



BOARD OF DIRECTORS REGULAR MEETING

Thursday, September 19, 2024 at 5:00 pm
Room 225, Behavioral Health Center, 201 Mulholland Street, Bay City, MI 48708

AGENDA

Page

1. CALL TO ORDER & ROLL CALL
2. PUBLIC INPUT (3 Minute Maximum Per Person)
3. COMMUNICATIONS
 - 5 3.1 Letter from Michigan Department of Health and Human Services (MDHHS) re conflict free access and planning, dated September 11, 2024 – *See page 5*
 - 6 3.2 Thank you letter to Gratiot Integrated Health Network (GIHN) regarding fiscal year 2024 236 transfer, dated September 18, 2024– *See page 6*
4. REGULAR BOARD MEETING, 8/15/2024 – Distributed
 - 4.1 Motion on minutes as distributed
5. SPECIAL RECIPIENT RIGHTS ADVISORY & APPEALS COMMITTEE, 8/27/2024 – Distributed – McFarland, Ch/ Mrozinski, V Ch
There were no motions forwarded to the full Board
 - 5.1 Motion on minutes as distributed
6. SPECIAL BOARD MEETING, 8/28/2024 – Distributed
 - 6.1 Motion on minutes as distributed
7. RECIPIENT RIGHTS (RR) ADVISORY & APPEALS COMMITTEE, 9/5/2024 – Distributed – McFarland, Ch/ Mrozinski, V Ch
There were no motions forward to the full Board
 - 7.1 Motion on minutes as distributed
8. FACILITIES & SAFETY COMMITTEE, 9/9/2024 – Distributed – Crete, Ch/Girard V Ch
 - 4, 7 8.1 Res# 2409001: Approve the Facilities September 2024 contract list – *See page 4 resolution sheet & page 7*
 - 4, 8-24 8.2 Res# 2409002: Approve leasing program with Enterprise – *See page 4 resolution sheet & pages 8-24*
 - 8.3 Motion on minutes as distributed



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- 9. FINANCE COMMITTEE, 9/11/2024 – Distributed – Banaszak, Ch/Mrozinski, V Ch
 - 25-26 9.1 Motion to accept investment earnings balances for period ending August 31, 2024 – *See pages 25-26*
 - 4, 27 9.2 Res# 2409003: Approve the Finance September 2024 contract list – *See page 4 resolution sheet & page 27*
 - 28-33 9.3 Res# 2409004: Approve the fiscal year 2024 final budget amendment resolution – *See pages 28-32 & separate resolution on page 33*
 - 9.4 Motion on minutes as distributed

- 10. BYLAWS & POLICIES COMMITTEE, 9/11/2024 – Distributed – Banaszak, Ch/Mrozinski, V Ch
 - 4, 34-43 10.1 Res# 2409005: Approve the policies ending 30-day review – *See page 4 resolution sheet & pages 34-43*
 - 4, 44-45 10.2 Res# 2409006: Approve the policy beginning 30-day review – *See page 4 resolution sheet & pages 44-45*
 - 4, 46-66 10.3 Res#2409007: Approve the 2024 Bylaw revisions and meeting structure/changes effective January 1, 2025 – *See page 4 resolution sheet & pages 46-66*
 - 10.4 Motion on minutes as distributed

- 11. PROGRAM COMMITTEE, 9/12/2024 – Distributed – Girard, Ch/Mrozinski, V Ch
 - There were no motions forwarded to the full Board
 - 11.1 Motion on minutes as distributed

- 12. AUDIT COMMITTEE, 9/17/2024 – Distributed – McFarland, Ch/Pawlak, V Ch
 - 4, 67-73 12.1 Res# 2409008: Accept financial statements – *See page 4 resolution sheet & pages 67-73*
 - 4, 74-77 12.2 Res# 2409009: Accept electronic fund transfers – *See page 4 resolution sheet & pages 74-77*
 - 4, 78 12.3 Res# 2409010: Approve disbursement & health care claims payments – *See page 4 resolution sheet & page 78*
 - 12.4 Motion on minutes as distributed



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13. REPORT FROM ADMINISTRATION

13.1 Rose Adult Foster Care Home Transition

79-92 13.2 State Health Policy Update – *See pages 79-92*

14. UNFINISHED BUSINESS

14.1 None

15. NEW BUSINESS

15.1 Liability Claim

15.1.1 Closed Session

Consideration of motion to enter into closed session pursuant to Open Meetings Act (PA 276 of 1976) as permissible under section 8(h) for the purpose of considering material exempt from discussion or disclosure by state or federal statute

15.1.2 Return to Open Session

Consideration of any motions related to liability claim

15.2 Special Personnel & Compensation (P&C) Committee

A special P&C Committee meeting has been scheduled for 5:00 pm on Monday, September 23, 2024 for consideration of the 2025 employee benefit renewals

15.3 Special Board Meeting & Public Hearing

A special Board meeting and public hearing has been scheduled for 5:00 pm on Thursday, September 26, 2024 for consideration of the employee benefit renewals and all matters related to the fiscal year 2025 operating budget and related contracts

15.4 Community Mental Health Association (CMHA) Fall Conference

The CMHA Fall Conference is scheduled for Monday and Tuesday, October 21 & 22, 2024 at Grand Traverse Resort

16. ADJOURNMENT



BOARD OF DIRECTORS REGULAR MEETING

Thursday, September 19, 2024 at 5:00 pm
Room 225, Behavioral Health Center, 201 Mulholland Street, Bay City, MI 48708

RESOLUTIONS

Facilities & Safety Committee, September 9, 2024

Res# 2409001: Resolved by Bay Arenac Behavioral Health to approve the Facilities September 2024 contract list.

Res# 2409002: Resolved by Bay Arenac Behavioral Health to approve the leasing program with Enterprise for a term of 5 years to replace up to 20 vehicles.

Finance Committee, September 11, 2024

Res# 2409003: Resolved by Bay Arenac Behavioral Health to approve the Finance September 2024 contract list.

Res# 2409004: See separate resolution on page 33

Bylaws & Policies Committee, September 11, 2024

Res# 2409005: Resolved by Bay Arenac Behavioral Health to approve the following policies to end 30-day review:

- 1) Uses and Disclosures Protected Health Information under HIPPA, the Michigan Health Codes, and the Code of Federal Regulations, 13-1-14 (deletion)
- 2) Uses and Disclosures of Protected Health Information under HIPPA, the Michigan Health Codes, and the Code of Federal Regulations – Additional Guidelines for Supervisors/Managers, 13-1-17 (deletion)
- 3) Uses and Disclosures of Protected Health Information under HIPPA, the Michigan Health Code, and the Code of Federal Regulations, 13-1-21 (new)
- 4) Accepting and Handling Credit and Debit Card Payments, 8-3-15 (new)
- 5) Encounter Quality Initiative (EQI) Reports, 2-1-7 (revision)

Res# 2409006: Resolved by Bay Arenac Behavioral Health to approve policy, Medication Delivery, 6-1-3 (revision), to begin 30-day review.

Res# 2409007: Resolved by Bay Arenac Behavioral Health to approve the 2024 Bylaw revisions and meeting structure/changes effective January 1, 2025.

Audit Committee, August 17, 2024

Res# 2409008: Resolved by Bay Arenac Behavioral Health to approve the Financial Statements for period ending August 31, 2024.

Res# 2409009: Resolved by Bay Arenac Behavioral Health to approve the electronic fund transfer (EFTs) for period ending August 31, 2024.

Res# 2409010: Resolved by Bay Arenac Behavioral Health to approve the disbursements and health care payments from August 19, 2024 through September 20, 2024.



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

ELIZABETH HERTEL
DIRECTOR

September 11, 2024

Christopher Pinter, Chief Executive Officer
Bay Arenac Behavioral Health
201 Mulholland
Bay City, MI 48708

Dear Mr. Pinter:

Thank you for your letter dated July 25, 2024, regarding Arenac and Bay County Boards of Commissioners resolutions on Conflict Free Access and Planning requirements.

Conflict Free Access and Planning compliance is federally required by the Centers for Medicare and Medicaid Services (CMS). Michigan Department of Health and Human Services will continue to have discussions with CMS as part of our waiver renewal process, which is currently underway. CMS has determined the safeguards currently in place in Michigan's specialty behavioral health system are not sufficient, and that with limited exception, a direct service provider cannot also be responsible for service planning or determining financial or service eligibility. Upon CMS approval, we will be sharing implementation requirements and timelines with our system partners.

We look forward to the continued collaboration on Conflict Free Access and Planning requirements.

Please reach out to Kristen Jordan at JordanK4@michigan.gov if you have any additional questions or concerns.

Sincerely,

A handwritten signature in blue ink that reads "Meghan E. Groen".

Meghan E. Groen, Senior Deputy Director
Behavioral and Physical Health and Aging Services Administration

MEG:mm



Chief Executive Officer
Christopher Pinter

Board of Directors
Richard Byrne, Chair
Robert Pawlak, Vice Chair
Patrick McFarland, Treasurer
Christopher Girard, Secretary
Tim Banaszak
Patrick Conley
Jerome Crete
Sally Mrozinski
Kathy Niemiec
Carole O'Brien
Marie (Toni) Reese
Pamela Schumacher

Board Administration
Behavioral Health Center
201 Mulholland
Bay City, MI 48708
800-448-5498 Access Center
989-895-2300 Business

Arenac Center
PO Box 1188
1000 W. Cedar
Standish, MI 48658

North Bay
1961 E. Parish Road
Kawkawlin, MI 48631

William B. Cammin Clinic
1010 N. Madison
Bay City, MI 48708

Wirt Building
909 Washington Ave.
Bay City, MI 48708

www.babha.org

September 18, 2024

Dr. Irene O'Boyle, Chairperson
Gratiot Integrated Health Network
608 Wright Avenue
Alma, MI 48801

Dear Dr. O'Boyle:

The purpose of this correspondence is to offer the thanks and gratitude of the Bay-Arenac Behavioral Health Authority (BABHA) Board of Directors for the actions taken by Gratiot Integrated Health Network (GIHN) to transfer state general funds to BABHA for use in fiscal year 2024. As you are aware, BABHA and GIHN both consistently have served a larger per capita number of area residents than the Mid-State Health Network average for many years. This shared community and customer service commitment was one of the reasons that both our agencies aligned together back in 1999 and subsequently again in 2013. It is the combined strength of the community mental health programs in our region that makes all of this possible. On behalf of the consumers, staff, and board members of BABHA thank you again for your support and commitment to these shared objectives.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard Byrne", is written over a light blue horizontal line.

Richard Byrne
Chairperson

**Bay-Arenac Behavioral Health
Facilities Committee
Summary of Proposed Contracts
September 2024**

			Old Rate	New Rate	Term
1	N	Bay Human Services, Inc.			
		Sublease for Rose Home	\$0	\$0	8/29/24 – 9/30/24
2	N	Subleases with those residing at Rose Home			
		Month to month subleases between BABHA and 3 individuals residing at Rose Home	\$0	\$800/month	8/29/24 - ongoing
3	N	Bay County			
		Month to month lease for Rose Home	\$0	\$2,600/month	10/1/24 until new residential home provider takes over this lease

R = Renewal with rate increase since previous contract
D = Renewal with rate decrease since previous contract
S = Renewal with same rate as previous contract
ES = Extension

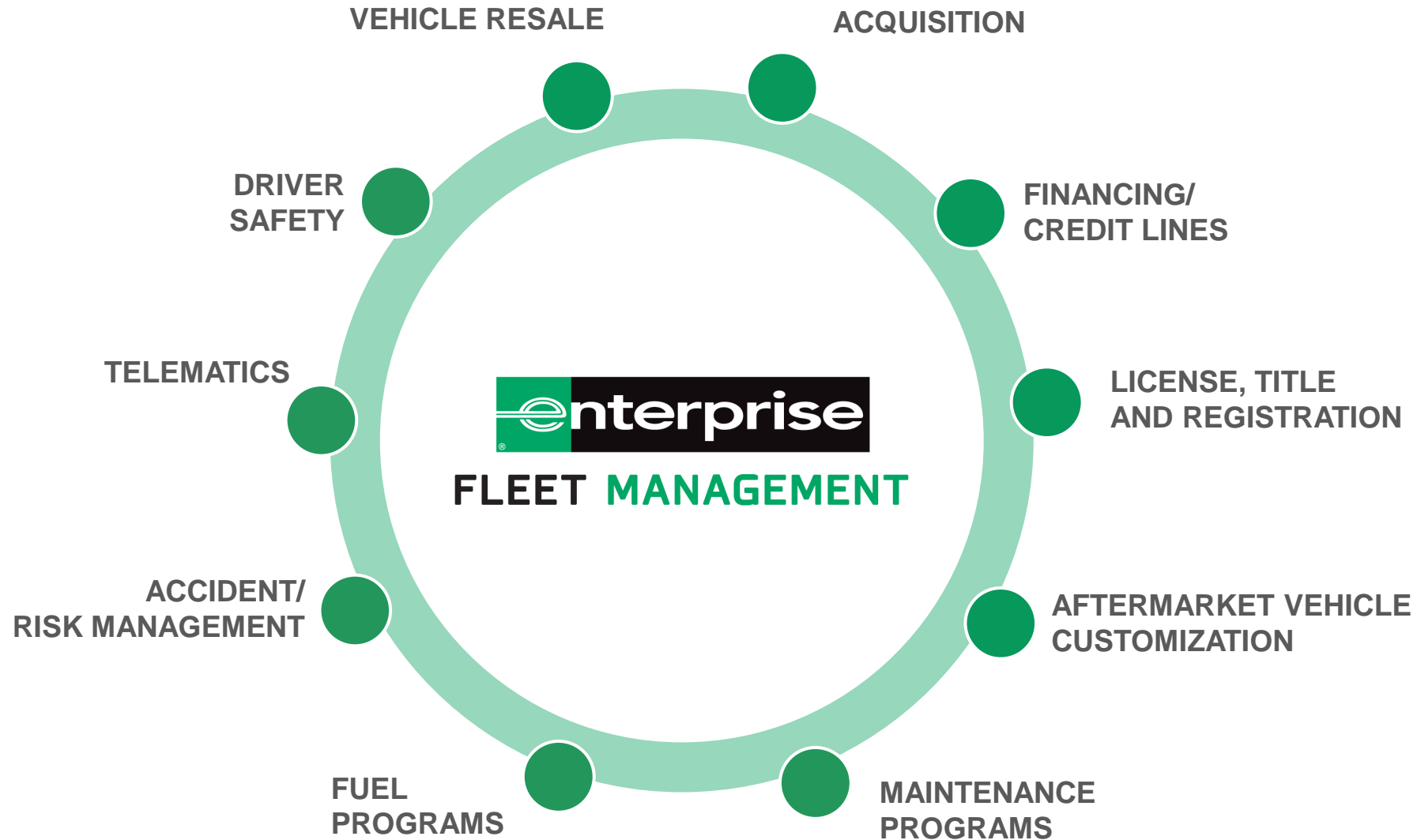
M = Modification
N = New Contract/Lease
NC = New Consumer
T = Terminate

08/22/2024

Fleet Profile

Bay Arenac Behavioral Health Authority

DELIVERING SOLUTIONS, DRIVING RESULTS





Initial Meeting Recap

- Looking to streamline all fleet related matters
 - *Acquisition*
 - *Full maintenance*
 - *License and titles*
 - *Resale*
- Currently pay cash for vehicles. Open to leasing vehicles if it makes financial sense
- Your fiscal year starts 10/1. Budget planning takes place in July/August.



