Health and Human Services proposes to assign a CMHSP to the Mid-State Health Network Regional Entity.

- 2) It is the policy of Mid-State Health Network that the due diligence activities required under this policy are carried out by the MSHN Chief Executive Officer assisted by the MSHN Chief Financial Officer, MSHN Deputy Director and other MSHN executive management personnel pertinent to the subject matter being evaluated. The MSHN Operations Council shall appoint two representatives to consult, assist and advise in these due diligence activities. For the purposes of this policy only, this group hereinafter is called the Due Diligence Workgroup. This Due Diligence Workgroup shall report monthly (and more often if needed) to the MSHN Operations Council and MSHN Executive Committee (or a special MSHN Board-Appointed committee, if so constituted), and to the MSHN Board at its regular meetings. Other sub-workgroups may be established by the Due Diligence Workgroup as needed to fulfill related due diligence activities. [Requirements of the MSHN General Management, Appointed Councils, Committees, and Workgroups policy shall apply.](#)

- 3) It is the policy of Mid-State Health Network for the Due Diligence Workgroup to request and evaluate any available information from the CMHSP, the current PIHP associated with the CMHSP, and/or MDHHS in order to evaluate and analyze CMHSP historical, current and future financial, operational, programmatic performance and functional status, to assess the CMHSPs ability to perform to established standards in the MSHN region ,and to assess the impact of inclusion of the CMHSP on the existing CMHSP Participants, the MSHN Pre-Paid Inpatient Health Plan (PIHP) and the MSHN region. The Due Diligence Workgroup, at a minimum, shall request and evaluate the following:
- a. A written, detailed rationale for the request to be a member of the MSHN Regional Entity including identification of historical and current precipitating factors.
 - b. A detailed written disclosure of all matters where any aspect of the CMHSPs operations do not meet established standards. This includes full disclosure of all matters involving finances, financial operations, short and long-term liabilities; full disclosure of pending and current legal matters, full disclosure of compliance matters, full disclosure of pending sanctions of any kind; and any other disclosure that may be requested by the Due Diligence Workgroup.
 - c. The most recent five years of audited financial statements and internal budget documents demonstrating the historical ability of the CMHSP to operate within its established revenue and within its established budget.
 1. CMHSP demonstrates at least 2 years of revenue and expense trends that would be consistent with projected future geographic factors.
 2. CMHSP is not under corrective action with the Michigan Department of Treasury
 - d. There shall be no uncorrected material findings in the most recent two years of financial and compliance audits of the CMHSP.
 - e. The incoming CMHSP's Information Technology System must be validated by MSHN (or its designee) as fully operational/functional and interoperable with MSHN systems
 - f. Current status on all performance metrics, performance improvement projects and external entity reviews
 - g. Current copy of the most recent provider network adequacy assessment and any status updates
 - h. Current status of all consumer affairs, including grievances and appeals, sentinel events, and all related quality information.
 - i. CMHSP demonstrates current service penetration and program unit costs that equal or exceed aggregate regional performance.
 - j. The historical geographic factor (and/or other factors used in rate setting) associated with the incoming CMHSP equals or exceeds the existing MSHN geographic factor.
 - k. Acceptable performance upon review of a pre-contract and/or pre-delegation site review(s) conducted by MSHN with participation from current MSHN CMHSP Participants. This may result in non-delegation of some or all managed care functions and may result in different delegations than the rest of the region in the sole discretion of the MSHN region.
- 4) It is the policy of Mid-State Health Network to establish certain stipulations that the incoming CMHSP and/or MDHHS must agree to. At a minimum, these stipulations are:
- a. CMHSP commits to adoption of the existing MSHN Bylaws, Operating Agreement and established policies/procedures without qualification.
 - b. CMHSP has full certification from MDHHS including a fully compliant Recipient Rights Program

- c. CMHSP holds current accreditation from a nationally-recognized entity compatible with the delivery of Medicaid specialty supports and services
- d. Incoming CMHSP must have a balanced budget and at least one year of demonstrated ability to operate within provided revenue [Per Eligible Per Month (PEPM)]. Depending on historical and current operational circumstances, if this criterion cannot be met, the incoming CMHSP must provide an acceptable cost containment plan.
- e. Incoming CMHSP must bring with it, from its current PIHP or MDHHS, if assigned, a fully funded Internal Service Fund (ISF) equal to the MDHHS-established maximum for PIHP ISFs (currently 7.5% of revenue).
- f. The incoming CMHSP must have retired any outstanding liabilities to the MDHHS and/or the prior PIHP, if any.
- g. The incoming CMHSP must not be a party to current litigation against the MDHHS.
- h. The Incoming CMHSP must agree to a regional monitoring plan and sanctions for substandard fiscal, programmatic or other operational performance.
- i. Negative financial impacts caused by rate misalignments of the incoming CMHSP, if any, must be supported by state funding to smooth this negative impact over an agreeable period of time.
- j. The incoming CMHSP must adopt the MSHN region's costing, cost allocation and cost reporting principles, policies and procedures.
- k. If the Information Technology System of the incoming CMHSP is not validated as fully functional/operational and cross functional with existing MSHN systems, the incoming CMHSP, at its own expense, must correct that condition.
- l. Incoming CMHSP (or MDHHS, if assigned) bears the costs of the MSHN region for confirming conditions and integrating it into the region (prior to application of regional administration fees)
- m. MSHN may contractually obligate the incoming CMHSP to additional participant requirements during the transition process as a result of due diligence activities, which will be detailed in writing and adopted by the MSHN Board, which may continue until certain milestones to be detailed as a result of that process are met.

In the event that the CMHSP and/or MDHHS is unwilling or unable to accept MSHN stipulations after negotiations with the Due Diligence Workgroup, the appropriate party should provide a written proposal which must be presented to the MSHN Operations Council for consideration, and from the Operations Council to the MSHN Board of Directors.

- a. Where the applicant is the CMHSP, the MSHN Board may forward the proposal with a recommendation to the Boards of Directors of the current MSHN CMHSP Participants, which must act to accept or reject the applicant CMHSP as stipulated in the MSHN Bylaws.
 - b. Where the State is the initiating party requiring the MSHN Regional Entity to accept the CMHSP, the MSHN Board shall make a decision that will mitigate the additional service, financial and legal risks to the region and the CMHSP Participants consistent with the established Bylaws and Operating Agreement.
- 5) It is the policy of Mid-State Health Network to reserve the right to identify additional considerations, stipulations or criteria depending upon the situation at the time of the request of a CMHSP or MDHHS for inclusion of a CMHSP in the MSHN region.

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

Terms used in this policy have the meaning defined in the MSHN Bylaws and/or the MSHN Operating Agreement.