Fleet Overview

- 36 vehicles in fleet, mainly consisting of small SUVs and small sedans.
- Currently buy from local dealer
- Vehicles are driven 10-12k miles per year
- Vehicles are retired once no longer operable and are traded in for approximately \$300-\$500
- Currently use local shops for maintenance and speedway card for fuel



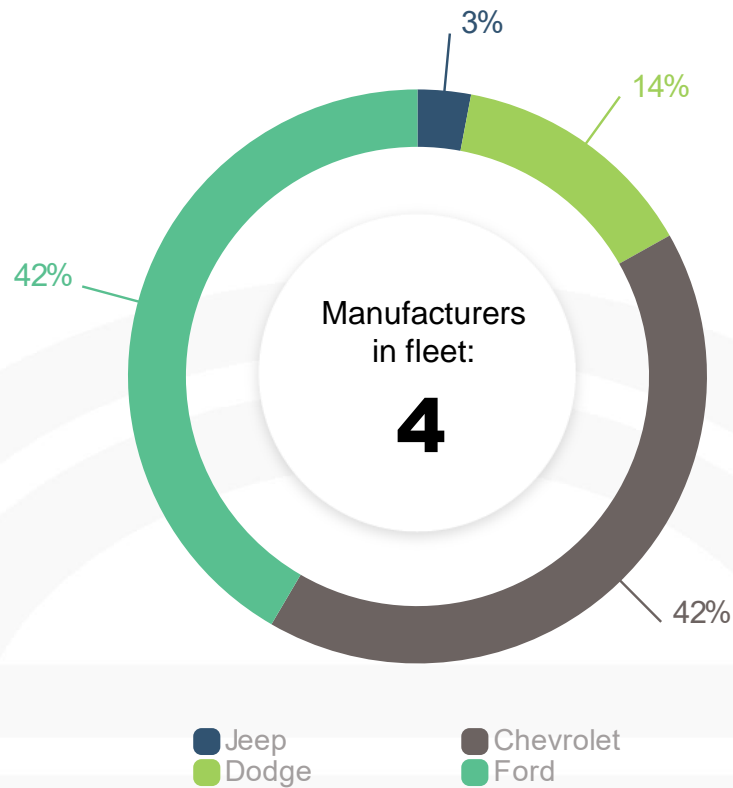
Key Objectives

- Establish financial measures and attain or beat industry benchmarks
- Drive TCO ownership down through financial analysis and vehicle recommendation
- Streamline all fleet management matters under single source platform with the ability to track and analyze data

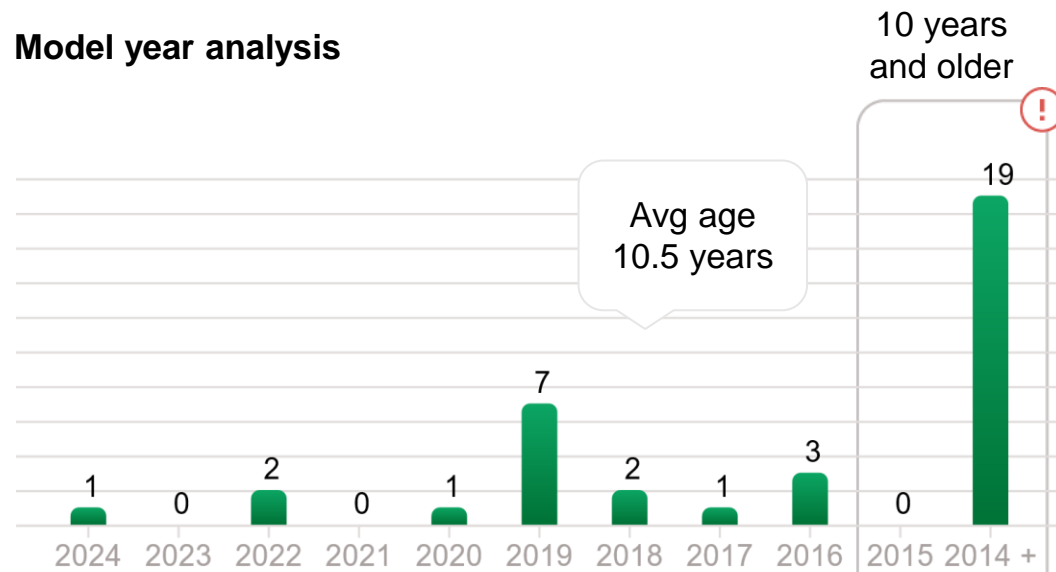
Fleet Profile

Total fleet size: **36** Total fleet value: **\$286,388**

Manufacturer breakdown



Model year analysis



Avg holding Period (in years)

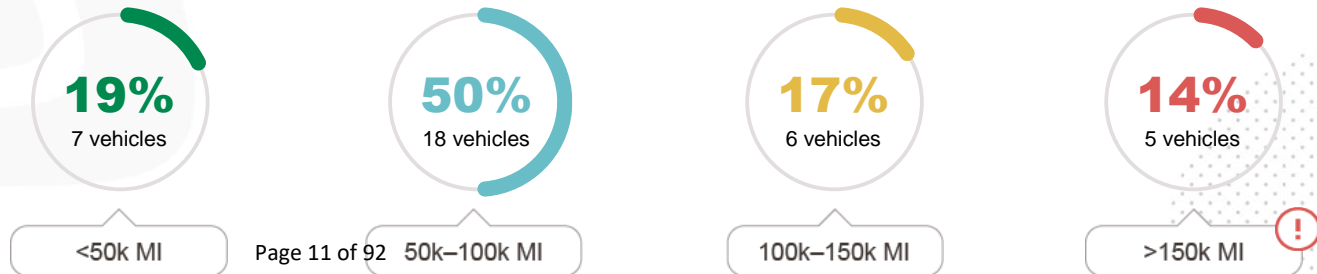
45

Avg annual acquisitions

0.8

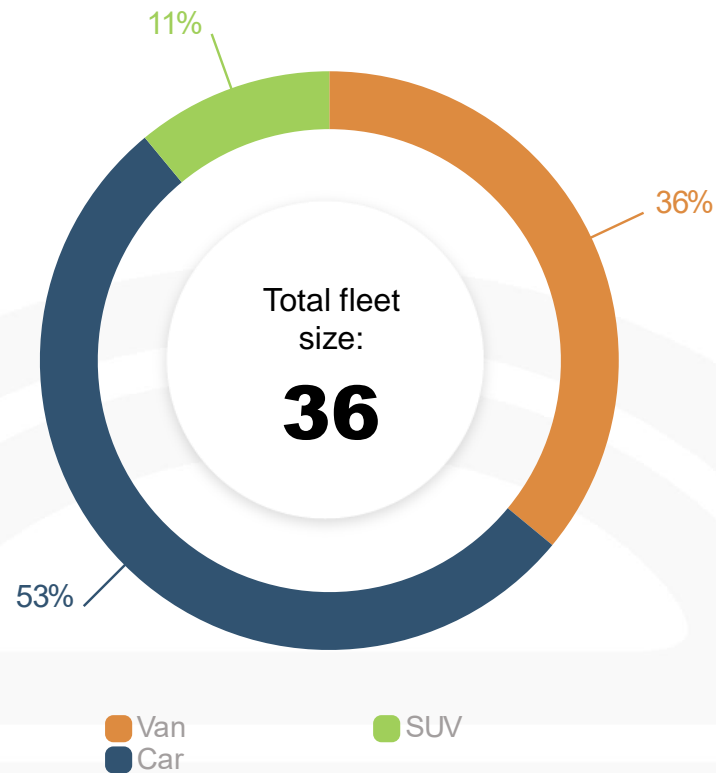
Odometer distribution

Average Odometer: 89,518



Vehicle Classes

Vehicle class overview



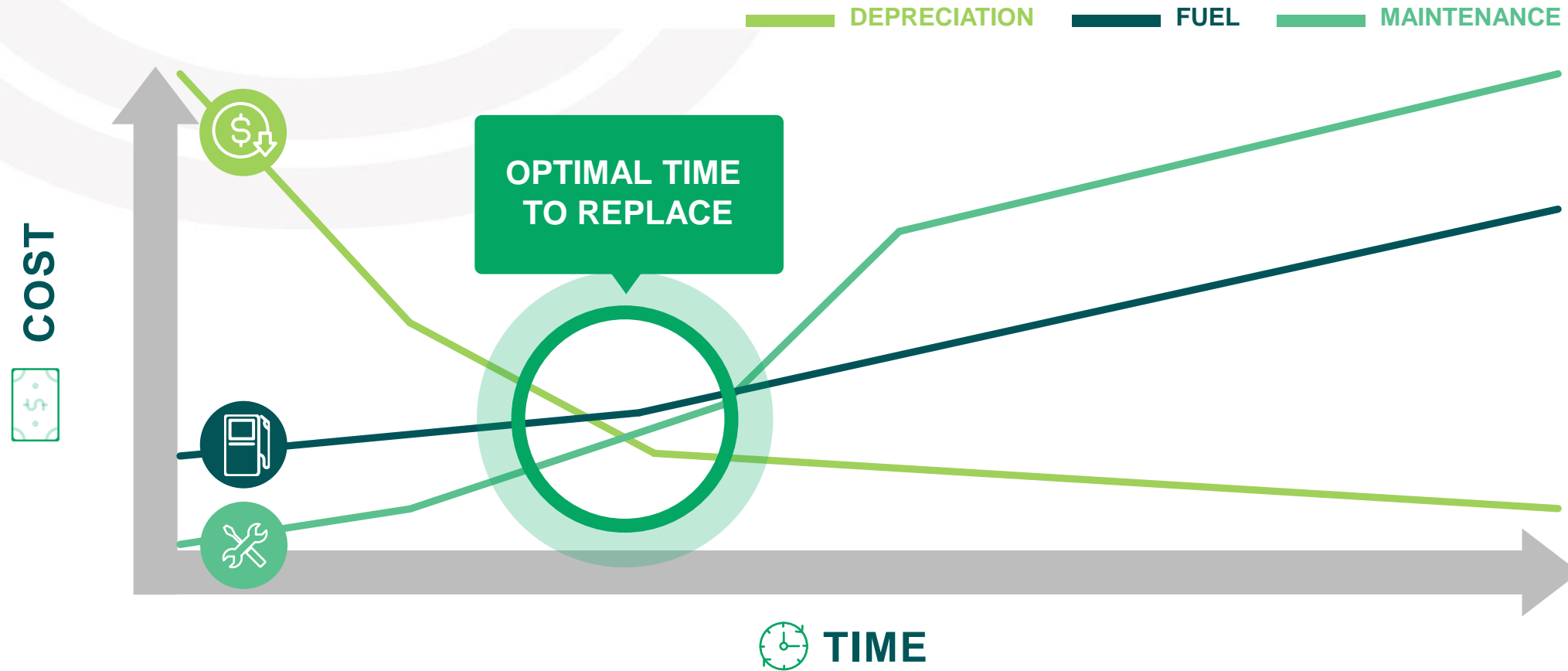
Vehicle Type	Quantity	Avg Age	Avg Annual Mileage
Mid-size Sedan	10	9.8	9,861
Full-size Sedan	5	9.2	10,086
Compact Sedan	4	18.1	5,119
Minivan-Passenger	7	11.9	9,228
Full-size Van-Passenger	4	8.1	12,044
1 Ton Van Cargo	2	13.1	4,859
Compact SUV 4x2	2	7.1	6,136
Mid Size SUV 4x4	2	2.6	9,301
Totals/Averages:	36	10.5	8,525

Vehicle types
8

Avg Odometer
89,518

EFFECTIVE VEHICLE LIFECYCLE

Determining the right time to replace vehicles

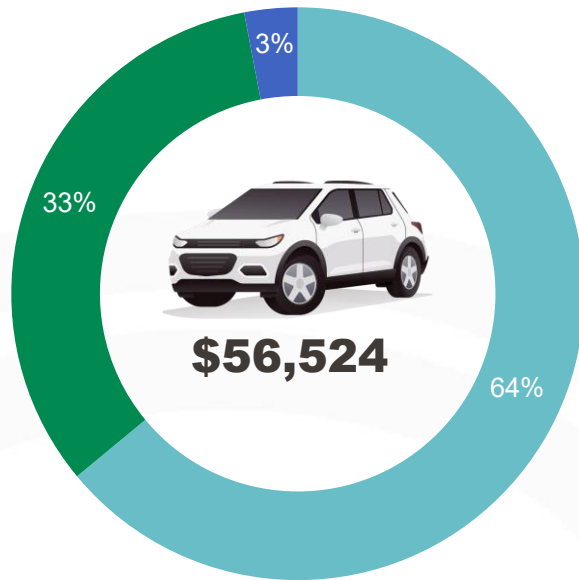


Proposed Recommendation

Purchase vs EFM Recommendation

2025 Chevrolet Trailblazer | LS 4dr Front-Wheel Drive

Current
For 10 years



- Total operating cost
- Total capital cost
- Total administrative cost

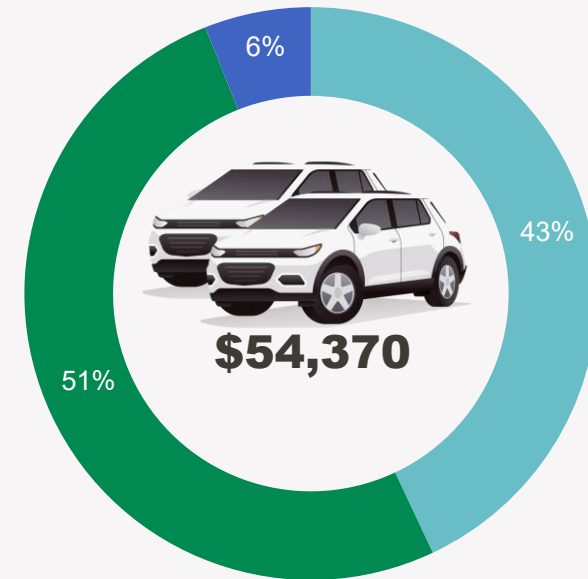
After cash flow from vehicle sale(s) and income tax deduction