CMHSP: Community Mental Health Service Program

ISF: Internal Service Fund

MDCH: Michigan Department of Community Health

MDHHS: Michigan Department of Health and Human Services

MSHN: Mid-State Health Network

PEPM: Per Eligible Per Month

PIHP: Pre-Paid Inpatient Health Plan

Other Related Materials

References/Legal Authority

Mid-State Health Network Bylaws, Section 2.4

MSHN Operating Agreement

Change Log:

Date of Change	Description of Change	Responsible Party
03.31.2019	New Policy	Chief Executive Officer
07.21.2020	Biennial Review	Chief Executive Officer
06.03.2022	Biennial Review	Chief Executive Officer
07.2024	Biennial Review	Chief Executive Officer

POLICIES AND PROCEDURES MANUAL

Chapter:	General Management		
Title:	Conflict of Interest Policy		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Page: 1 of 6	Review Cycle: Biennial Author: Chief Executive Officer, Legal Counsel	Adopted Date: 07.29.2013 Review Date: 09.13.2022	Related Policies: General Management Board Member Conduct

Purpose

The objective of this policy (the “Policy”) is to provide an effective oversight process to protect the interests of Mid-State Health Network (“MSHN”) when contemplating a transaction, arrangement, proceeding or other matter that might benefit the private interest of an individual or another entity. The policy accomplishes this objective by defining Conflict of Interest, identifying individuals subject to this Policy, facilitating the disclosure of actual and potential Conflicts of Interest and Financial Interests and setting forth procedures to manage Conflicts of Interest. This policy is intended to supplement, but not replace, any applicable state or federal laws governing conflicts of interests in governmental entities or charitable, tax exempt, nonprofit organizations.

Policy

It shall be the policy of MSHN to provide a means for any Covered Person to identify and report to the MSHN’s Board any direct or indirect Financial Interest and any actual or potential Conflict of Interest and, based on that information, to permit the Board to review such Financial Interests and Conflicts of Interest and provide a process for the Board to follow when managing Conflicts of Interest, all in accordance with applicable law.

A “Covered Person” subject to this Policy includes: Members of the MSHN Board including their participation in committees of the Board which are delegated authority by the Board, the Substance Use Disorder Regional Oversight Policy Board (SUD-OPB), and MSHN Officers, employees or agents.

Duties of Covered Persons

Duty of Care: Every Covered Person shall act in a reasonable and informed manner and perform his or her duties for MSHN in good faith and with the degree of care that an ordinarily prudent person would exercise under similar circumstances.

Duty of Loyalty: Every Covered Person owes a duty of loyalty to act at all times in the best interest of MSHN and not in the interest of the Covered Person or any other entity or person. No Covered Person may personally take advantage of a business opportunity that is offered to MSHN unless the Board of Directors determines not to pursue that opportunity, after full disclosure and a disinterested and informed evaluation.

Conflicts of Interest: No Covered Person may engage in any transaction, arrangement, proceeding or other matter or undertake positions with other organizations that involve a Conflict of Interest, except in compliance with this policy. Covered Persons should avoid not only actual but the appearance of conflicts of interest as well. Every Covered Person shall:

- A. Disclose all Financial Interests as set out below;
- B. Unless a Conflict of Interest Waiver has been granted, recuse himself/herself from voting on any transaction, arrangement, proceeding or other matter in which he/she has a Financial Interest, and not be present when any such vote is taken; and
- C. Comply with any restrictions or conditions stated in any Conflict of Interest Waiver granted for the Covered Person’s activities.

Duty to Disclose: Each Covered Person has a duty to disclose to the Board the existence of a Financial Interest and all related material facts.

Disclosure of Financial Interests: Each Covered Person shall submit in writing to the Entity's Chief Executive Officer an Annual Disclosure of Ownership, Controlling Interest, and Criminal Conviction Statement (Attachment A) listing all Financial Interests and affirming compliance with the Conflict of Interest Policy. Each Covered Person shall update his/her Annual Disclosure of Ownership, Controlling Interest, and Criminal Conviction Statement each year on the date designated by the Board for updating, and promptly when any new Financial Interests or potential Conflicts of Interest arise. The Chairperson of the Board shall review and become familiar with all submitted Disclosure of Ownership, Controlling Interest, and Criminal Conviction Statements and updates in order to guide his/her conduct regarding the disclosed information. The Vice Chairperson of the Board shall review and become familiar with the Disclosure of Ownership, Controlling Interest, and Criminal Conviction Statement submitted by the Chairperson of the Board.

The Board of Directors may request that a Covered Person(s) appear before the Board or submit written information to supplement or to answer questions regarding information disclosed on the Annual Disclosure of Ownership, Controlling Interest, and Criminal Conviction Statement.

Addressing Financial Interests and Conflicts of Interest:

- A. Board Deliberation. After disclosing the Financial Interest, together with any additional oral or written presentation of material or discussion requested by the Board, the interested person shall leave the Board meeting while the Board discusses the information and votes regarding how to manage the Conflict of Interest and whether or not to grant a waiver. The interested person shall not take part in the Board's due diligence deliberations.
- B. Appointment of Disinterested person. If the Board determines it is advisable, the Board may appoint a disinterested person to conduct further investigation regarding the reported Financial Interest and Conflict of Interest and make a report back to the Board.
- C. Board Vote. The Board, after exercising due diligence regarding the reported Financial Interest and Conflict of Interest, shall, by vote, make a determination as to whether or not the Entity can obtain a more advantageous transaction, arrangement, proceeding or other matter with reasonable efforts from another person or entity that would not involve the interested person, and the Financial Interest is so substantial as to be likely to affect the integrity of the services which the Entity may expect from the interested person. The interested person shall not take part in the Board's due diligence deliberations or any vote on how to manage the Conflict of Interest and whether or not to grant a waiver.
- D. Notice to Interested Person. If the Board determines, by majority vote of disinterested members, that it may, with reasonable efforts, obtain a more advantageous transaction, arrangement, proceeding or other matter from another person or entity not involving the Interested person, it shall notify the interested person and may pursue such other transactions, arrangements, proceedings or other matters or restrict the interested person's participation in the matter, as the Board determines appropriate.
- E. Granting a Conflict of Interest Waiver. If the Board determines that it is not able, with reasonable efforts, to obtain a more advantageous transaction, arrangement, proceeding or other matter from another person or entity not involving the Interested person, and that the Financial Interest is not so substantial as to be likely to affect the integrity of the services which the Entity may expect from the Interested person, the Board may vote to waive the potential Conflict of Interest and proceed with the proposed transaction, arrangement, proceeding or other matter and the Interested person's participation in the matter. A Conflict of Interest Waiver shall be made in writing and signed by the Chairperson of the Board on the Entity's Conflict of Interest Waiver form (Attachment B). The Conflict of Interest Waiver may restrict the interested person's participation in the matter to the extent deemed necessary by the Board. Further, the Conflict of Interest waiver may cover all matters the interested person may undertake as part of his/her official duties with the Entity, without specifically enumerating such duties. All Conflict of Interest

Waivers shall be issued prior to the Interested person's participation in any transaction, arrangement, proceeding or other matter on behalf of the Entity.

- F. Factors for Consideration When Granting a Waiver. In making a determination as to whether a Financial Interest is substantial enough to be likely to affect the integrity of the interested person's services to the Entity, the Board shall consider, as applicable:
- i. The type of interest that is creating the disqualification (e.g. stock, bonds, real estate, cash payment, job offer or enhancement of a spouse's employment);
 - ii. The identity of the person whose Financial Interest is involved, and if the interest does not belong directly to the Interested person, the Interested person's relationship to that person;
 - iii. The dollar value of the disqualifying Financial Interest, if known and quantifiable (e.g., amount of cash payment, salary of job to be gained or lost, change in value of securities);
 - iv. The value of the financial instrument or holding from which the disqualifying Financial Interest arises and its value in relationship to the individual's assets;
 - v. The nature and importance of the interested person's role in the matter, including the level of discretion which the interested person may exercise in the matter;
 - vi. The sensitivity of the matter;
 - vii. The need for the Interested person's services; and
 - viii. Adjustments which may be made in the interested person's duties that would eliminate the likelihood that the integrity of the interested person's services would be questioned by a reasonable person.
- G. Waivers Supported by Michigan Law. Michigan law specifically provides support for granting a waiver of a Conflict of Interest arising under the following Conflict of Interest exception scenarios:
- i. A community mental health services program ("CMHSP") Board member may be a party to a contract with a CMHSP or administer or financially benefit from that contract, if the contract is between the CMHSP and the Entity;
 - ii. A CMHSP Board member may also be a member of the Entity Board, even if the Entity has a contract with the CMHSP;
 - iii. A CMHSP Board may approve a contract with the Entity, if a CMHSP Board member is also an employee or independent contractor of the Entity; and
 - iv. CMHSP public officers (e.g., Board members, officers, executives and employees) may also be Board members, officers, executives and employees of the Entity, even if the Entity contracts with the CMHSP, subject to any prohibition imposed by the Michigan Department of Health and Human Services (MDHHS) in that regard.
- H. Reporting to the State. MSHN will promptly notify the Division of Program Development, Consultation and Contracts, ~~Behavioral Health and Developmental Disabilities Administration (BHDDA)~~ or its successor unit in MDHHS, if:
- i. Any disclosures are made by providers with regard to the ownership or control by a person that has been convicted of a criminal offense described under sections 1128(a) and Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program 29 1128(b)(1), (2), or (3) of the Act, or that have had civil money penalties or assessments imposed under section 1128A of the Act. (See 42 [Code of Federal Regulations \(CFR\)](#) 1001.1001 (a)(1): or
 - ii. Any staff member, director, or manager of the PIHP, individual with beneficial ownership of five percent or more, or an individual with an employment, consulting, or other arrangement with the PIHP has been convicted of a criminal offense described under sections 1128(a) and 1128(b)(1), (2), or (3) of the Act, or that have had civil money penalties or assessments imposed under section 1128A of the Act. (See 42 CFR 1001.1001(a)(1)).

Policy Enforcement

- A. If the Board has reasonable cause to believe that a Covered Person has failed to disclose actual or potential Financial Interests or Conflicts of Interest, the Board shall inform the involved Covered Person of the basis for such belief and afford the Covered Person an opportunity to explain the alleged failure to disclose.
- B. If, after hearing the Covered Person's response and after making such further investigation as may be required, the Board determines that the Covered Person has in fact failed to disclose an actual or potential Financial Interest or Conflict of Interest, the Board shall take appropriate corrective action.

Records of Proceedings

The minutes of the Board and all committees with Board-delegated powers shall contain:

- A. The names of Covered Persons who disclosed or otherwise were found to have a Financial Interest, the nature of the Financial Interest, any due diligence investigation of the Financial Interest and potential Conflict of Interest, and the Board's decision with regard to the matter. If a written waiver of a Conflict of Interest is granted, a copy of the written waiver shall be attached to the minutes of the meeting at which it was granted.
- B. The names of all persons who were present for discussion and votes related to the transaction or arrangement involved in the Financial Interest, a summary of the content of the discussion, including any alternatives proposed to the transaction or arrangement, and a record of any vote taken in connection with the matter.
- C. If the Board grants a waiver of a Conflict of Interest, the waiver shall be in writing and shall be signed by the Chairperson of the Board, and shall describe the Financial Interest, the proceeding, transaction or matter to which the Financial Interest applies, the Interested person's role in the proceeding, transaction or matter, and any restriction on the Interested person's participation in the proceeding, transaction or matter.

Compensation Committees

- A. A voting member of the Board or any Board committee whose scope of authority includes compensation matters and who receives compensation, directly or indirectly, from MSHN, is precluded from voting on matters pertaining to his/her own compensation from MSHN.
- B. No voting member of the Board or any Board committee whose scope of authority includes compensation matters and who receives compensation, directly or indirectly, from MSHN, is prohibited, individually or as part of a group, from providing information to the Board or any committee regarding compensation.

Annual MSHN Board of Directors Disclosure of Ownership, Controlling Interest, and Criminal Convictions

Annually, on a date to be determined by the Board, each Covered Person shall complete, sign and date a MSHN Board of Directors Disclosure of Ownership, Controlling Interest, and Criminal Convictions (see Attachment A). The Disclosure Statement affirms that the signor:

- A. Has received a copy of this Policy;
- B. Has read, understands, and agrees to comply with this Policy and the requirements of 42 CFR 455 Subpart B;
- C. Has disclosed necessary information identified in 42 CFR 455 Subpart B;
- D. Will update the information on the Disclosure of Ownership, Controlling Interest, and Criminal Convictions, should information change, by completing a new disclosure statement;

- E. Understands that MSHN is required to notify the MDHHS ~~BHDDA~~ Division of Program Development, Consultation and Contracts (or its successor unit) when any disclosures are made with regard to criminal offense described under sections 1128(a) and 1128(b)(1)(2), or (3) of the Social Security Act.

Covered persons may submit a current copy of an equivalent disclosure statement previously completed for a CMHSP, provided the disclosure statement complies with the requirements of 42 CFR 455 Subpart B and the information disclosed remains accurate at the time of receipt by MSHN.

Applies to:

- All Mid-State Health Network Staff
- MSHN Board Members and SUD OPB Members
- Selected MSHN Staff, as follows:
 - MSHN CMHSP Participants: Policy Only Policy and Procedure
 - Other: Sub-contract Providers

Definitions:

~~BHDDA: Behavioral Health and Developmental Disabilities Administration~~

CFR: Code of Federal Regulations

CMHSP: Community Mental Health Service Program.

Compensation: Compensation includes direct and indirect remuneration, in cash or in kind.

Conflict of Interest: A Conflict of Interest arises when a Covered Person participates or proposes to participate in a transaction, arrangement, proceeding or other matter for the Entity in which the covered person has a financial interest.

Covered Person: A person subject to the terms of this policy including MSHN Board members, Board Committee members, SUD-OPB members, Officers, Executives and staff.

Family Member: Spouse, parent, children (natural or adopted), sibling (whole or half-blood), father-in-law, mother-in-law, grandchildren, great grandchildren and spouses of siblings, children, grandchildren, great grandchildren, and all step family members, and any person(s) sharing the same living quarters in an intimate, personal relationship that could affect decisions of the Covered Person in a manner that conflicts with this Policy.

Financial Interest: A Covered Person has a Financial Interest if he or she has, directly or indirectly, actually or potentially, through a business, investment or through a Family Member:

- (a) an actual or potential ownership, control or investment interest in, or serves in a governance or management capacity for, an entity with which the Entity has a transaction, arrangement, proceeding or other matter;
- (b) an actual or potential compensation arrangement with any entity or individual with which the Entity has a transaction, arrangement, proceeding or other matter;
- (c) or an actual or potential ownership or investment interest in, compensation arrangement with, or serves in a governance or management capacity for, any entity or individual with which the Entity is contemplating or negotiating a transaction, arrangement, proceeding or other matter.