Total Cash Outlay: \$69,718

Financial Impact

\$2,154 ✓

Recommendation
For 5 years each



- Total operating cost
- Total capital cost
- Total administrative cost

After cash flow from vehicle sale(s) and income tax deduction

Total Cash Outlay: \$76,161

Assumptions

Vehicle Assumptions			
Chassis Type	TRUCK	Price Per Gallon Fuel	\$3.50
Gross Vehicle Weight	Less than 6000 lbs	Fuel Inflation Rate	2.00%
		Purchase Mpg	30.50
Annual Rate of Inflation	2.00%	Lease Mpg	30.50

General Assumptions				
			EFMLEASE	PURCHASE
Company's Income Tax Rate	21.00%	Annual Mileage	12,000	12,000
Company's Cost of Capital	7.86%	Sales Tax Rate	0.00%	0.00%
Daily Cost of Driver Downtime	\$500	Bonus Depreciation	\$0	\$0

Vehicle Purchase			
	EFMLEASE	PURCHASE	
Vehicle Invoice Cost	\$23,741	\$23,741	
Invoice Incentives	\$0	\$0	
Off-Invoice Incentives	\$0	\$0	
Markup (Down)%	1.68%	0.00%	
Aftermarket Equipment	\$0	\$0	
Other Costs & Deductions	\$0	\$0	
Sales Tax Capped in with Vehicle	\$0	\$0	
Vehicle Price	\$24,141	\$23,741	
Down Payment	\$0	\$23,741	
Amount of Deposit	\$0	\$0	
Capitalized Price / Amount Financed	\$24,141	\$0	

Cost Components		
	EFMLEASE	PURCHASE
Lease & Finance Components		
Monthly Depreciation Rate	1.35%	2.78%
Interest Factor	8.36%	6.00%
Management Fee	0.1200%	0.0000%
Lease / Finance Term (Months)	60	36
Monthly Payment with Tax	\$460	\$0
Taxes		
Monthly Use Tax Amount	\$0	\$0
Up-front Sales Tax Amount	\$0	\$0
Products		
Oil Change Mileage Interval (Miles)	6,000	6,000
Full Maintenance Rate	\$65	\$0
Maintenance Management Rate	\$0	\$0
Monthly Physical Damage Rate	\$0	\$0
Monthly Liability Rate	\$0	\$0
Insurance Premium	\$0	\$0
% of Premium Paid Upfront	0.00%	25.00%

Productivity Savings		
	EFMLEASE	PURCHASE
Daily Cost of Driver Downtime	\$500	\$500
Annual Cost of Administrative Time	\$0	\$200

Vehicle Resale		
	EFMLEASE	PURCHASE
RBV at Term	\$4,587	\$0
Sale Of Vehicle	\$12,446	\$1,000
Service Charge	\$500	\$0
Amount of Deposit	\$0	\$0
Estimated Net Gain (Loss) on Vehicle	\$7,359	\$1,000
	5 Years Old	10 Years Old

Present Day

	Vehicle #1										Totals	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
Owning Vehicle												
Cash Down Payment (if applicable)	\$23,741	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,741
Preventative Maintenance	\$1,639	\$1,672	\$1,705	\$1,739	\$1,774	\$1,810	\$1,846	\$1,883	\$1,920	\$1,959		\$17,947
Downtime from Maintenance	\$931	\$950	\$969	\$988	\$1,008	\$1,028	\$1,049	\$1,070	\$1,091	\$1,113		\$10,197
Fuel	\$1,377	\$1,452	\$1,507	\$1,564	\$1,624	\$1,686	\$1,752	\$1,821	\$1,893	\$1,968		\$16,643
Administrative Cost	\$200	\$204	\$208	\$212	\$216	\$221	\$225	\$230	\$234	\$239		\$2,190
Sale of Vehicle	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,000)		(\$1,000)
Sub-total of Cash Outlay	\$27,888	\$4,278	\$4,389	\$4,504	\$4,622	\$4,745	\$4,872	\$5,003	\$5,138	\$4,279		\$69,718
Total Cash Outlay	\$27,888	\$4,278	\$4,389	\$4,504	\$4,622	\$4,745	\$4,872	\$5,003	\$5,138	\$4,279		\$69,718
Present Value of Annual Cash Outlay	\$27,746	\$3,853	\$3,686	\$3,528	\$3,376	\$3,232	\$3,095	\$2,964	\$2,839	\$2,205		\$56,524
Present Value of Total Payments \$56,524												

Preventative and non preventative maintenance

EFM Program Preventative Maintenance - From Side			
	Service Cost	Oil Change Multiplier	Mileage Interval
Oil Change	\$110	1	6,000
Tire Rotation	\$25	2	12,000
Air Filter	\$55	5	30,000
Fuel Filter	\$0	0	0
Coolant Service	\$126	25	150,000
Transmission Service	\$205	8	48,000
Transercase Service	\$0	17	102,000
Differential Service Rear	\$135	17	102,000
Differential Service Front	\$135	17	102,000
Wiper Blades	\$61	3	18,000
Brake Fluid Replacement	\$99	8	48,000
Power Steering Flush	\$115	0	0
Fuel Injection Service	\$128	0	0
Brakes	\$388	6	36,000
Tires	\$896	6	36,000
Rotors	\$278	12	72,000
Cabin Air Filter	\$87	5	30,000

		Year 1
EFM Program Non-Preventative Maintenance - From Side		0 12,000
	Average Cost per Service	
AC and Heater	\$951	0.1%
Braking	\$618	2.45%
Cooling System	\$612	3.33%
Differential	\$783	0.07%
Differential Replacement	\$2,023	0%
Electrical	\$1,048	1.18%
Engine	\$1,654	0.33%
Engine Replacement	\$13,045	0%
Exhaust	\$1,523	0.01%
Fuel System	\$822	0.08%
Performance	\$541	0.27%
Roadside	\$185	2.51%
Steering/Suspension	\$1,124	2.59%
Transmission	\$1,121	0.04%
Transmission Replacement	\$4,579	0%

Recommended Strategy

	Vehicle #1					Vehicle #2					Totals
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Enterprise Fleet Management Lease											
Payment Depreciation	\$3,911	\$3,911	\$3,911	\$3,911	\$3,911	\$4,318	\$4,318	\$4,318	\$4,318	\$4,318	\$41,143
Payment Management Fee	\$348	\$348	\$348	\$348	\$348	\$384	\$384	\$384	\$384	\$384	\$3,657
Payment Interest	\$1,256	\$1,256	\$1,256	\$1,256	\$1,256	\$1,387	\$1,387	\$1,387	\$1,387	\$1,387	\$13,217
License, Title and Tax	\$103	\$82	\$75	\$69	\$63	\$103	\$82	\$75	\$69	\$63	\$784
Maintenance Fee	\$776	\$776	\$776	\$776	\$776	\$856	\$856	\$856	\$856	\$856	\$8,159
Preventative Maintenance	\$0	\$0	\$1,336	\$0	\$0	\$0	\$0	\$1,363	\$0	\$0	\$2,698
Downtime from Maintenance	\$191	\$361	\$1,410	\$909	\$1,076	\$195	\$369	\$1,438	\$928	\$1,097	\$7,974
Fuel	\$1,377	\$1,409	\$1,442	\$1,478	\$1,515	\$1,306	\$1,336	\$1,367	\$1,400	\$1,434	\$14,065
Sale of Vehicle	\$0	\$0	\$0	\$0	(\$12,446)	\$0	\$0	\$0	\$0	(\$13,741)	(\$26,187)
Undepreciated Book Value at Time of Sale	\$0	\$0	\$0	\$0	\$4,587	\$0	\$0	\$0	\$0	\$5,064	\$9,651
Service Charge at End of Lease	\$0	\$0	\$0	\$0	\$500	\$0	\$0	\$0	\$0	\$500	\$1,000
Sub-total of Cash Outlay	\$7,961	\$8,142	\$10,553	\$8,747	\$1,586	\$8,549	\$8,731	\$11,187	\$9,342	\$1,363	\$76,161
Total Cash Outlay	\$7,961	\$8,142	\$10,553	\$8,747	\$1,586	\$8,549	\$8,731	\$11,187	\$9,342	\$1,363	\$76,161
Present Value of Annual Cash Outlay	\$7,656	\$7,240	\$8,677	\$6,649	\$1,438	\$5,556	\$5,248	\$6,217	\$4,800	\$889	\$54,370

Present Value of Total Payments \$54,370

Safety features based on vehicle age and % of total fleet

2011 and older- No electronic stability control(ECS)- 39%

2019 and older- No Bluetooth capabilities- 69%

2017 and older- No rear backup camera- 64%

2021 and older- No forward collision alert- 91%

IMPLEMENTING YOUR FLEET PLAN

1 Option

- Complete Fleet Consolidation

2 Option


- Replace all units 2018 and older
- Factory order 25 units @ invoice less all government applicable incentives
- Enroll new units on EFM full maintenance program
- Track and manage existing units with EFM Maintenance Management and WEX Program

3 Option

- Replace all units over 2012 and older
- Factory order 17 units @ invoice less all government applicable incentives
- Enroll new units on EFM full maintenance program
- Track and manage existing units with EFM Maintenance Management and WEX Program

ONBOARDING PROCESS

1ST YEAR OF PARTNERSHIP

 Partnership Begins

MONTH 1-3

MONTH 3 - 6

MONTH 6 - 12



Welcome

Meet your local account team – the people who will be taking care of you and your fleet.



Plan

Establish your customized implementation roadmap, including replacement milestones, annual goals and more.



Train

Make sure everyone on your team, including your drivers, has everything they need for a smooth transition.



Implement

Get everything rolling, including your client portal and the eFleets Mobile App.

3-month check in.
Let's talk.



6 Month Review

Take a look back at your first year, celebrate success, spot areas for improvement and make a plan for the next year.



Annual Review

Remember that we'll never stop working by your side to make your fleet the very best it can be.



Next Steps

- **CDNS**
- **New client paperwork to review**
- **Order vehicles**



FLEET MANAGEMENT

QUESTIONS?

5-Year BUY vs LEASE Comparison

Cash Outlays for 1 Vehicle over 5 years:	<u>Lease</u>	<u>Buy</u>
	504.57 Monthly Lease Pmts @ 60 months	23,540.85 Purchase Price 2,500.00 5-years of maintenance
	<u>30,274.20 Total Lease Pmts</u>	
	4,472.85 Owing to Enterprise <u>500.00 Owing to Enterprise</u>	
	<u><u>35,247.05</u></u>	<u><u>26,040.85</u></u>

Cash flow for immediate 10-vehicle acquisition based on above:

	<u>Lease</u>	<u>Buy</u>
Year 1	60,548.40	247,656.50
Year 2	60,548.40	12,248.00
Year 3	60,548.40	12,248.00
Year 4	60,548.40	12,248.00
Year 5	<u>110,276.90</u>	<u>12,248.00</u>
	352,470.50	296,648.50
Years 6-10	352,470.50 New Leases <u>(50,000.00) Proceeds from Selling</u> 302,470.50 Net New Leases	100,000.00 5-years of maintenance

Cash flow for immediate 20-vehicle acquisition based on above:

	<u>Lease</u>	<u>Buy</u>
Year 1	121,096.80	495,313.00
Year 2	121,096.80	24,496.00
Year 3	121,096.80	24,496.00
Year 4	121,096.80	24,496.00
Year 5	<u>220,553.80</u>	<u>24,496.00</u>
	704,941.00	593,297.00
Years 6-10	704,941.00 New Leases <u>(100,000.00) Proceeds from Selling</u> 604,941.00 Net New Leases	200,000.00 5-years of maintenance

Bay-Arenac Behavioral Health Authority
Estimated Cash and Investment Balances August 31, 2024

Balance August 1, 2024	4,079,042.72
Balance August 31, 2024	7,141,400.10
Average Daily Balance	4,452,760.88
Estimated Actual/Accrued Interest August 2024	15,755.04
Effective Rate of Interest Earning August 2024	4.25%
Estimated Actual/Accrued Interest Fiscal Year to Date	207,905.33
Effective Rate of Interest Earning Fiscal Year to Date	4.19%

Note: The Cash and Investment Balances exclude Payroll and AP related Cash Accounts.

Cash Available - Operating Fund

	Rate	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24
Beg. Balance Operating Funds - Cash, Cash equivalents, Investments		3,431,903	4,022,437	3,285,926	8,549,839	7,456,274	7,733,635	3,167,316	6,109,840	6,146,590	5,488,296	1,050,935	4,168,174
Cash in		12,694,585	11,257,050	21,945,755	11,552,037	11,480,507	4,835,627	19,658,739	13,131,069	13,733,115	3,521,802	21,031,319	18,649,095
Cash out		(12,104,052)	(11,993,562)	(16,681,841)	(12,645,602)	(11,203,146)	(9,401,946)	(16,716,214)	(13,094,320)	(14,391,408)	(7,959,163)	(17,914,080)	(16,135,454)
Ending Balance Operating Fund		4,022,437	3,285,926	8,549,839	7,456,274	7,733,635	3,167,316	6,109,840	6,146,590	5,488,296	1,050,935	4,168,174	6,681,815
Investments													
Money Markets		4,022,437	3,285,926	8,549,839	7,456,274	7,733,635	3,167,316	6,109,840	6,146,590	5,488,296	1,050,935	4,168,174	6,681,815
90.00													
180.00													
180.00													
270.00													
270.00													
Total Operating Cash, Cash equivalents, Invested		4,022,437	3,285,926	8,549,839	7,456,274	7,733,635	3,167,316	6,109,840	6,146,590	5,488,296	1,050,935	4,168,174	6,681,815
Average Rate of Return General Funds		2.69%	3.82%	3.96%	4.01%	4.04%	4.05%	4.08%	4.08%	4.08%	4.08%	4.08%	4.08%
		3.71%	3.82%	4.09%	4.13%	4.11%	4.10%	4.24%	4.08%	4.05%	4.08%	4.05%	4.08%
average		4,808,545	3,285,926	5,917,883	6,430,680	6,756,419	6,038,598	6,050,472	6,064,203	5,992,215	5,443,183	5,315,682	5,439,876

Cash Available - Other Restricted Funds

	Rate	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24
Beg. Balance-Other Restricted Funds - Cash, Cash equivalents, Investments		437,156	438,953	440,817	442,629	444,508	446,396	448,169	450,072	451,922	453,841	455,706	457,642
Cash in		1,797	1,864	1,812	1,880	1,888	1,773	1,903	1,850	1,919	1,865	1,935	1,943
Cash out													
Ending Balance Other Restricted Funds		438,953	440,817	442,629	444,508	446,396	448,169	450,072	451,922	453,841	455,706	457,642	459,585
Investments													
Money Market		438,953	440,817	442,629	444,508	446,396	448,169	450,072	451,922	453,841	455,706	457,642	459,585
91.00	0.70%												
91.00	1.10%												
91.00	1.15%												
91.00	1.35%												
90.00	1.70%												
91.00	2.05%												
90.00	2.15%	-	-	-	-	-	-	-	-	-	-	-	-
365.00	80.00%												
Total Other Restricted Funds		438,953	440,817	442,629	444,508	446,396	448,169	450,072	451,922	453,841	455,706	457,642	459,585
Average Rate of Return Other Restricted Funds		3.97%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
average		430,073	440,817	441,723	442,651	443,587	444,504	445,432	446,359	447,294	448,229	449,170	450,117
Total - Bal excludes payroll related cash accounts		4,461,390	3,726,743	8,992,468	7,900,782	8,180,031	3,615,485	6,559,912	6,598,512	5,942,137	1,506,641	4,625,816	7,141,400
Total Average Rate of Return		2.58%	4.04%	4.08%	4.20%	4.21%	4.17%	4.20%	4.19%	4.19%	4.18%	4.19%	4.19%

Bay-Arenac Behavioral Health
Finance Council Board Meeting
Summary of Proposed Contracts
September 11, 2024

		Old Rate	New Rate	Term	Out Clause?	Performance Issues? (Y/N) Risk Assessment Rating (Poor/Fair/Good/Excellent)
SECTION I. SERVICES PROVIDED BY OUTSIDE AGENCIES						
Clinical Services						
1	S	Michigan Rehabilitation Services (MRS) Cash Match Agreement	\$15,000/year	Same	10/1/24 - 9/30/25	Y N/A
2	R/S	Memorandum of Understanding Respite Camps: Methodist Children's Home Society - Fowler AFC and Fowler Center for Outdoor Learning Camp Linden through Girl Scouts Heart of Michigan Camp Fish Tales Indian Trails Camp	Rates vary for each camp per individualized needs.	Rates vary for each camp per individualized needs.	10/1/24 - 9/30/25	Y N
3	N	Kathleen Buday Art Therapy	\$0	\$100/session	10/1/24 - 9/30/25	Y N/A
4	M	Nutrition for Wellness In-service of existing Nutritional Plans to new providers	\$0	\$62.50/plan	8/26/24-9/30/24	Y N
5	R	Lighthouse FY25 Residential treatment services to 4 individuals: Residential per diem(s) Psych evaluation Med review (level 3) Individual therapy 38-52m Group therapy CLS 1:1 staffing OT/Speech indiv. therapy OT/Speech evaluations	\$617.84/day, \$616.30/day, \$641.97/day & \$620.86/day \$487/event \$293/event \$212.25/event \$154/event \$37.40/hour \$73.25/15 min \$380/event	\$662.36/day (+16 hours of 1:1 staffing), \$639.56/day, \$643.36/day & \$641.46/day \$504/event \$126-\$378/event \$220.50/event \$160/event \$39/hour \$76/15 min \$394/event	10/1/24 - 9/30/25	Y N
Admin/Other Services						
6	R	Sage Software Benefits Messenger	\$5,130/year	\$5,640/year	10/1/24-9/30/25	Y N
7	S/ES	Peter Brian Barry Ethicist services	\$125/hour	Same	10/1/24-9/30/25	Y N
8	S/ES	Professional Insurance Consultants - Pam Pulley Consulting services Medical Documentation Audit	\$100/hour \$20/date of service/visit	Same	10/1/24-9/30/25	Y N
SECTION II. SERVICES PROVIDED BY THE BOARD (REVENUE CONTRACTS)						
SECTION III. STATE OF MICHIGAN GRANT CONTRACTS						
SECTION IV. MISC PURCHASES REQUIRING BOARD APPROVAL						

R = Renewal with rate increase since previous contract
D = Renewal with rate decrease since previous contract
S = Renewal with same rate as previous contract
ES = Extension

M = Modification
N = New Contract/Provider
NC = New Consumer
T = Termination

Footnotes:

Bay-Arenac Behavioral Health Authority
Report to Board of Directors
September 19, 2024
Final Budget - Fiscal Year 2023/24

FY 23/24 Original Revenue Budget	\$ 67,283,901	FY 23/24 Original Expense Budget	\$ 67,105,184	
Net Increase in Medicaid Subcontract Revenue	6,672,948	Net Decrease in Personnel Costs	(164,534)	Due to Vacant Positions
Increase in 3rd Party Insurance Revenue	43,404	Net Increase in External Healthcare Claim Costs	5,562,575	Increased Utilization for Inpatient Hospitalization, Community Living Support Services and ABA Services
Decrease in Grant Revenue	(49,045)	Increase in Contract Physician Costs	542,711	Contracts for Psychiatry time
Miscellaneous decreases	(46,872)	Miscellaneous increases	111,134	
FY 23/24 FINAL Revenue Budget	<u>\$ 73,904,336</u>	FY 23/24 FINAL Expense Budget	<u>\$ 73,157,070</u>	

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
Fiscal Year 2023-2024 Operating Budget
Final Budget

ACCOUNT	DESCRIPTION	FY 23-24 Final Budget	Percent of Total	FY 23-24 Original Budget
44100	OBRA.....	286,073	0.4%	287,000
40220	General Fund	1,676,053	2.3%	1,702,823
42110	P.A. 423/Client Fees.....	389,779	0.5%	346,375
43910	SSI.....	75,090	0.1%	68,879
40110	Medicaid - PIHP.....	68,620,934	92.9%	61,947,986
44000	Grants.....	214,725	0.3%	263,770
47106-47206	County of Arenac - General.....	104,812	0.1%	104,812
47109-47209	County of Bay - General.....	682,242	0.9%	682,242
48000	Interest.....	316,577	0.4%	114,912
49600-49700	Miscellaneous Revenue.....	463,440	0.6%	470,634
45000-46000	Miscellaneous Revenue From Partnership.....	1,074,610	1.5%	1,294,467
TOTAL REVENUE		73,904,336	100.0%	\$67,283,901

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
Fiscal Year 2023-2024 Operating Budget
Final Budget

ACCOUNT	DESCRIPTION	FY 23-24 Final Budget	Percent of Total	FY 23-24 Original Budget
60000	Salary (Direct & Indirect).....	14,568,328	19.9%	14,432,697
61000	Fringe Benefits.....	<u>4,699,208</u>	6.4%	<u>4,997,529</u>
60000-61000	Salary (direct & Indirect) + Fringe Benefits	19,267,536	26.3%	19,430,226
80100	Board Per Diem.....	33,548	0.0%	35,306
80120	Board conference and travel.....	20,893	0.0%	20,978
	TOTAL PERSONNEL SERVICES	\$19,321,976	26.4%	\$19,486,510
71200	Consumer food, clothing, etc.....	2,899	0.0%	2,475
71210	Consumer activities.....	3,873	0.0%	6,355
71220	Public Transportation.....	24,852	0.0%	12,078
72100	Contract physician costs.....	1,479,605	2.0%	936,893
72800	Staff travel, service related.....	94,871	0.1%	71,379
73200	Transportation.....	104,351	0.1%	85,472
74200	Grant specific cost.....	11,896	0.0%	0
74300	Nongrant expense.....	0	0.0%	60
75100	Professional Services - Other.....	144,523	0.2%	224,746
78000	Facility Allocation.....	0		0
78100	Rental Space.....	233,445	0.3%	232,181
78200	Rental Equipment.....	4,434	0.0%	4,123
78300	R & M Supplies.....	101,461	0.1%	88,474
78400	Janitorial services.....	95,434	0.1%	94,671
78500	Public Utilities.....	98,625	0.1%	98,404
78700	Communications.....	136,120	0.2%	130,694
79200	Prior Fiscal Year Expense.....	3,327	0.0%	0
80300	Consumer compensation.....	2,710	0.0%	3,180
80320	Consumer conference and travel.....	329	0.0%	304
81000	Temporary staffing cost.....	9,672	0.0%	0
81200	Staff conference and travel.....	96,827	0.1%	71,760
81220	Staff development and training.....	61,214	0.1%	43,742
81240	Staff recruitment expenses.....	8,013	0.0%	5,978
81260	Employee health services.....	6,948	0.0%	8,230
81900	Supply Allocation.....	24,011	0.0%	25,906
82000	Operating Supplies.....	81,121	0.1%	97,647
82100	Mobile communications.....	110,383	0.2%	115,688
82200	Office Supplies.....	122,614	0.2%	77,813
82300	Postage.....	14,706	0.0%	18,422
82900	Computer/Communication Related Exp.....	0	0.0%	0
83000	Community Education.....	1,176	0.0%	0
83100	Consumer info and printing.....	0	0.0%	8,151
83300	Public relations and advert.....	7,026	0.0%	5,447
84000	Legal and consulting.....	18,051	0.0%	25,313
84100	Accounting and audit.....	28,147	0.0%	27,445
85000	Purchased services.....	53,205	0.1%	22,060
86000	Software license maintenance.....	732,359	1.0%	695,045
87000	Subscriptions and publications.....	76	0.0%	602
87100	Memberships and Dues.....	20,854	0.0%	24,657
88000	Licensing and accreditation.....	5,303	0.0%	6,203
89100	General & Professional liab insurance.....	120,224	0.2%	73,093
92100	Local Funds Paid to State.....	214,872	0.3%	214,872
93000	Interest Expense.....	8,237	0.0%	8,721
94000	Gain/Sale on Capital Asset.....	(10,652)	0.0%	0
	BABH Contractual Healthcare Costs	49,333,746	67.4%	43,771,171
	SUBTOTAL EXPENDITURES	\$53,610,888	73.3%	\$47,339,456
95000	DEPRECIATION EQUIPMENT.....	216,474	0.3%	262,813
78250	MINOR EQUIPMENT.....	7,732	0.0%	16,405
	TOTAL EXPENDITURES	\$73,157,070	100%	\$67,105,184

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
Fiscal Year 2023-2024 Operating Budget
Final Budget

SETTLEMENT ACTIVITY	FY 23-24 Final Budget
NET SURPLUS BEFORE SETTLEMENT	\$ 747,265
<u>Current Year Savings</u>	
Net Medicaid	-
General Fund Savings	-
General Fund Lapse	-
TOTAL FUND BALANCE INCREASE/(DECREASE)	\$ 747,265
Restricted	-
Unrestricted, FY24 Increase	1,293,536
Unrestricted, FY24 usage	(546,271)
TOTAL FUND BALANCE INCREASE/(DECREASE)	\$ 747,265
UNRESTRICTED FUND BALANCE 10/1/23	\$ 5,391,345
Budgeted Increase to Unrestricted Fund Balance	1,293,536
Budgeted Usage of Unrestricted Fund Balance	(546,271)
Requested Usage of Funds Restricted for Capital Purposes	
TOTAL UNRESTRICTED FUND BALANCE 9/30/24	\$ 6,138,610

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
Fiscal Year 2023-2024 Operating Budget
Capital Expenditures
Final Budget

<u>Location</u>	<u>Description</u>	<u>Cost</u>
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Total Capital Expenditure Budget	\$ -
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BAY ARENAC BEHAVIORAL HEALTH AUTHORITY
BOARD OF DIRECTORS

Resolution #24-09-004

**FINAL AMENDMENT TO THE ANNUAL OPERATION BUDGET FOR FISCAL YEAR ENDING
SEPTEMBER 30, 2024**

- WHEREAS,** The annual operating budget for fiscal year ending September 30, 2024 was adopted at a special meeting of the Bay Arenac Behavioral Health Authority Board of Directors held on September 27, 2023 by Resolution #23-09-011, and;
- WHEREAS,** Additional Medicaid revenue sources and expense trends currently warrant a budget amendment incorporating increases related to inpatient hospitalizations, community living support services, autism services, and contract physician services, and;
- WHEREAS,** Bay Arenac Behavioral Health Authority continues to focus on community demand and support needs while providing quality care to individuals receiving specialty behavioral health services, and;
- WHEREAS,** The Chief Executive Officer has submitted to the Bay Arenac Behavioral Health Authority Board of Directors an amendment, which increases the overall annual operating budget for fiscal year ending September 30, 2024, and;
- WHERE AS,** It is the opinion of the Bay Arenac Behavioral Health Authority Board of Directors that the amended operating budget as adopted complies with the Uniform Budget and Accounting Act, Public Act 621 of 1978.

THEREFORE, BE IT RESOLVED THAT:

The Bay Arenac Behavioral Health Authority Board of Directors adopts the following schedule of operating revenues, transfers, and expenditures:

<u>General Operating Budget</u>	
Beginning Unrestricted Fund Balance:	\$ 5,391,344
Projected Revenues and Transfers-In:	\$ 73,904,336
Projected Expenses and Transfers-Out:	\$ (73,157,070)
Projected Ending Unrestricted Fund Balance:	\$ 6,138,610

This resolution was adopted at a regular meeting of the Bay Arenac Behavioral Health Authority Board of Directors held on September 19, 2024 pursuant to the Open Meetings Act, Public Act 267 of 1976, as amended, on a motion by XXX and supported by XXX with the following votes:

Yeas:
Nays:
Excused:

Richard Byrne, Board Chair

Christopher Girard, Board Secretary

**BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
POLICIES AND PROCEDURES MANUAL**

Chapter: 13	Corporate Compliance		
Section: 1	HIPAA		
Topic: 14	Uses and Disclosures of Protected Health Information under HIPAA, the Michigan Health Codes, and the Code of Federal Regulations		
Page: 1 of 2	Supersedes Date: Pol: 1-19-06, 2-20-03, 12-17-99 Proc: 12-16-13, 9-23-09, 11-22-05, 2-20-03	Approval Date: Pol: 2-20-14 Proc: 4-4-14	_____ <i>Board Chairperson Signature</i> _____ <i>Chief Executive Officer Signature</i>
Note: Unless this document has an original signature, this copy is uncontrolled and valid on this date only: 8/6/2024. For controlled copy, view Agency Manuals - Medworxx on the BABHA Intranet site.			

DO NOT WRITE IN SHADED AREA ABOVE

Policy

It is the policy of Bay-Arenac Behavioral Health Authority (BABHA) to provide definitive guidelines and processes for the uses and disclosures of protected health information (PHI) under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Michigan Health Codes and the Code of Federal Regulations (CFR).

Purpose

This policy and procedure is established to provide general information as well as describe BABHA practices regarding the circumstances and parameters under which uses and disclosures of PHI are permitted. This is a companion policy and procedure to *C13-S01-T17 - Uses and Disclosures of PHI under HIPAA, the Michigan Health Codes and the Code of Federal Regulations – Additional Guidance for Supervisors/Managers* which guides supervisory and managerial staff regarding the specifics of uses and disclosures.