Interested Person: is a Covered Person who has a Financial Interest.

MDHHS: Michigan Department of Health and Human Services

MSHN: Mid-State Health Network

SUD: Substance Use Disorder

SUD-OPB: Substance Use Disorder Regional Oversight Policy Board responsible for planning, approval and monitoring of the region's use of Public Act 2 (PA2) (Liquor Tax) money, which is restricted to use in the County of fund origin and to be used expressly for SUD treatment and Prevention.

Reference/Legal Authority:

The Policy is based on the following legal authorities:

- Mental Health Code, 1974 PA 258, MCL 300.1001 to 300.2106

- 1978 PA 566, MCL 15.181 to 15.185 (incompatible public offices)
- 1968 PA 317, MCL 15.321 to 15.330 (contracts of public servants with public entities)
- 45 CFR Part 74 (Federal Procurement Regulations)
- 45 CFR Part 92 (Federal Procurement Regulations)
- 42 USC 1396a (Federal Medicaid Statute)
- Michigan Medicaid State Plan
- 18 USC 208 (Federal Conflict of Interest Statute)
- IRS Conflict of Interest Guidelines, Policies and Pronouncements for Charitable Tax-Exempt Nonprofit Entities
- 42 CFR 455 Subpart B
- Section 1902 (a)(4)(C) and (D) of the Social Security Act: 41 U.S.C. Chapter 21 (formerly Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. §423): 18 U.S.C. §207: 18 U.S.C. §208: 42 CFR §438.58: 45 CFR Part 92: 45 CFR Part 74: 1978 PA 566: and MCL 330.1222.

Change Log:

Date of Change	Description of Change	Responsible Party
07.23.2013	New Policy	Legal Counsel
10.02.2014	Annual review, Format Update	Chief Executive Officer, Legal Counsel
07.2015	Add legal reference from the SSA as indicated in the MDHHS-PIHP Contract; expanded scope to SUD-OPB, added related definitions; Updated to MDHHS	Chief Executive Officer
03.16.2016	Annual Review	Chief Executive Officer
01.30.2017	Annual Review	Chief Executive Officer
01.29.2018	Annual Review	Chief Executive Officer
01.29.2019	Annual Review	Chief Executive Officer
07.22.2020	Biennial Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURES MANUAL

Chapter:	General Management		
Title:	Consent Agenda		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 01.06.2015	Related Policies: General Management
Procedure: <input type="checkbox"/>	Author: Board Executive Committee & Chief Executive Officer	Review Date: 09.13.2022	
Page: 1 of 2			

Purpose

Mid-State Health Network’s (MSHN) Board uses a consent agenda to expedite the conduct of routine business during Board meetings in order to allocate more meeting time to education and discussion of substantive and strategic issues.

Policy

- A. The MSHN Board shall adopt and carry out consistent standards for what can be included in a consent agenda and how the consent agenda shall be administered including:
 - The consent agenda shall consist of routine financial, legal, administrative matters and matters of meeting order (agenda, minutes, etc.) that require board action.
 - Consent agenda items are expected to be non-controversial and not requiring of discussion.
 - Motions, resolutions and all supporting materials for the consent agenda shall be sent to Board members with the routine dissemination of Board meeting materials in advance of the meeting.
 - The consent agenda shall be considered during a board meeting. The Chair will ask if any member wishes to remove an item from the consent agenda for separate consideration, and if so, the Chair will schedule it for discussion during the meeting in which the request was made.

- B. The following items are considered suitable for the MSHN Board consent agenda:
 - Approval of minutes
 - Approval of signatories for bank accounts
 - Approval of staff positions which have been included in the MSHN approved budget
 - Policies requiring annual review that have been approved by the Policy Committee
 - New Board policies
 - Routine reports and communications

- C. The following items are not considered suitable for the MSHN Board consent agenda:
 - Approval of the annual ~~update~~ budget
 - Approval of the strategic plan
 - Approval of ~~capital~~ expenditures exceeding \$24,999

- D. The Board will periodically assess the use of consent agenda.

Applies to:

- All Mid-State Health Network Staff
- Selected MSHN Staff, as follows:
- MSHN Board of Directors; Advisory Councils and Boards
- MSHN’s CMHSP Participants: Policy Only Policy and Procedure
- Other: Sub-contract Providers

Definitions:

CEO: Chief Executive Officer

CMHSP: Community Mental Health Service Program

Consent Agenda: A consent agenda groups the routine, procedural, informational and self-explanatory non-controversial items typically found in an agenda. These items are then presented to the board in a single motion for an up or down vote after allowing anyone to request that a specific item be moved to the full agenda for individual attention. Other items, particularly those requiring strategic thought, decision making or action, are handled as usual.

MSHN: Mid-State Health Network

PIHP: Pre-paid Inpatient Health Plan

Other Related Materials:

N/A

References/Legal Authority:

N/A

Change Log:

Date of Change	Description of Change	Responsible Party
01.06.2015	New policy	Chief Executive Officer
11.2015	Annual Review	Chief Executive Officer
03.2017	Annual Review	Chief Executive Officer
01.2018	Annual Review	Chief Executive Officer
01.2019	Annual Review	Chief Executive Officer
07.2020	Biennial Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	Delegation to the Chief Executive Officer and Executive Limitations		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 07.02.2014	Related Policies: General Management Board Governance
Procedure: <input type="checkbox"/>	Author: Chief Executive Officer	Review Date: 09.12.2023	
Page: 1 of 2			

Purpose

All Mid-State Health Network (MSHN) Board authority delegated to staff is delegated to the Chief Executive Officer (CEO). The CEO shall execute the delegated authority of the Board within defined executive limitations.

Policy

- 1) **Delegation of Authority:** The Board shall direct the CEO to achieve certain results through the establishment of Board policies and strategic priorities. The Board will limit the latitude the CEO may exercise in practices, methods, conduct and other "means" through establishment of executive limitations.

As long as the CEO uses reasonable interpretation of the Board's policies and executive limitations, the CEO is authorized to establish necessary procedures, make decisions, and take actions deemed necessary to achieve MSHN goals and compliance.

Only decisions of the Board, acting as a body are binding upon the CEO. Decisions or instructions of individual Board members, officers or committees are not binding on the CEO except in instances when the Board has specifically authorized such exercise of authority.

- 2) **Contracts:**
 - A. The Board of Directors specifically authorizes and delegates to the MSHN Chief Executive Officer the authority and responsibility to execute revenue contracts with the State of Michigan where the due date for the contract to be returned occurs before the next regularly scheduled board meeting provided that the revenue contract is consistent with the board approved strategic plan and the mission, vision and values of the Mid-State Health Network Pre-Paid Inpatient Health Plan. The Chief Executive Officer must report all instances where this action occurs at the next regularly scheduled board meeting.
 - B. The Board of Directors specifically authorizes and delegates to the MSHN Chief Executive Officer the authority and responsibility to execute expenditure contracts that are directly related to special funding proposals submitted to and approved by the State of Michigan in order to implement the special project or funding on a timely basis. The Chief Executive officer must report all instances where this action occurs at the next regularly scheduled board meeting.
- 3) **Executive Limitations:** The CEO shall not cause or allow any practice, activity, decision or circumstance that is illegal, imprudent, or inconsistent with Board approved policy or is in violation of commonly accepted business and professional ethics. Accordingly, the CEO may not:
 - A. Deal with consumers, families, employees, contractors, Board members or persons from the community in an unprofessional or unethical manner.
 - B. Permit financial conditions that risk fiscal jeopardy or compromise Board policy and/or strategic priorities.
 - C. Knowingly provide information and advice to the Board that is untimely, incomplete or inaccurate.
 - D. Permit conflict of interest in making purchases, awarding contracts, or hiring of employees.