Education Applies to:

- All BABHA Staff
- Selected BABHA Staff, as follows:
- All Contracted Providers: Policy Only Policy and Procedure
- Selected Contracted Providers, as follows:
 - Policy Only Policy and Procedure
- Other: Business Associates

SUBMISSION FORM				
AUTHOR/ REVIEWER	APPROVING BODY/COMMITTEE/ SUPERVISOR	APPROVAL /REVIEW DATE	ACTION (Deletion, New, No Changes, Replacement or Revision)	REASON FOR ACTION - If replacement list policy to be replaced

**BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
POLICIES AND PROCEDURES MANUAL**

Chapter: 13	Corporate Compliance		
Section: 1	HIPAA		
Topic: 14	Uses and Disclosures of Protected Health Information under HIPAA, the Michigan Health Codes, and the Code of Federal Regulations		
Page: 2 of 2	Supersedes Date: Pol: 1-19-06, 2-20-03, 12-17-99 Proc: 12-16-13, 9-23-09, 11-22-05, 2-20-03	Approval Date: Pol: 2-20-14 Proc: 4-4-14	<hr/> <i>Board Chairperson Signature</i> <hr/> <i>Chief Executive Officer Signature</i>
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J. Pinter/B. Beck/M. Wolber	J. Pinter	12/16/13		To reflect compliance with HIPAA, MI Mental Health and Public Health Codes and the Code of Federal Regulations/updated to current agency practices. Serves as companion policy to C13-S01-T17 ad replaces C13-S01-T01, T02, T03 and T09
J. Pinter	M. Wolber	4/4/2014		Revised to include Phoenix User Groups and Rules for Administration
K.Amon	Corporate Compliance Committee	7/8/24	Delete	Merge with C13-S01-T17 to create C13-S01-T21. Delete this one.

DELETED

**BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
POLICIES AND PROCEDURES MANUAL**

Chapter: 13	Corporate Compliance		
Section: 1	HIPAA		
Topic: 17	Uses and Disclosures of Protected Health Information under HIPAA, the Michigan Health Codes, and the Code of Federal Regulations - Additional Guidelines for Supervisors/Managers		
Page: 1 of 2	Supersedes Date: Pol: 1-19-06, 2-20-03 Proc: 11-22-05, 2-20-03	Approval Date: Pol: 3-20-14 Proc: 2-6-14	_____
			<i>Board Chairperson Signature</i>

			<i>Chief Executive Officer Signature</i>
Note: Unless this document has an original signature, this copy is uncontrolled and valid on this date only: 8/6/2024. For controlled copy, view Agency Manuals - Medworxx on the BABHA Intranet site.			

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Policy

It is the policy of Bay-Arenac Behavioral Health Authority (BABHA) to provide definitive guidelines and processes for the uses and disclosures of protected health information (PHI) under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Michigan Health Codes and the Code of Federal Regulations (CFR).

Purpose

This policy and procedure is established to provide general information as well as describe BABHA practices regarding the circumstances and parameters under which uses and disclosures of PHI are permitted. This particular policy and procedure is primarily designed for management staff to follow and is a companion policy and procedure to *C13-S01-T14 – Uses and Disclosures of PHI under HIPAA, the Michigan Health Codes, and the Code of Federal Regulations*.

Education Applies to:

- All BABHA Staff
- Selected BABHA Staff, as follows: All Management Staff and Medical Records Associate
- All Contracted Providers: Policy Only Policy and Procedure
- Selected Contracted Providers, as follows:
 - Policy Only Policy and Procedure
- Other:

SUBMISSION FORM			
AUTHOR/	APPROVING	APPROVAL	REASON FOR ACTION

**BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
POLICIES AND PROCEDURES MANUAL**

Chapter: 13	Corporate Compliance		
Section: 1	HIPAA		
Topic: 17	Uses and Disclosures of Protected Health Information under HIPAA, the Michigan Health Codes, and the Code of Federal Regulations - Additional Guidelines for Supervisors/Managers		
Page: 2 of 2	Supersedes Date: Pol: 1-19-06, 2-20-03 Proc: 11-22-05, 2-20-03	Approval Date: Pol: 3-20-14 Proc: 2-6-14	
	<hr/> <i>Board Chairperson Signature</i> <hr/> <hr/> <i>Chief Executive Officer Signature</i> <hr/>		
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DO NOT WRITE IN SHADED AREA ABOVE

REVIEWER	BODY/COMMITTEE/ SUPERVISOR	/REVIEW DATE	ACTION (Deletion, New, No Changes, Replacement or Revision)	- If replacement list policy to be replaced
J. Pinter	J. Pinter/M. Wolber	2/6/14	Revision	Reviewed only and format Updated
J. Pinter	M. Wolber	4/4/14	Revision	Written to reflect compliance with HIPAA, MI MH and Public Health Codes and the Code of Federal Regulations and services as a companion policy to C13-S01-T14, also replaces C13-S01-T11. Includes information on rules that governs authorizations for release of PHI
K. Amon	Corporate Compliance Committee	7/8/24	Deletion	Merge with C13-S01-T14 and create C13-S01-T21. Delete this one.

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY POLICIES AND PROCEDURES MANUAL

Chapter: 13	Corporate Compliance		
Section: 01	HIPAA		
Topic: 21	Uses and Disclosures of Protected Health Information under HIPAA, the Michigan Health Codes and the Code of Federal Regulations		
Page: 1 of 2	Supersedes Date:	Approval Date:	
	Pol:	Pol:	_____
	Proc:	Proc:	<i>Board Chairperson Signature</i>

			<i>Chief Executive Officer Signature</i>
Note: Unless this document has an original signature, this copy is uncontrolled and valid on this date only: 8/6/2024. For controlled copy, view Agency Manuals - Medworxx on the BABHA Intranet site.			

DO NOT WRITE IN SHADED AREA ABOVE

Policy

It is the policy of Bay-Arenac Behavioral Health Authority (BABHA) to provide definitive guidelines and processes for the uses and disclosures of protected health information (PHI) under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Michigan [Mental Health Code](#) and the Code of Federal Regulations (CFR).

Purpose

This policy and procedure is established to provide general information as well as describe BABHA practices regarding the circumstances and parameters under which uses and disclosures of PHI are permitted. [This procedure also describes the disclosure tracking to be used to ensure BABHA is able to provide an accounting of disclosures to a person served upon their request.](#)

Education Applies to Applicability:

- All BABHA Staff Selected BABHA Staff, as follows:

Contracted Providers:

- Policy Only Policy and Procedure
 Selected Contracted Providers, as follows:
 Policy Only Policy and Procedure
 Other: _____

Contracted Service Providers		Requested Action			
<input checked="" type="checkbox"/> All Clinical Professionals (Individuals)	<input type="checkbox"/> Selected Clinical Professionals (Individuals) as follows:	<input checked="" type="checkbox"/> Adhere to policy	<input checked="" type="checkbox"/> Implement procedure	<input checked="" type="checkbox"/> Comply with procedure as implemented with BABH staff	
<input checked="" type="checkbox"/> All Clinical Service Provider (Organizations)	<input type="checkbox"/> Selected Clinical Service Provider (Organizations) as follows:	<input type="checkbox"/> Adopt equivalent policy	<input type="checkbox"/> Implement equivalent procedures	<input checked="" type="checkbox"/> Comply with procedure as implemented by BABH staff	
<input type="checkbox"/> Other: _____					

**BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
POLICIES AND PROCEDURES MANUAL**

Chapter: 13	Corporate Compliance		
Section: 01	HIPAA		
Topic: 21	Uses and Disclosures of Protected Health Information under HIPAA, the Michigan Health Codes and the Code of Federal Regulations		
Page: 2 of 2	Supersedes Date:	Approval Date:	<i>Board Chairperson Signature</i>
	Pol:	Pol:	
	Proc:	Proc:	<i>Chief Executive Officer Signature</i>
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SUBMISSION FORM				
AUTHOR/ REVIEWER	APPROVING BODY/ COMMITTEE/ SUPERVISOR	APPROVAL/ REVIEW DATE	ACTION (Deletion, New, No Changes, Replacement or Revision)	REASON FOR ACTION If replacement, list policy to be replaced
K. Amon	Corporate Compliance Committee	7/8/24	New	New policy that incorporates C13-S01-T14 and 17 and updates according to new standards. Archive C13-S01-T14 and 17.

**BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
POLICIES AND PROCEDURES MANUAL**

Chapter: 8	Fiscal Management		
Section: 3	Administration of Charges for Services, Financial Liability of Clients and Other Fund Sources		
Topic: 15	Accepting and Handling Credit and Debit Card Payments		
Page: 1 of 2	Supersedes Date:	Approval Date:	<i>Board Chairperson Signature</i>
	Pol:	Pol:	
	Proc:	Proc:	<i>Chief Executive Officer Signature</i>
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Policy

It is the policy of Bay-Arenac Behavioral Health Authority (BABHA) to establish a mechanism for individuals receiving behavioral health services to make a payment on their private pay account balance via credit card or debit card. This payment option will not increase the amount owed by the individual. BABHA will not charge or pass along any fees charged by the credit card company; the fees will be paid by BABHA.

Purpose

Establish guidelines for the proper handling of credit card and debit card transactions processed through a secured, automated system.

Education Applies to:

- All BABHA Staff
- Selected BABHA Staff, as follows:
- All Contracted Providers: Policy Only Policy and Procedure
- Selected Contracted Providers, as follows:
 - Policy Only Policy and Procedure
- Other: Finance Department

SUBMISSION FORM				
AUTHOR/ REVIEWER	APPROVING BODY/COMMITTEE/ SUPERVISOR	APPROVAL /REVIEW DATE	ACTION (Deletion, New, No Changes, Replacement or Revision)	REASON FOR ACTION - If replacement list policy to be replaced

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY POLICIES AND PROCEDURES MANUAL

Chapter: 8	Fiscal Management		
Section: 3	Administration of Charges for Services, Financial Liability of Clients and Other Fund Sources		
Topic: 15	Accepting and Handling Credit and Debit Card Payments		
Page: 2 of 2	Supersedes Date:	Approval Date:	
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Nicole Konwinski	Michele Perry	07/30/24	New	

NEW

**BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
POLICIES AND PROCEDURES MANUAL**

Chapter: 2	Continuous Quality Improvement		
Section: 1	Data Integrity		
Topic: 7	<u>Sub-Element Reports</u> Encounter Quality Initiative (EQI) Reports		
Page: 1 of 2	Supersedes Date: Pol: 5-16-13, 12-18-03 Proc: 3-25-13, 6-20-06, 12-1	Approval Date: Pol: 7-20-17 Proc: 4-25-17	_____ <i>Board Chairperson Signature</i> _____ <i>Chief Executive Officer Signature</i>
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And Policy

It is the policy of Bay-Arenac Behavioral Health Authority (BABHA) to send annual Sub-Element Report periodic Encounter Quality Initiative (EQI) reports to the Michigan Department of Health and Human Services (MDHHS) and the regional PIHP in a timely manner as indicated in the Medicaid Managed Specialty Services and Supports Contract.

Purpose

This policy and procedure is established to provide a clear and defined process for sending Sub-Element periodic EQI Reports to MDHHS and the regional PIHP.

Education Applies to

- All BABHA Staff
- Selected BABHA Staff, as follows: Management Staff
- All Contracted Providers: Policy Only Policy and Procedure
- Selected Contracted Providers, as follows:
 - Policy Only Policy and Procedure
- Other:

SUBMISSION FORM				
AUTHOR/ REVIEWER	APPROVING BODY/COMMITTEE/ SUPERVISOR	APPROVAL /REVIEW DATE	ACTION (Deletion, New, No Changes,	REASON FOR ACTION - If replacement list policy to be replaced

**BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
POLICIES AND PROCEDURES MANUAL**

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			Replacement or Revision)	
Corp. Compliance Payor Committee	E. Lesniak V. Rossman D. McAllister	03/25/2013	Revision	P/P revised to include Coordinating Agency Legislative Report and update to current Practices (formerly C09-S01-T07)
E. Lesniak	J. Pinter	04/25/2017	Revision	P/P revised to reflect current practice; remove reference to Block Grant, Legislative Report and Coordinating Agency. C09-S06-T05 tp be deleted and merging to new number C02-S01-T07
E. Lesniak	J. Pinter	1/16/18	No changes	Triennial Review
E. Lesniak	J. Pinter	12/21/2020	No changes	Triennial review -new P&P being developed to replace this one in 2021.
<u>E. Lesniak</u>			<u>Revision</u>	<u>P/P revised to correlate to the new reporting structure mandated by MDHHS. Moved from Sub-element Reports to Encounter Quality Initiative (EQI) Report.</u>

BAY-ARENAC BEHAVIORAL HEALTH POLICIES AND PROCEDURES MANUAL

Chapter: 6	Medication Management		
Section: 1	Operational		
Topic: 3	<u>Med. Boxes—Transferring Medications Delivery</u>		
Page: 1 of 2	Supersedes Date: Pol: 3-18-04 Proc: 2-17-04	Approval Date: Pol: 8-19-10 Proc: 8-19-10	<hr style="border: 0; border-top: 1px solid black;"/> <i>Board Chairperson Signature</i> <hr style="border: 0; border-top: 1px solid black;"/> <i>Chief Executive Officer Signature</i>
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Policy

Bay-Arenac Behavioral Health Authority (BABHA) is committed to carrying out its services in a manner consistent with its Mission, Vision, Values and Strategic Plan, including adherence to a high standard of patient or consumer safety practices, ~~which includes the transfer of medications prescribed by a licensed prescribing professional into a Med Box by a Nurse.~~

Purpose

This policy and procedure is established to ensure that appropriate standards and practices are maintained and enforced regarding Med Boxes by the Michigan Public Health Code (MPHC).

Applicability

- All BABHA Staff
- Selected BABHA Staff, as follows: All Clinical, Clinical Management, Ancillary Care
- All Contracted Providers: Policy Only Policy and Procedure
- Selected Contracted Providers, as follows:
 - Policy Only Policy and Procedure
- BABHA's Affiliates: Policy Only Policy and Procedure
- Other:

BAY-ARENAC BEHAVIORAL HEALTH POLICIES AND PROCEDURES MANUAL

Chapter: 6	Medication Management		
Section: 1	Operational		
Topic: 3	<u>Med. Boxes—Transferring Medications Delivery</u>		
Page: 2 of 2	Supersedes Date: Pol: 3-18-04 Proc: 2-17-04	Approval Date: Pol: 8-19-10 Proc: 8-19-10	<hr style="border: none; border-top: 1px solid black;"/> <i>Board Chairperson Signature</i> <hr style="border: none; border-top: 1px solid black;"/> <i>Chief Executive Officer Signature</i>
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SUBMISSION FORM				
AUTHOR/ REVIEWER	APPROVING BODY/COMMITTEE/ SUPERVISOR	APPROVAL /REVIEW DATE	ACTION (Deletion, New, No Changes, Replacement or Revision)	REASON FOR ACTION - If replacement list policy to be replaced
M. Bartlett	M. Bartlett	08/17/09	Revision	Format updated
M. Bartlett	M. Bartlett	06/22/10	Revision	To reflect all prescribing professionals.
S. VanParis	J. Kreiner	06/01/15	No Changes	Triennial Review
K. Plamer	K. Palmer	10/12/18	No Changes	Triennial Review
S. Van Paris	K. Palmer	8/31/2021	No changes	Triennial Review
S. Van Paris	HPC	8/21/24	Revision	Changes to reflect current process

MEMORANDUM

To: Bylaws & Policies Committee

From: Chris Pinter, Chief Executive Officer
Sara K. McRae, Executive Assistant to the CEO

Date: September 11, 2024

Re: 2024 Bylaws Review Process Update

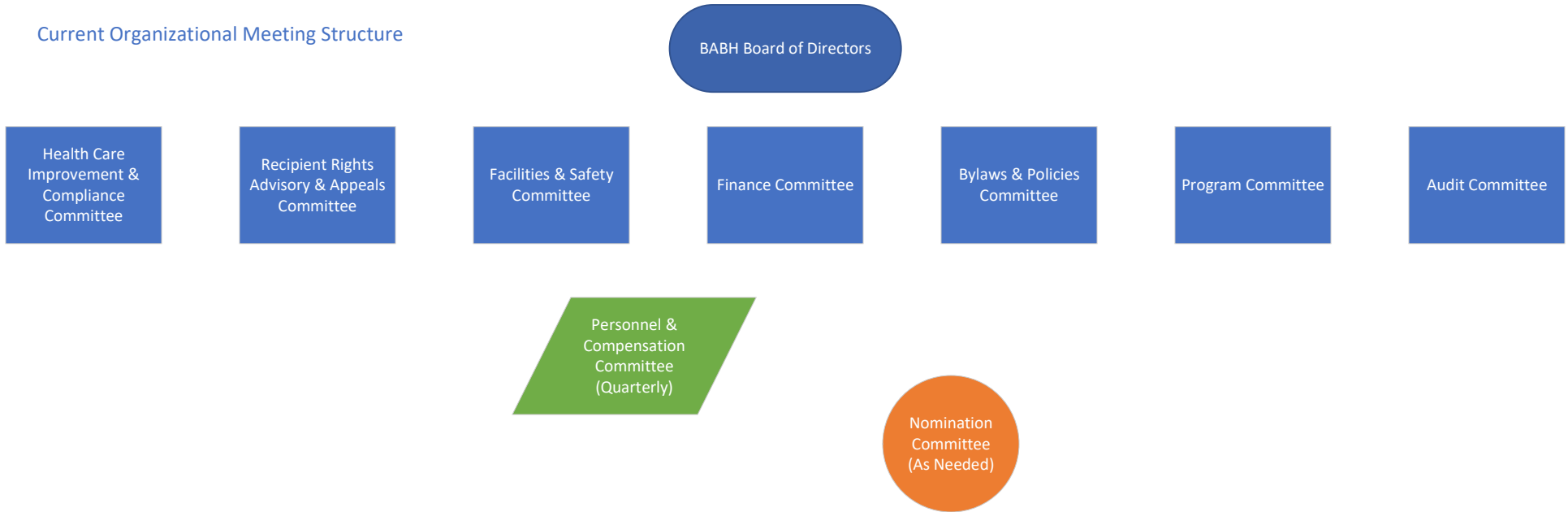
At the August regular meeting, the Bylaws & Policy Committee reviewed and concurred with the proposed changes to the Board Committee structure and updated monthly meeting schedule. Please see the attached organizational chart and calendar.

A copy of the proposed 2024 Bylaws revisions for the Committee's review based on discussions and changes to the Board's organizational structure and meeting structure are attached. A summary of these changes include:

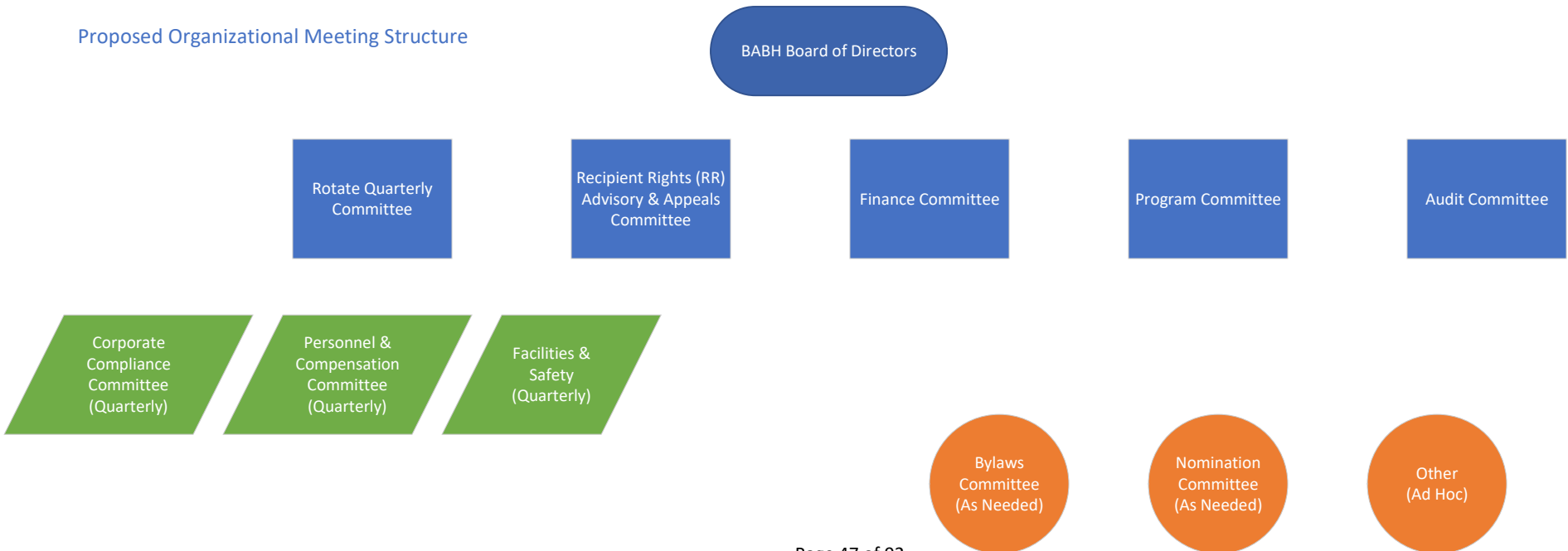
1. Section IX (A) Training revised to include Parliamentary training for new committee chairs and vice chairs. (page 3)
2. Bylaws Section XII Standing Committees has been revised to reflect the changes to Finance, Bylaws, Program, Corporate Compliance, Facilities & Safety, and Personnel & Compensation. (pages 5-12)
3. Section XII (7) Personnel & Compensation Committee has been revised to include consultation of the full board during the CEO evaluation process. (page 11)
4. Section XIII (C) Bay County Retirement Board of Trustees has been revised to reference BABH's appointment needs to comply with Bay County Ordinance No. 35. (page 13)
5. Section XIII (F) RR Advisory & Appeals Non-Board Member Appointments has been added to clarify these appointment terms and requirements in the Mental Health Code. (page 13)
6. Bylaws Section XIV (E) Electronic Meeting Procedure will be revised to reflect the agenda packet deadline for regular board meetings. (page 15)

The Committee can direct administration to make further revisions or consider referring the 2024 Bylaw revisions and meeting structure/changes effective January 1, 2025 to the full Board. Please note that all Board members are required to receive a copy of proposed Bylaws revisions at least five days prior to the meeting that they are considered for approval.

Current Organizational Meeting Structure



Proposed Organizational Meeting Structure



Sample Calendar BABH Board Organizational Structure Proposal 1

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
28	29	30	31	1 5:00pm Rotating Quarterly Committee Meeting	2	3
4	5 5:00pm Recipient Rights Committee	6	7 5:00pm Finance Committee	8 5:00pm Program Committee	9	10
11	12 5:00pm Audit Committee	13	14	15 5:00pm REGULAR BOARD MEETING	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

BAY-ARENAC BEHAVIORAL HEALTH

BYLAWS ~~2023~~ 2024

Draft 1

I. NAME

The name of the organization shall be “Bay-Arenac Behavioral Health” hereinafter referred to as “Authority”, and with a DBA for “Bay Arenac Behavioral Health Authority”. The organization shall be governed by a Board of Directors, hereinafter “Board”, constituted and operating according to these Bylaws.

II. ESTABLISHING RESOLUTIONS

The Authority was established in 2001 by Resolution 2001-133, as amended, and adopted by the Bay County Board of Commissioners and Resolution 01-06-12, as amended, and adopted by the Arenac County Board of Commissioners. The creating resolutions were later amended in 2004 to account for the designation of public employees by adoption of Resolution 2004-078 by the Bay County Board of Commissioners and Resolution 2004-07 by the Arenac County Board of Commissioners. The Authority was created by the governing County Boards of Commissioners in Bay and Arenac Counties pursuant to the Mental Health Code, PA 258 of 1974, as amended, where the Authority’s power and duties are defined in section 205 (MCL 330.1205).

III. PURPOSE

The purpose of the Authority shall be to implement the provisions of Public Act (PA) 258 of the Public Acts of 1974 as amended (hereinafter the “Mental Health Code”) by the State of Michigan, to promote related mental health and substance use disorder treatment services and to raise local and other funds to be used toward financing of the program.

IV. MEMBERSHIP OF THE AUTHORITY

The membership of the Authority shall consist of twelve (12) members appointed as directors in accordance with provisions of the Mental Health Code.

A. Method of Appointment

Board members shall be appointed by the Arenac and Bay County Boards of Commissioners. According to state statute, membership shall be divided among the counties in proportion to each county’s population in accordance with section 214 of the Mental Health Code (MCL 330.1214). Membership proportionally shall be established every ten (10) years with the release of the United States census.

B. Vacancies

According to state statute, in the event of a vacancy prior to the expiration of the term, the vacancy shall be filled in the same manner as an original appointment.

V. TERMS OF OFFICE AND REMOVALS

The term of office of each Director of the Authority shall be as provided for in section 224 of the Mental Health Code (MCL 330.1224). Any Director of the Authority may be removed by the appointing Board of Commissioners for neglect of duty, misconduct, or malfeasance in office, after being given a written statement of charges and an opportunity to be heard thereon pursuant to section 224 of the Mental Health Code (MCL 330.1224). Unexcused absence from three (3) consecutive meetings of the Authority or five (5) consecutive Authority and committee meetings shall be deemed an automatic resignation from the Authority, unless at the time of absence, the Authority, by motion duly voted upon, shall excuse the member absent.

VI. OFFICERS AND SELECTION THEREOF

The officers of the Board shall be members of and selected by the full Board and shall consist of a Chair, Vice Chair, Secretary, Treasurer, and other officers as the Board shall deem necessary, all to be elected by a majority vote of the full Board. Their respective terms are to be for a period of one (1) year commencing from the April full Board meeting, or in the event of a special election to fulfill an office vacancy until the next annual meeting. Elections shall be held each year at the April regular full Board meeting.

A. Duties of the Chair

The Chair shall preside over and conduct all full board meetings. He/she shall have the power to appoint members and non-voting members of standing and special committees and shall be an ex-officio member of all committees, except Nomination Committee. The Chair may approve the attendance of Board members at a committee to which they are not a member. The Chair shall serve as a signatory along with the Chief Executive Officer (CEO) and/or Chief Financial Officer (CFO) on all instruments of the Authority.

B. Duties of the Vice Chair

The Vice Chair shall preside at all meetings of the Board in the absence of the Chair and shall perform all duties of the Chair in his/her absence. The Vice Chair shall also be an ex-officio member of all Committees, except Nomination Committee.

C. Duties of the Secretary

The Secretary shall verify with the CEO that accurate and complete records and minutes of the proceedings of the Board of Directors and its committees having any authority of the Board of Directors are preserved. The CEO shall assign an employee to take accurate and complete records and minutes of the Authority as required by law.

D. Duties of the Treasurer

The Treasurer shall ensure that an annual audit of the Authority's finances is presented to the full Board for review and approval. He/she shall ensure that regular financial statements and variance reports are reviewed, and appropriately acted upon by the Authority. The Treasurer shall also be an ex-officio member of the Finance and Audit Committees.

VII. CHIEF EXECUTIVE OFFICER (CEO)

The Board shall appoint and contract with a CEO who shall have full managerial control of the services provided by the Authority as well as the authority and responsibility for supervising all employees pursuant to the Mental Health Code. In addition, his/her duties and qualifications shall be in compliance with the Mental Health Code.

VIII. STAFF POSITIONS

The CEO shall appoint a Chief Financial Officer (CFO) for the Authority. The CEO and CFO shall be considered the officer staff positions of the Authority relative to signing legal and financial documents for the Authority.

Pursuant to the Mental Health Code, the CEO shall appoint a Medical Director and a Recipient Rights Officer. The Medical Director must be a psychiatrist. The Recipient Rights Officer and his/her office are subordinate to the CEO only.

IX. BOARD MEMBER RESPONSIBILITIES

Board members of the Authority are responsible for completing required training and documents once appointed by their respective County Commission.

A. Training

1. New Board Member Orientation within 30 days of original appointment
2. Annual Recipient Rights Training
3. Annual Corporate Compliance Training
- ~~3.4.~~ New Committee Chair and Vice Chair Parliamentarian Training

B. Documentation

1. Required attestations and/or related documents
2. Payroll forms upon original appointment

X. DUTIES OF THE AUTHORITY

The duties of the Authority are prescribed in the Mental Health Code, and in the State of Michigan Department of Health and Human Services Administrative Rules, as these may exist from time to time, but generally as follows:

- A. Examine and evaluate the mental health needs of the counties.
- B. Establish general policy guidelines within which the CEO shall execute the powers of his/her office and the Mental Health program.
- C. Review, approve, and submit an annual plan and budget for the Mental Health Program. The format and documentation of the annual plan and budget shall be specified by the Michigan Department of Health and Human Services.

- D. Provide and advertise a public hearing on the annual plan and budget.
- E. Submit to governing Boards of County Commissions an annual request for County funds to support the Mental Health Program based on amount allocated in the Authority resolution language.
- F. Take such actions as deemed necessary and appropriate to secure private, federal, state, local, and other private or public funds to help support the Mental Health program.
- G. Approve and authorize all contracts for implementing the program.
- H. Review and evaluate the quality, effectiveness, and efficiency of the mental health services provided.