- E. Approve and/or initiate expenditure of MSHN funds that differs from Board approved procurement policies; the CEO shall not exceed a spending limit of \$24,999 without prior Board approval. Unless prohibited by other MSHN executed contracts, MSHN board approved policies, or pertinent regulations, the MSHN CEO is authorized to:
- Approve and execute any expenditure of funds (including but not limited to funds associated with memoranda of understanding, contracts, purchase orders, special procurement initiatives, or similar instruments) for a single item/service/support or group of similar items/services/supports, provided that the total amount involved in the request is less than the policy-established maximum of \$24,999.
 - Present to the board of directors for its consideration any item or group of items that would, as a single request, exceed the established \$24,999 maximum signature authority of the Chief Executive Officer.
- F. Manage MSHN without adequate administrative procedures for matters involving finances, internal controls, employees, contractors, facilities, and other required operations of the organization.

Applies To:

- All Mid-State Health Network Staff
- Mid-State Health Network Board
- Selected MSHN Staff, as follows: Chief Executive Officer
- MSHN CMHSP Participants: Policy Only Policy and Procedure
- Other: Sub-contract Providers

Definitions:

CEO: Chief Executive Officer

MSHN: Mid-State Health Network

~~MSHN-CEO: Mid State Health Network Chief Executive Officer~~

Other Related Materials

MSHN Board By-Laws

MSHN Operating Agreement

References/Legal Authority

NA

Change Log:

Date of Change	Description of Change	Responsible Party
04.11.2014	New Policy	Chief Executive Officer
05.05.2015	Annual Review No Changes	Board of Directors
05.03.2016	Annual Review	Board of Directors
03.2017	Annual Review	Board of Directors
09.2018	Annual Review	Chief Executive Officer
01.2019	Annual Review	Chief Executive Officer
07.2020	Biennial Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
07.2023	Review for clarification language E.	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	Freedom of Information Act (FOIA) Request Policy		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 01.05.2016	Related Policies:
Procedure: <input type="checkbox"/>	Author: Executive <u>Assistant Support Specialist</u>	Review Date: 09.13.2022	
Page: 1 of 2		Revision Eff. Date:	

Purpose

It is the policy of Mid-State Health Network (MSHN) that all persons, except those incarcerated in a state or local correctional facility, are entitled to full and complete information regarding the affairs of government and official acts of those who represent them as public officials and public employees, consistent with the Michigan Freedom of Information Act (FOIA). Citizens shall be informed so they fully participate in the democratic process.

Policy

MSHN’s policy with respect to FOIA request is to comply with state law in all respects, and to respond to FOIA requests in a consistent, fair, and even-handed manner regardless of who makes such a request.

MSHN acknowledges its legal obligation to disclose all nonexempt public records in its possession pursuant to a FOIA request. MSHN acknowledges that sometimes it is necessary to invoke the exemptions identified under FOIA in order to ensure effective operation of government and to protect the privacy of individuals.

MSHN will protect the public’s interest in disclosure, while balancing the requirement to withhold or redact portions of certain records.

MSHN has established written procedures and guidelines to implement the FOIA and will create a written public summary of the specific procedures and guidelines relevant to the general public regarding how to submit written requests to MSHN, explaining how to understand MSHN’s written responses, deposit requirements, fee calculations, and an avenue for challenges and appeals. The public summary will be written in a manner so as to be easily understood by the general public.

Applies to:

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

Definitions:

- CMHSP: Community Mental Health Service Program
- FOIA: Freedom of Information Act
- MSHN: Mid-State Health Network
- Public Record: A record required by law to be made and kept

Other Related Materials:

FOIA Procedure
Request for Public Records Form
Notice to Extend Response Time Form
Notice of Denial of FOIA Request Form
Appeal of Denial of Records Form
FOIA Public Summary

References/Legal Authority:

Freedom of Information Act: **Act 442 of 1976**

Change Log:

Date of Change	Description of Change	Responsible Party
08.17.2015	New Policy	Executive Assistant
03.2017	Annual Review	Executive Assistant
09.2018	Annual Review	Executive Assistant
01.2019	Annual Review	Executive Assistant
07.2019	Annual Review	Executive Assistant
06.2022	Biennial Review	Executive Assistant
<u>05/2024</u>	<u>Biennial Review</u>	<u>Executive Support Specialist</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	General Management		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 11.22.2013	Related Policies: Policy & Procedure Development and Approval
Procedure: <input type="checkbox"/>	Author: Operations Council	Review Date: 09.13.2022	
Page: 1 of 2			

Purpose

To ensure that Mid-State Health Network (MSHN) develops, reviews, revises, adopts and disseminates MSHN policies, standards, and procedures to its provider network.

Policy

The policies of MSHN shall govern the overall ethical and business practices of its provider network for services purchased from the Community Mental Health Service Programs (CMHSPs) Participants and Substance Use Disorder (SUD) Providers.

- A. MSHN shall develop and adopt common policies and standards for managing its network.
- B. MSHN shall ensure provider and other stakeholder input in the creation and review of policies prior to adoption.
- C. MSHN policies and standards shall:
 - 1. Support the mission, vision, and values of MSHN
 - 2. Set monitoring guidelines for clinical and business practices
 - 3. Clearly reflect regulatory and contractual requirements and standards necessary for compliance
 - 4. Address issues that require uniformity and commonality in practices across the provider network
 - 5. Promote administrative efficiency and economy of practice
 - 6. Indicate applicability to provider or staff type
- D. CMHSP Participants/SUD Providers within MSHN may establish local network policy implementation procedures consistent with MSHN policy.
- E. MSHN shall utilize its Council/Committee structure for policy development and review.
- F. MSHN shall ensure that policies are reviewed at least biennially and revised as needed to reflect current standards and regulatory requirements.