XI. NOMINATION COMMITTEE

Purpose:

To ensure the Board membership and officers meet the requirements of the Mental Health Code and possess the expertise to provide quality oversight for the Authority.

Duties:

- a) Monitor membership for openings on the Board and notify governing Boards of County Commissioners.
- b) Provide guidance and assistance to the Arenac and Bay County Commissions relative to potential candidates for Board openings based on Mental Health Code requirements including specific consumer requirements (primary and secondary), agencies and occupations having a working involvement with mental health services, general public, and compliance with limitations as defined in the Mental Health Code.
- c) Coordinate with designated person for the County Commissions to ensure candidate information is provided in a timely manner to meet commission schedule timelines for appointment of Board members.
- d) Recommend officer nominations to full Board for consideration at the annual meeting or in the event of an officer vacancy.

Membership:

The Committee is comprised of five (5) Board members elected by a majority of the full Board at the annual meeting in April, after all other elections and appointments, and excludes any ex-officio members. Non-voting participants may include the CEO or other staff members or subject matter experts at the discretion of the Committee Chair in consultation with the CEO.

Regularity of meetings:

The Committee shall meet on an as needed basis to provide assistance to Arenac and Bay County Commissions in filling openings on the Board or to recommend officer candidates to the full Board.

XII. STANDING COMMITTEES

The Standing Committees of the Authority shall be as follows: ~~Health Care Improvement and Compliance Committee~~, Recipient Rights Advisory and Appeals Committee, Facilities and Safety Committee, Finance Committee, Bylaws ~~and Policies~~ Committee, Program Committee, Audit Committee, Personnel and Compensation Committee, Corporate Compliance Committee, and any other committees the Board Chair may deem necessary.

The Chair of the Board shall appoint each Board member to his/her standing committee assignments. Each Committee shall elect a Chair and Vice Chair after the April Board meeting each year. In the event neither the Committee Chair or Vice Chair are in attendance, the Board Chair or in his/her absence the Board Vice Chair, will select a chair pro-tem.

Each respective Committee shall perform such duties as prescribed in these Bylaws and/or by the Chair of the Board. Any scheduled Committee meetings may be canceled or rescheduled after consultation between the CEO and Committee Chair. The decisions to cancel or reschedule a meeting will be the responsibility of the Committee Chair.

A. Committee Descriptions

1. Finance Committee

Purpose:

Ensure the fiscal integrity of the organization through financial planning, budgeting, procurement, and investment activity.

Duties:

- a) Review and recommend for approval the Authority budget and any budget amendments.
- b) Review all forms of liability against the Authority.
- c) Review and recommend approval of all contracts proposed between the authority and service providers, vendors, or other contractors or subcontractors.

d) Review all facility/building lease schedules of the Authority and recommend appropriate action.

~~d)~~e) Review key measures and strategic initiatives related to financial services on a quarterly basis.

f) Review and make recommendations to the full Board for the annual Strategic initiatives relative to financial services.

e)g) Review and make recommendations to the full Board on agency plans required by the accrediting body and the MDHHS contract such as The Risk Management Plan

Membership:

The Committee is comprised of Board members appointed by the Board Chair. Non-voting participants may include the CEO, CFO, and other staff members of subject matter experts at the discretion of the Committee Chair in consultation with the CEO.

Regularity of Meeting:

Monthly

2. Recipient Rights Advisory and Appeals Committee

Purpose:

To advise the Authority and its CEO on matters pertaining to protecting and promoting the rights of recipients of behavioral health and to ensure that the rights of persons served by the Authority are appropriately protected. To respond to recipient appeals in accordance with section 784 of the Mental Health Code (MCL 330.1784).

Duties:

- a) Protect the Authority's Office of Recipient Rights from pressures that could interfere with the impartial, even-handed, and thorough performance of its functions.
- b) When there is a vacancy for the Authority-designated Recipient Rights Officer, the Recipient Rights Committee will advise the CEO regarding replacement candidates.
- c) Consult with CEO regarding any proposed dismissal of the Recipient Rights Officer.
- d) Serve in an advisory capacity to the CEO and the Recipient Rights Officer.
- e) Review and provide comments on the report submitted by the CEO under section 755 of the Mental Health Code (MCL 330.1755).
- f) Serve as the Appeals Committee for a recipient's appeal under section 784 of the Mental Health Code.

g) Respond to appeals as necessary and in accordance to section 784 of the Mental Health Code.

h) Review key measures for Recipient Rights operations.

h)i) Review and make recommendations to the full Board on agency plans required by the accrediting body and the MDHHS contract such as The Accessibility Plan.

Membership:

The membership of the Committee shall be broadly based so as to best represent the varied perspectives of the Authority's geographical area. The Committee is comprised of Board members and consumers appointed by the Board Chair. The consumer appointments made by the Board Chair ~~and~~ must comply with the consumer membership requirements per section 757 of the Mental Health Code (MCL 330.1757). At least three (3) of the members will be non-Board member appointments, each for three-year staggered terms. Non-voting participants may include the CEO, Recipient Rights Officer, subordinate staff to the Recipient Rights Officer, and/or other staff members or subject matter experts at the discretion of the Committee Chair in consultation with the CEO.

Regularity of meetings:

Monthly and as necessary when the Recipient Rights Advisory and Appeals Committee Chair grants an appeal request pursuant to section 784 of the Mental Health Code.

3. **Bylaws ~~and Policies~~ Committee**

Purpose:

To ensure that ~~written documents related to policy and~~ Bylaws reflect the strategic direction of the Authority provide a structured process for the Board to operate and comply with laws, regulations, and parliamentary procedures.

Duties:

- a) Review Bylaws at least annually.
- b) Make recommendation to the full Board for revision to Bylaws as changes with external or internal policy, accreditation bodies or law occur.

~~c) Review and approve all existing and proposed policies.~~

Membership:

The Committee is comprised of Board members_ appointed by the Board Chair. Non-voting participants include the CEO, CFO, and other staff members or subject matter experts at the discretion of the Committee Chair in consultation with the CEO.

Regularity of meetings:

~~Monthly or when necessary.~~ The Committee shall meet on an as needed basis in the second quarter of the calendar year to complete the annual bylaw review process as required in Section XXIII of the BABH Bylaws.

4. Program Committee

Purpose:

Ensure that services offered to persons meet the needs of the community within the limitations of resources available according to state and federal requirements.

Duties:

- a) Review components of annual submission.
- b) Review key measures and strategic initiatives for clinical services and health care improvement on a quarterly basis.
- c) Review and make recommendations to the full Board for the annual Strategic initiatives relative to clinical services and health care improvement.
- d) Review outcomes of stakeholder, employee, and consumer surveys.
- e) Review and make recommendations to the full Board on the Quality Assessment/Performance Improvement Plan and receive regular status reports.
- f) Review and make recommendations to the full Board relative to agency policies and procedures.
- g) Review performance of the Authority programs in relation to contracts for grant funds.
- h) Review community education and prevention activity.
- i) Review and support implementation of evidence-based practices.
- j) Receive information on promotion of recovery and self-determination.
- k) Review and make recommendations on requests for clinical privileges for Psychiatrists, Fully Licensed Psychologists, Nurse Practitioners, and Physician Assistants.

- d) Review and make recommendations to the full Board on agency plans required by the accrediting body and the Michigan Department of Health and Human Services contract such as The Infection Control Plan and the Medical Staff Plan

Membership:

The Committee is comprised of Board members appointed by the Board Chair. Non-voting participants include the CEO, and/or other staff members or subject matter experts at the discretion of the Committee Chair in consultation with the CEO.

Regularity of meetings:

Monthly

5. ~~Health Care Improvement and~~ Corporate Compliance Committee

Purpose:

To ensure the success of the Authority's Corporate Compliance Program by educating individuals on internal controls, regulations, and reporting procedures to minimize and uncover fraudulent practices with internal operations and external providers. Authority as a Community Mental Health Services Program (CMHSP) and participant member of MidState Health Network (MSHN) Region for substance use disorders, mental illness, and developmental disabilities.

Duties:

- a) Review key measures reports for Corporate Compliance System, Medical/Electronic Health Records, Strategic Planning, ~~Performance Improvement~~, and Information Systems on a quarterly basis.
- b) Review and make recommendations to the full Board on the annual Strategic Plan initiatives and bi-annual reports relative ~~to Health Care Improvement, Compliance to Compliance,~~ and Information Systems.
- c) Oversee the Corporate Compliance Program by making recommendation to the full Board on the annual Corporate Compliance Plan and receiving regular reports of organizational activities to guard against fraud and abuse.
- d) Review the annual litigation report submitted to the Michigan Department of Health and Human Services.
- ~~e) Review outcomes of stakeholder, employee, and consumer surveys.~~

~~f)a) Review and make recommendations to the full Board on the Quality Assessment/Performance Improvement Plan and receive regular status reports.~~

g)e) Review and make recommendations to the full Board on agency plans required by the accrediting body and the MDHHS contract such as ~~The Accessibility Plan, The Cultural Competency and Diversity Plan, The Information Management/Data Analytics Plan, and The Risk Management Plan.~~

Membership:

The Committee is comprised of Board members appointed by the Board Chair. Non-voting participants may include the CEO, Director of Health Care Accountability, and other staff members or subject matters experts at the discretion of the Committee Chair in consultation with the CEO.

Regularity of meetings:

~~Monthly Quarterly beginning gin February of each calendar year~~

6. Facilities & Safety Committee

Purpose:

Ensure that all physical plants meet safety standards and accommodate the needs of all Authority employees, Board members, visitors, and individuals receiving services.

Duties:

- a) ~~Review all facility/building lease schedules of the Authority and recommend appropriate action.~~
- b) Review and make recommendations to the full Board on any new facility/building leases or real property acquisitions proposed by administration.
- c) Oversight of improvement and major maintenance of properties used for administration or the delivery of services.
- d) Review and make recommendations to the full Board for the annual Strategic initiatives relative to physical plant needs and the safety and security of all BABH sites.
- e) ~~Review and recommend for approval bids for any physical plant projects that exceed the CEO's signing limit.~~
- f)e) Review key safety measures and strategic initiatives for physical plants on a quarterly basis.

~~g~~f) Review and make recommendations to the full Board on agency plans required by the accrediting body and the MDHHS contract such as The Emergency Preparedness Plan.

Membership:

The Committee is comprised of Board members appointed by the Board Chair. Non-voting participants include the CEO, CFO, and/or other staff members or subject matter experts at the discretion of the Committee Chair in consultation with the CEO.

Regularity:

~~Monthly~~ Quarterly beginning in March of each calendar year

7. Personnel and Compensation Committee

Purpose:

Ensure that the organization recruits and retains the highest quality staff within the confines of available funds.

Duties:

- a) Annually reviews and makes recommendations to the full Board for staff compensation and benefits.
- b) Reviews employment and vacancy trends.
- c) Review and make recommendations to the full Board for the annual Strategic initiatives relative to staff development and training and other personnel functions.
- d) Negotiates contract with CEO and makes related recommendations to the full Board, ~~evaluates the performance of the CEO~~, and recruits new CEO as needed.
- ~~d~~e) Conduct the performance evaluation of the CEO and consult with the full board for feedback during this process.
- ~~e~~f) Reviews employment contracts and makes recommendations to the full Board.
- g) Reviews key measures and strategic initiatives for Training and Human Resources on a quarterly basis.
- ~~f~~h) Review and make recommendations to the full Board on agency plans required by the accrediting body and the MDHHS contract such as The Cultural Competency and Diversity Plan.

Committee Membership:

The Committee is comprised of Board members appointed by the Board Chair. Non-voting participants include the CEO, Human Resources Director, and/or other staff members or subject matter experts at the discretion of the Committee Chair.

Regularity:

Quarterly beginning in January of each calendar year

8. Audit Committee

Purpose: To ensure fiscal integrity of the organization through internal controls and practices up to and including inspection of disbursements, paid health care claims, and financial statements.

Duties:

- a) Review and make recommendations to the full Board on the disbursements and claims paid by the Authority each month.
- b) Review monthly financial statements including variances and make recommendations to the full Board
- c) Arrange for an annual independent audit Financial Statement Audit, and Compliance Audit for subsequent review and approval by the full Board.
- d) Review and make recommendations to the full Board on the electronic fund transfers made by the Authority each month.

Membership:

The Committee is comprised of Board members appointed by the Board Chair. Non-voting participants include the CEO, CFO, and/or other staff members or subject matter experts at the discretion of the Committee Chair in consultation with the CEO.

Regularity:

Monthly

XIII. Appointments by Board Chair

A. Parliamentarian

The Chair, during the April regular Board meeting, shall appoint a Board Parliamentarian to serve a term of one (1) year. The CEO will provide administrative and/or legal support as necessary to assist the Board in carrying out this function.

B. MidState Health Network (MSHN) Regional Board of Directors

The Chair shall appoint two (2) Board members meeting the criteria in Mental Health Code section 222 (MCL 330.1222) to serve on the MSHN regional Board of Directors for a period of three (3) years. At least one (1) Board member shall be a primary consumer or family member of a primary consumer as defined in the Mental Health Code. Pursuant to the MSHN Bylaws and MSHN Board Compensation Policy, per diems for the MSHN Regional Board members are paid directly to appointed Board members in an amount as established by MSHN.

C. Bay County Retirement Board of Trustees

The Chair shall appoint one (1) Board member to serve as the Authority representative to serve on the Bay County Retirement Board of trustees, ~~for a term of one (1) year.~~ This appointment must comply with Bay County Ordinance No. 35, Employees' Retirement System.

D. Community Mental Health Association of Michigan (CMHAM)

The Chair shall appoint two (2) Board members to serve as voting delegates when needed for the CMHAM Member Assembly Meetings.

E. MSHN Consumer Advisory Council

The Chair shall appoint up to three (3) representatives to serve on the MSHN Consumer Advisory Council. The appointed representatives will reflect the regional population served and include those living with intellectual/developmental disabilities, mental illness, substance use disorders, and serious emotional disturbance. Pursuant to the MSHN procedures, per diems for the MSHN Consumer Advisory Council members are paid directly to appointed Council members in an amount as established by MSHN.

F. RR Advisory & Appeals Non-Board Member Appoints

The Chair shall appoint three (3) non-Board member representatives, each with a three-year staggered term, to the Recipient Rights Advisory & Appeals Committee in accordance with consumer membership requirements per section 757 of the Mental Health Code (MCL 330.1757).