Applies to:

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

Definitions:

~~CEO: Chief Executive Officer~~
 CMHSPs: Community Mental Health Service Programs
 MSHN: Mid-State Health Network
 SUD: Substance Use Disorder

Other Related Materials:

MSHN Operating Agreement
Board Bylaws

References/Legal Authority:

NA

Change Log:

<u>Date of Change</u>	<u>Description of Change</u>	<u>Responsible Party</u>
11.22.2013	New Policy	Chief Compliance Officer
11.2014	Annual Review	Chief Executive Officer
11.2015	Remove reference to Coordinating Agencies and Annual Policy Review	Chief Executive Officer
03.2017	Annual Review	Chief Executive Officer
01.2018	Annual Review	Deputy Director
01.2019	Annual Review	Deputy Director
07.2020	Biennial Review	Deputy Director
06.2022	Biennial Review	Deputy Director
<u>06.2024</u>	<u>Biennial Review</u>	<u>Deputy Director</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	Legislative and Public Policy Advocacy		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Page: 1 of 2	Review Cycle: Biennial Author: Chief Executive Officer Operations Council	Adopted Date: 07.07.2015 Review Date: 09.13.2022 Revision Eff. Date:	Related Policies: General Management Delegation to CEO and Executive Limitations

Purpose

Mid-State Health Network (MSHN) exists to serve in the best interest of and to the benefit of all Community Mental Health Service Program (CMHSP) Participants, Substance Use Disorder (SUD) Provider Network Participants and their consumers. Any legislative and/or public policy advocacy shall be consistent with the organization’s mission, vision and values. This policy is intended to outline the MSHN Board’s parameters for legislative and public policy advocacy.

Policy

MSHN legislative and public policy advocacy shall be in accordance with applicable laws and regulations, its contracts, and/or with position statements on specific issues or for general advocacy if adopted by the Board.

MSHN shall comply with the Anti-Lobbying Act, 31 USC 1352 as revised by the Lobbying Disclosure Act of 1995, 2 USC 1601 et seq, and Section 503 of the Departments of Labor, Health and Human Services and Education, and Related Agencies Appropriations Act (Public Law 104-209). Further, MSHN shall require that the language of this assurance be included in the award documents of all sub-awards at all tiers (including subcontracts, sub- grants, and contracts under grants, loans and cooperative agreements) and that all sub- recipients shall certify and disclose accordingly.

MSHN shall comply with all applicable standards, orders, or requirements issued under 31 U.S.C. 1352 and 45 CFR Part 93. No appropriated funds may be expended by the recipient of a federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

MSHN advocacy is based on member study and agreement on selected issues and involves concerted efforts to achieve public policies consistent with MSHN’s positions. When MSHN reaches consensus or majority decision on an issue, it speaks with one voice when representing the position of the Board. MSHN Board members, and staff, may decline to take action at any governmental level and maintain a public silence, but may not take action in opposition to official MSHN positions when representing the organization.

Advocacy actions include, but are not limited to, providing information to, policy makers, legislators, beneficiaries, other key stakeholders and the public; for the purpose of building public opinion, and supporting or opposing public policy or legislation. Methods to do this can include, but are not limited to testifying at public hearings, using public forums and the media, panel discussions, MSHN publications, and communication with public officials.

Applies to

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

Definitions

CEO: Chief Executive Officer
CMHSP: Community Mental Health Service Program
MSHN: Mid-State Health Network
SUD: Substance Use Disorder

Related Materials:

Mid-State Health Network Operating Agreement, Article II, Purpose, Operating Philosophy, Guiding Principles, Scope and Authority of Entity

References/Legal Authority

1. Anti-Lobbying Act, 31 USC 1352 as revised by the Lobbying Disclosure Act of 1995, 2 USC 1601 et seq, and Section 503 of the Departments of Labor, Health and Human Services and Education, and Related Agencies Appropriations Act (Public Law 104-209).
31 U.S.C. 1352 and 45 CFR Part 93.

Change Log:

Date of Change	Description of Change	Responsible Party
06.2015	New Policy	Chief Executive Officer
05.2016	Annual Review	Chief Executive Officer
01.2017	Annual Review	Chief Executive Officer
01.2018	Annual Review	Chief Executive Officer
06.05.2018	Review	Board Policy Committee
06.15.2018	Review	Board Executive Committee
01.29.2019	Annual Review	Chief Executive Officer
07.21.2020	Biennial Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
07.2024	Biennial Review	Chief Executive Officer

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	Monitoring Chief Executive Officer Performance		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Page: 1 of 2	Review Cycle: Biennial Author: Chief Executive Officer	Adopted Date: 07.02.2014 Review Date: 09.13.2022	Related Policies: General Management Board Governance Executive Limitations

Purpose

Monitoring executive performance is synonymous with monitoring organizational performance against Board policies, strategic priorities and executive limitations. This policy sets forth the expectation for annual Board evaluation of the Chief Executive Officer (CEO) of the organization.

Policy

The Mid-State Health Network (MSHN) Board shall monitor CEO performance annually and throughout the year that includes review and consideration of but not limited to:

- A. INTERNAL REPORTS: Disclosure of compliance and performance information to the Board from the CEO including:
 - Financial reports,
 - Strategic planning reports,
 - Compliance reports,
 - Annual review of the Quality Assurance and Performance Improvement Program,
 - CEO routine updates and communications,
 - Other organizational performance metrics and reports as required by the Board
- B. EXTERNAL REPORTS: Disclosure of compliance and performance information by external auditors, reviewers or other persons or entities external to the institution including:
 - Fiscal audit reports,
 - Results of Michigan Department of Health and Human Services site reviews,
 - Results of third party external quality review,
 - Reports from independent legal counsel as required by the Board.

A formal annual evaluation of CEO performance shall include review and consideration of but not limited to:

- A. ANNUAL CEO PERFORMANCE REVIEW
 - 360 Degree feedback survey to include responses from Direct Reports, Peers, and Stakeholders that includes the following areas:
 - Communication
 - Commitment to Community Partners
 - Interpersonal Skills
 - Strategy Execution and Results
 - Leadership and Talent Management
 - Board Survey to include the following areas:
 - Board Relations
 - Leadership and Planning
 - Strategic Relations
 - Fiscal Accountability
 - Personnel and Contract Management
 - Judgement and Professionalism

The results of the annual evaluation of CEO performance will be shared with the Board of Directors during the Board meeting following conclusion and aggregation of the survey.

Applies to:

- All Mid-State Health Network Staff
- Mid-State Health Network Board
- Selected MSHN Staff, as follows: MSHN CEO
- MSHN CMHSP Participants: Policy Only Policy and Procedure
- Other: Sub-contract Providers

Definitions:

CEO: Chief Executive Officer

MSHN: Mid-State Health Network

~~MSHN CEO: Mid State Health Network Chief Executive Officer~~

Other Related Materials:

CEO Annual Performance Review Tool

References/Legal Authority:

N/A

Change Log:

Date of Change	Description of Change	Responsible Party
04.11.2014	New policy	Chief Executive Officer, Board Executive Committee
05.05.2015	Annual Review No Changes	Board of Directors
05.03.2016	Annual Review	Board of Directors
03.2017	Annual Review	Board of Directors
09.2018	Annual Review	Chief Executive Officer & Board of Directors
01.2019	Annual Review	Chief Executive Officer
07.2020	Biannual Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	New Board Member Orientation		
Policy: <input checked="" type="checkbox"/> Procedure: <input type="checkbox"/> Page: 1 of 2	Review Cycle: Biennial Author: Chief Executive Officer	Adopted Date: 11.04.2014 Review Date: 09.13.2022	Related Policies: Board Governance Board Member Conduct Conflict of Interest Consent Agenda Delegation to CEO and Executive Limitations

Purpose

In order that newly appointed Board members may cast informed votes and function effectively as Mid- State Health Network (MSHN) Board members, the Board and Chief Executive Officer (CEO) will extend to them the fullest measures of courtesy and cooperation and will make every reasonable effort to orient newly appointed Board members to the organizations purpose, strategic direction and Board functions, policies, procedures and current issues.

Policy

The Board, through the CEO, will provide new members with copies of or access to appropriate publications, such as the MSHN policy manual, the region’s Operating Agreement, the Board Bylaws, its Strategic Plan, [the MSHN Corporate Compliance Plan](#), and current fiscal year budget.

The Board Chairperson, CEO and Deputy Director will schedule and arrange for an orientation session for new Board members as soon as practicable after appointment. A reasonable amount of time will be provided for discussion of the following possible topics:

1. The roles, responsibilities and conduct of the Board and individual members;
2. The Board fiduciary responsibility and integrity obligations;
3. Basic operational procedures of the Board;
4. Placement of items on the agenda;
5. The role of councils, committees, subcommittees and advisory committees;
6. Conflict of Interest;
7. Appropriate responses of an individual member when a request or complaint is made directly to him/her by a regional stakeholder, consumer, provider or community member;
8. How Board members, in fulfilling their duties, may request information concerning the organizations operations, finances and personnel;
9. Protocol for interacting with the media; and
10. Other relevant topics.

Applies to:

- All Mid-State Health Network Staff
- Mid-State Health Board Members
- Selected MSHN Staff, as follows: Chief Executive Officer
- MSHN CMHSP Participants: Policy Only Policy and Procedure
- Other: Sub-contract Providers

Definitions:

- CEO: Chief Executive Officer
- MSHN: Mid-State Health Network
- SUD: Substance Use Disorder

Other Related Materials:

MSHN Operating Agreement
MSHN Board Bylaws
MSHN SUD Oversight Policy Advisory Board Bylaws
MSHN Board Member Orientation Manual

References/Legal Authority:

PIHP-~~MDCH~~-~~MDHHS~~ Contract
Open Meetings Act

Change Log:

Date of Change	Description of Change	Responsible Party
11.2014	New	Chief Executive Officer
11.2015	Annual Review	Chief Executive Officer
05.2017	Annual Review	Chief Executive Officer
09.2018	Annual Review	Chief Executive Officer
01.2019	Annual Review	Chief Executive Officer
07.2020	Biennial Review	Chief Executive Officer
07.2022	Biennial Review	Chief Executive Officer
<u>07.2024</u>	<u>Biennial Review</u>	<u>Chief Executive Officer</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	Office Closure Policy		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 07.05.2016	Related Policies:
Procedure: <input type="checkbox"/>	Author: Deputy Director	Review Date: 09.13.2022	
Page: 1 of 2			

Purpose

The purpose of this policy is to establish general guidelines for personnel in the event that operations may be reduced, suspended or closed due to natural disasters, weather conditions, facility damage or other emergency conditions that prevent normal operations.

Policy

The decision to reduce, suspend, or close all or part of Mid-State Health Network’s (MSHN) office for reasons of natural disaster, weather, building conditions, disruptive actions or health risks will be made by the Chief Executive Officer (CEO); in the absence of the CEO, the Deputy Director, or Chief Financial Officer will act as his/her designee.

In cases of complete or near complete closure or shutdown, company email and/or local news media will be used under normal circumstances for notification purposes.

- If Ingham County offices are closed due to weather emergency, MSHN physical offices will close and employees will be instructed to work remotely. If due to weather related closures, an employee that is incapable of working (connecting remotely), shall be paid for accordingly (Administrative pay).
- When the county building in the county in which the employee is located is closed due to weather, the employee is excused from travel but will be expected to work via remote home location.
- If an employee opts not to travel and not work remotely, but the County Building where the employee lives is open and MSHN is open, time is charged to Paid Time Off (PTO).
- If only selective operations are involved, or if the situation develops after the beginning of the 8:00 a.m. workday, each affected department will be notified. The lack of specific notification to the contrary should be interpreted to mean that normal operations are to be maintained.

It is recognized that certain conditions may cause problems for some employees in arriving to or leaving the office. In such circumstances, this policy should be observed as outlined. Specific cases and varying conditions or circumstances may require special action or decision by supervisors. However, some basic policy statements regarding suspension, reduction, or closure decisions are presented herein.

Notification of Type of Closure and Duration of Closure:

Begins at the time of the CEO’s (or her/his designee’s) announcement and ends when announced or at the start of the next day. All employee work schedules within the period of the closure, would qualify for the Administrative pay designation. MSHN office Closures will be announced via local news media, (if Ingham County Offices are closed) MSHN email, website, and through the MSHN emergency notification employee group-text (per emergency notification procedure).

- Meetings, operations and events will be canceled, and offices closed at the time of the official notification.
- Employees shall notify individuals of cancelations with whom they have appointments.
- Staff and visitors will be advised as to any needed precautions prior to being dismissed or sent home.

Pay Status for Reduced/Suspended Operation of MSHN:

Prior to official closure/reduction/suspension of operations, employees unable to report for work may utilize PTO for any period prior to the official time of the announced closure/reduction/suspension of operations. Employees required to remain off work due to the prolonged closure of MSHN will be paid for said time and categorized as Administrative pay.

Any employee who, prior to the announcement of closure, who has reported in as sick, scheduled to be on PTO, or decided to leave work early or did not come to work due to weather or other emergency related reasons will be paid as though there were no closure and therefore will be categorized as PTO. If the employee does not have a sufficient accrued PTO balance, then leave without pay will be processed.

Notification Procedures:

In the absence of notification to the contrary, all normal operations will continue as scheduled. If there is any doubt as to whether the MSHN will be in operation, employees should ~~tune in to WILX TV 10 Lansing~~, check with their supervisor and check MSHN email notifications.

Applies to

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

Definitions:

CEO: Chief Executive Officer

General Closure: All activities and events and meetings canceled and all offices closed

MSHN: Mid-State Health Network

PTO: Paid time off

Specific Closure: Specific activities and events canceled and offices closed as announced

Other Related Materials

N/A

References/Legal Authority

N/A

Change Log:

<u>Date of Change</u>	<u>Description of Change</u>	<u>Responsible Party</u>
04.2016	New Policy	Deputy Director
03.2017	Annual Review	Deputy Director
01.2018	Annual Review	Deputy Director
01.2019	Annual Review	Deputy Director
07.2020	Biennial Review	Deputy Director
07.2022	Biennial Review	Deputy Director
07.2024	Biennial Review	Deputy Director

POLICIES AND PROCEDURE MANUAL

Chapter:	Governance: General Management		
Title:	Policy and Procedure Development & Approval		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 07.01.2014	Related Policies: Board Governance
Procedure: <input type="checkbox"/>	Author: Chief Executive Officer	Review Date: 09.13.2022	
Page: 1 of 3			

Purpose

Mid-State Health Network (MSHN) develops and maintains policies and procedures to support achievement of the organization’s Mission, Vision and Values; to meet the changing needs of MSHN; to achieve compliance with applicable laws, rules, and funding requirements and; to assure responsiveness to customer/stakeholder needs.

Policies that require approval are those that, if not followed, represent a risk to MSHN. The Board has authorized the Chief Executive Officer (CEO) to recommend policies necessary to carry out the Mission of the organization and to accomplish the objectives established by the Board. Policies require Board approval and shall be reviewed ~~annually~~biennially. Policy shall be easy to understand, communicated broadly, and enforceable.

Procedures are established by MSHN staff/designees to assure effective and efficient implementation of Board approved policies and business practices. Procedures may be developed in consultation with Community Mental Health Service Programs (CMHSP) Participants as necessary.

Policy

The CEO shall manage the biennial review of policy/procedure and shall provide for maintenance of an electronic policy/procedure manual. The policy/procedure approval process shall be a collaborative effort inclusive of CMHSP Participants as appropriate. Policy review shall be led by a designated author with review and input being facilitated through appropriate councils/committees. Compliance and/or legal review shall be conducted as necessary.

Policies shall be developed, maintained, organized and approved in a consistent, easily accessible format.

Policy Header:

- MSHN Approved Logo
- Policy Chapter
- Policy Title
- Policy/Procedure
- Page
- Review Cycle
- Author
- Date Adopted
- Review Date
- Related Policies

Policy Body:

- Purpose: The rationale for the policy
- Policy/Procedure: The governing principle and/or ~~senior~~ leadership expectations, plan or understanding that guides the action. It states what we do, but not how.

- Definitions: Explanation of key terms/phrases not obvious or otherwise self-explanatory.
- Other related materials: Other source documents that provide context of support the need for the policy.
- Reference(s)/Legal Authority: Provide a summary of related laws, regulations, and other institutional policies.

Footer:

Each policy shall reflect the following footer. The ‘Change Log’ provides a history of the policy/procedure, including evidence or regular review and rationale for related changes.

Change Log:

Date of Change	Description of Change	Responsible Party

Formatting:

- Times New Roman, 11 pt. font; bold for headings
- One-inch margins on all sides
- Paragraphs are left justified (i.e. left aligned with a ragged right edge)
- Single spacing for paragraphs
- Use position titles (e.g., Chief Executive Officer/CEO) rather than names
- Acronyms should be used only after the full compound terms have been written out
- Policies submitted for approval of revisions shall be submitted in Microsoft Word, ‘Track Changes’ format

Policy Approval: Policies shall be established/reviewed by the responsible MSHN employee; reviewed by designated councils/committees in the MSHN organizational structure (as appropriate); and vetted by the Board’s Policy Committee. Policies are not effective until formal Board action has occurred. After approval and posting to the official website, MSHN policies are in effect.

Procedures: MSHN personnel shall maintain operating procedures for all important organizational processes. Procedures shall be reviewed biennially and approved by CEO or designee. Procedures shall be accessible and shall be communicated to involved personnel and MSHN’s provider network as part of the regular professional development/training and contract management practices. Any changes in procedures shall be consistent with and supportive of associated MSHN policy.

Applies to:

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

Definitions:

~~MSHN~~ CEO: [Mid State Health Network](#) Chief Executive Officer
 CMHSP: Community Mental Health Service Programs
[MSHN: Mid-State Health Network](#)

Other Related Materials

Board By-Laws

References/Legal Authority

N/A

Change Log:

Date of Change	Description of Change	Responsible Party
04.09.2014	New Policy	Chief Executive Officer
05.2016	Annual Review	Chief Executive Officer
01.2017	Annual Review	Chief Executive Officer
03.2018	Annual Review	Deputy Director
01.2019	Annual Review	Deputy Director
07.2019	Requested Change in Policy	Deputy Director
07.2020	Biennial Review	Deputy Director
06.2022	Biennial Review	Deputy Director
<u>06.2024</u>	<u>Biennial Review</u>	<u>Deputy Director</u>

POLICIES AND PROCEDURE MANUAL

Chapter:	<u>General Management</u> <u>Population Health</u>		
Title:	Population Health & Integrated Care		
Policy: <input checked="" type="checkbox"/>	Review Cycle: Biennial	Adopted Date: 07.05.2016	Related Policies: <u>Care Coordination Planning</u> <u>Procedure</u>
Procedure: <input type="checkbox"/>	Author: Deputy Director <u>Chief Population Health Officer</u>	Review Date: 09.13.2022 <u>26.03.2024</u>	
Page: 1 of 2			

Purpose

Mid-State Health Network (MSHN) is committed to increasing its understanding of the health needs of individuals within its 21-county service region and finding innovative ways to achieve the goals of better health, better care, better value, better provider systems, and better equity by utilizing informed population health and integrated care strategies. This policy exists to establish regional guidance and best practices in the areas of population health and integrated care as well as to ensure MSHN maintains compliance with the care coordination and integrated health requirements as defined per the contract with the Michigan Department of Health and Human Services (MDHHS).

Policy

It is the policy of Mid-State Health Network, (MSHN) as a Prepaid Inpatient Health Plan (PIHP) responsible for services to individuals enrolled in Medicaid, to coordinate care provided to individuals with the Medicaid Health Plan (MHP) also managing services for those individuals. It is further the policy of MSHN to work cooperatively with other MHPs and PIHPs to jointly identify priority need populations for purposes of care coordination and population health activities including but not limited to:

- A. Development of individualized care plans for persons with complex physical and behavioral health needs
- A.B. Enhanced care coordination for children and youth with identified risk factors, including those involved in the foster care system
- B.C. Partnering with MHPs to manage transitions of care between hospital and community-based settings and prevent avoidable hospital readmissions
- C.D. Identifying health disparities and engaging in practices that promote health equity for all Medicaid enrollees
- D.E. Implementing and monitoring joint quality health metrics
- E.F. Sending and receiving information from electronic sources including CareConnect 360, Michigan Health Information Network (MiHIN), and other health information exchanges
- F.G. Implementing approved population health clinical protocols in all local Community Mental Health Service Provider (CMHSP) organizations for designated high-risk populations

Applies to

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

Definitions

CMHSP: Community Mental Health Service Provider

Health Disparities: preventable differences in the burden of disease, injury, violence, or in opportunities to achieve optimal health experienced by socially disadvantaged racial, ethnic, and other population groups, and communities

Health Equity: the absence of avoidable, unfair, or remediable differences among groups of people, whether those groups are defined socially, economically, demographically or geographically or by other means of

stratification. All persons have a fair and just opportunity to be as healthy as possible.

MDHHS: Michigan Department of Health and Human Services

MHP: Medicaid Health Plan

MiHIN: Michigan Health Information Network

MSHN: Mid-State Health Network

PIHP: Prepaid Inpatient Health Plan

Related Materials

Mid-State Health Network Population Health and Integrated Care Plan

References/Legal Authority

Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program FY21Contract

Change Log:

Date of Change	Description of Change	Responsible Party
05.05.2016	New Policy	Deputy Director
01.31.2017	Annual Review	Deputy Director
02.28.2018	Annual Review	Deputy Director
01.29.2019	Annual Review	Deputy Director
07.21.2020	Biennial Review; incorporated health disparities and health equity	Director of Utilization and Care Management
06.15.2022	Biennial Review; edited for clarity and removed information that is contained elsewhere in policy and procedure	Director of Utilization and Care Management
<u>06.03.2024</u>	<u>Biennial Review; incorporated increased focus on at-risk children and youth</u>	<u>Chief Population Health Officer</u>