XIV. MEETINGS OF THE AUTHORITY

A. Schedule of Regular Meetings

The Authority shall hold regular meetings each month. The location of the regular board meeting will alternate between the administrative offices of the Authority in Bay County, and the clinical services site in Arenac County, based on the board membership proportion as established in section IV A, or at such other times and places as the Board

shall from time to time determine. Meetings will be called to order promptly at the posted time and conducted in accordance with the most recent edition of Robert's Rules of order and in compliance with the Open Meetings Act, 1976 PA 267. Monthly calendars containing the schedule of meetings shall be distributed electronically to each Board member. Any regular Board meetings may be canceled or rescheduled by a majority vote of the Board.

B. Special Meetings

Special meetings of the Board may be held at the call of the Chair, or in his absence, the Vice Chair, or by agreement by a majority of the Board members. The Open Meetings Act, 1976 PA 267, must be complied with in calling special meetings. The methods by which meetings may be called are as follows:

1. Oral or written request to the CEO by the Chair (or in his/her absence, the Vice Chair) who shall notify all Board members directly by phone, email, or in person.

OR

2. Written request to the CEO, signed by a majority of Board members, setting forth the date and purpose of such proposed special meeting.

OR

3. Except in the case of a direct notice by the Chair or, in his/her absence, the Vice Chair or, in his/her absence, his/her agent, all notices of special meetings shall be in writing and emailed to the Board members by a member of the staff, except where the request for such meetings waives the written notice.

C. Remote Participation

In accordance with the Open Meetings Act, 1976 PA 267, remote/virtual participation is only permitted for Board members during meetings who are active military per section 263a (MCL 15.236a). The Authority shall also consider requests from members of the public for remote participation in meetings due to a disability in accordance with the Michigan Attorney General Opinion No. 7318 dated February 4, 2022.

D. Public Comment

All meetings of the Authority shall include time for public comment. The public will be permitted to address the Authority at the beginning of each meeting, directly following roll call on the agenda. Individuals who wish to address the Authority shall state their first and last name for the public record and limit comments to a maximum of three (3) minutes. Board members are not considered members of the public.

E. Electronic Meeting Procedure

All meetings of the Authority will utilize paperless electronic media to conduct official business. This will include portable computers or tablets and a monitor for the public's

viewing where available. All meeting materials will be posted on the Authority website for public inspection. All meeting materials for regular full Board meetings will be available 24 hours before the scheduled meeting.

F. Electronic Communications

All electronic communications including emailing and texting are not permitted during a meeting of the Authority on matters that are scheduled for consideration by the Board. All electronic communications of a personal nature are discouraged during meetings of the Authority.

XV. QUORUM

Over half of the current Board members present shall constitute a quorum for transaction of Authority business. When the Board Chair or Vice Chair is not in attendance, those present shall select a chair pro-tem. Over half of the current committee shall constitute a quorum for committee meetings. Any board members participating remotely as permitted under the Open Meeting Act, 1976 PA 267, as amended, will be considered “present” for quorum and voting purposes.

XVI. VOTING PROCEDURES

All Board members are expected to participate in the regular Board and committee meetings including all actions under consideration for adoption. Unless otherwise specified in these Bylaws, a simple majority of the quorum members present during a duly constituted Board meeting is sufficient to approve an action under consideration. The method of voting on actions at Board or committee meetings will be done by voice; a roll call vote may also be used at the discretion of the chairperson or at request of a Board member.

XVII. CONFLICT OF INTEREST

All Board members and officer staff positions of the Authority are subject to federal and state conflict of interest statutes and regulations including, but not limited to 18 USC 207, 18 USC 208, and 1978 PA 566.

Board members are expected to recuse themselves from any question or action under consideration in which he/she has a direct personal or pecuniary interest not common to other members of the Board and/or as otherwise stipulated in applicable federal or state conflict of interest requirements.

If a Board member is an employee or independent contractor with an agency with which the Board is considering entering into a contract, the following criteria must be met pursuant to section 222(5) of the Mental Health Code (MCL 330.1222):

1. The Board member promptly discloses their interest in the contract to the Board

2. The contract must be approved by a vote of at least 2/3 of the membership of the Board excluding the vote of the Board member in question
3. The official minutes of the meeting approving the contract must note the contract details including, but not limited to, names of all parties and the terms of the contract and the nature of the Board member's conflict of interest

These requirements do not apply in context of a Board member serving on a regional entity established under section 222(6) of the Mental Health Code (MCL 330.1222).

XVIII. BOOKS AND RECORDS

The Authority shall keep current and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors and its Committees having any of the authority of the Board of Directors. All books, records, and minutes of the Authority may be inspected by, or copies provided to the public in accordance with the Freedom of Information Act, 1976 PA 442, and the Open Meetings Act, 1976 PA 267.

XIX. BOARD MEMBER RECOGNITION

Board members who retire or pass away during tenure shall receive a plaque of recognition. Length of time served to which this rule would apply will be at the discretion of the Board members. The plaque will be presented to the retiring Board member or the family of the deceased Board member at a regular Board meeting.

XX. FISCAL YEAR

The fiscal year of the Authority shall be October 1 through September 30.

XXI. APPROVAL AND EXECUTION OF CONTRACTS AND RELATED DOCUMENTS

Any contract must be approved by a majority of the quorum of Board members present unless a majority of the quorum of Board members present at the meeting delegate the power to approve. The exceptions are for services or agreements less than \$10,000.00, agreements that do not involve a financial obligation, services that are routine in nature, or in the case of an urgent situation. In an urgent situation, The CEO has the discretion to approve services necessary for the care of an individual needing services for an amount up to \$20,000.00 with the contingency that the matter is presented to the Board for consideration and retroactive approval at the next regular scheduled meeting, providing justification that awaiting Board approval could potentially cause harm to the individual.

XXII. EXECUTION OF CHECKS OR ELECTRONIC FUND TRANSFERS

The CEO, CFO, and Board Chair shall be the sole persons authorized to sign checks or electronic fund transfers (EFTs). Facsimile signatures or the aforementioned persons are acceptable.

A. Check Signatories

Checks for purposes of accounts payable functions shall be signed by two (2) of three (3) eligible parties. Checks for routine payroll/benefits functions shall be authorized by one of the three (3) eligible parties.

B. EFT Authorizations

Routine EFTs shall be authorized by one of the three (3) eligible parties. Non-routine EFTs shall be authorized by two (2) or the three (3) eligible parties. EFTs require Board approval each month in accordance with section 3 of the Electronic Transactions of Public Funds, 2002 PA 738 (MCL124.303)

XXIII. REVIEW AND AMENDMENT OF BYLAWS

These Bylaws shall be reviewed the second quarter of the calendar year by the Bylaws ~~and Policies~~ Committee. If as a result of this review, the Bylaws require amendment or repeal, the Bylaws and Policies Committee will provide copies of the proposed revised Bylaws to all Board members at least five (5) days prior to the Board meeting at which action will be taken on any Bylaws revisions. Changes in Bylaws require affirmative vote of 3/4 of the Board members.

XXIV. AUTHORITY COMPENSATION

A Board member shall be paid a per diem as voted by the majority of the Board. The amount shall be in keeping with amounts paid by other CMHSPs within the State of Michigan and the appointing County Board of Commissioners. A person appointed to the Board may also elect to serve as an unpaid/volunteer Board member. A Board member selecting this option will forgo receiving per diems for meeting attendance but retains all other rights and privileges as a Board member.

A Board member may be reimbursed for necessary travel expenses to any approved meetings at the rate equal to the Internal Revenue Service (IRS) mileage reimbursement rate. This includes attendance at offsite conferences and events authorized by the Board Chair. Board members attending conferences will comply with the same requirements as all other employees related to appropriate expenses for accommodations, meals, incidental charges, and cancellation fees.

A Board member shall not receive more than one per diem or one meeting travel reimbursement per day regardless of the number of meetings scheduled by the Authority or Committee Chair for that day. A Board member shall be paid per diems for regular and special Board meetings, meetings of Standing Committees to which they are assigned by the Board Chair, and other business when requested by the CEO and authorized by the Board Chair. Board members may receive a per diem and mileage reimbursement for service on special committees authorized and appointed by the Board Chair.

Board members who attend meetings of committees of which they are not members may receive travel reimbursement and, if approved by the Board Chair, a per diem.

Requisition for payment of Board members per diem and travel reimbursements must be approved by the Board and signed by the Board Treasurer.

XXV. PROHIBITED AFFILIATIONS AND/OR EXCLUSION OR CONVICTION

The Authority will not knowingly hire or engage an individual, or other entity, or an affiliate who is suspended or excluded from participating in, or who is under sanctions by, any federal or state health care program, including without limitations Medicare or Medicaid, or debarred from any procurement activities under applicable Federal Acquisition Regulations or non-procurement activities under the regulations issued under Executive Order No. 12549, nor shall it have such an individual on its governing Board.

The Board members shall annually complete attestation forms and are responsible for disclosing any prohibited affiliations, exclusions, or convictions to administration when they arise.

Any conflicts between these Bylaws and state statutes, the state statute shall take precedent.

**Bay-Arenac Behavioral Health
Financial Statements
For Period Ending 8/31/2024**

Certified for Accuracy



Accounting Manager



Chief Financial Officer

Bay-Arenac Behavioral Health Statement of Net Assets

Bay-Arenac Behavioral Health Consolidated Income Statement:

By Month to Date

By Year to Date

Bay-Arenac Behavioral Health Reconciliation of Fund Balance:

Bay-Arenac Behavioral Health Reconciliation of Unreserved Fund Balance:

Bay-Arenac Behavioral Health Fund Balance Summary:

Bay-Arenac Behavioral Health Cash Flow Statement

Bay-Arenac Behavioral Health Projected Cash Flows

**Bay Arenac Behavioral Health
Statement of Net Assets**

Column Identifiers		
A	B	C

		<u>Aug 31, 2024</u>		<u>Sept 30, 2023</u>	
1	ASSETS				
2	<u>Current Assets</u>				
3	Cash and cash equivalents	\$5,734,035.56		\$3,022,671.86	
4	Consumer and insurance receivables	185,449.34		250,600.73	
5	Due from other governmental units	5,095,117.29		7,068,212.79	
6	Contract and other receivables	226,108.68		589,887.89	
7	Interest receivable	0.00		0.00	
8	Prepaid items	<u>218,137.33</u>		<u>172,069.24</u>	
9	Total Current Assets	11,458,848.20		11,103,442.51	(3+4+5+6+7+8)
10	Noncurrent Assets				
11	<u>Cash and cash Equivalents - restricted</u>				
12	Restricted for compensated absences	1,512,948.05		1,492,316.16	
13	Restricted temporarily - other	<u>108,700.93</u>		<u>88,421.11</u>	
14	Cash and Cash Equivalents - restricted	1,621,648.98		1,580,737.27	(12+13)
15	<u>Capital Assets</u>				
16	Capital assets - land	424,500.00		424,500.00	
17	Capital assets - depreciable, net	6,368,374.54		6,384,206.87	
18	Capital assets - construction in progress	-		-	
19	GASB 87 Right to Use Bldg	2,272,819.47		2,272,819.47	
20	GASB 87 Accum Depr. Lease Amortization	(409,216.66)		(409,216.66)	
21	Accumulated depreciation	<u>(4,088,739.71)</u>		<u>(3,918,603.61)</u>	
22	Capital Asset, net	4,567,737.64		4,753,706.07	(16+17+18+19+20+21)
23	Total Noncurrent Assets	6,189,386.62		6,334,443.34	(14+22)
24	TOTAL ASSETS	17,648,234.82		17,437,885.85	(9+23)
25	LIABILITIES				
26	<u>Current Liabilities</u>				
27	Accounts payable	2,468.73		3,748,831.73	
28	Accrued wages and payroll related liabilities	9,737.88		83,713.19	
29	Other accrued liabilities	4,018,706.79		569,539.06	
30	Due to other governmental units	242,039.00		250,747.00	
31	Deferred Revenue	6,073.23		2,503.73	
32	Current portion of long term debt	16,212.86		16,212.86	
33	Other current liabilities	-		-	
34	Total Current Liabilities	4,295,238.49		4,671,547.57	(27+28+29+30+31+32+33)
35	<u>Noncurrent Liabilities</u>				
36	Long term debt, net of current portion	232,031.32		246,873.29	
37	GASB 87 Noncurrent Lease Liability	1,699,121.29		1,699,121.29	
38	Compensated absences	<u>1,332,895.16</u>		<u>1,462,345.88</u>	
39	Total Noncurrent Liabilities	3,264,047.77		3,408,340.46	(36+37+38)
40	TOTAL LIABILITIES	7,559,286.26		8,079,888.03	(34+39)
41	NET ASSETS				
42	<u>Fund Balance</u>				
43	Restricted for capital purposes	3,966,653.00		3,966,653.00	
44	Unrestricted fund balance - PBIP	2,827,136.47		2,377,601.32	
45	Unrestricted fund balance	<u>3,295,159.09</u>		<u>3,013,743.50</u>	
46	Total Net Assets	\$10,088,948.66		\$9,357,997.82	(43+44+45) and (24-40)

Bay Arenac Behavioral Health
For the Month Ending August 31, 2024
Summary of All Units

		Column Identifiers					
A	B	C	D	E (C-D)	F (C / D)	G	
	August Actual	2024 YTD Actual	2024 YTD Budget	Variance	% to Budget	2024 Monthly Budget	
Income Statement							
1	REVENUE						
2	Risk Contract Revenue						
3	Medicaid Specialty Supports & Services	4,230,991.17	51,200,965.74	47,916,733.33	3,284,232.41	107%	4,356,066.67
4	Medicaid Autism	1,185,154.59	10,679,279.45	8,868,920.50	1,810,358.95	120%	806,265.50
5	State Genl Fund Priority Population	185,505.00	1,540,550.00	1,490,549.88	50,000.12	103%	135,504.53
6	GF Shared Savings Lapse	0.00	0.00	70,371.62	(70,371.62)	0%	6,397.42
7	Total Risk Contract Revenue	5,601,660.76	63,420,795.19	58,346,575.33	5,074,219.86	109%	5,304,234.12 (3+4+5+6)
8	Program Service Revenue						
9	Medicaid, CWP FFS	0.00	0.00	0.00	0.00	0%	0.00
10	Other Fee For Service	62,100.18	339,563.41	317,510.22	22,053.19	107%	28,864.57
11	Total Program Service Revenue	62,100.18	339,563.41	317,510.22	22,053.19	107%	28,864.57 (9+10)
12	Other Revenue						
13	Grants and Earned Contracts	162,294.15	1,492,517.08	1,691,467.20	(198,950.12)	88%	153,769.75
14	SSI Reimbursements, 1st/3rd Party	3,236.60	65,960.30	63,139.45	2,820.85	104%	5,739.95
15	County Appropriation	65,587.83	721,466.13	721,466.13	0.00	100%	65,587.83
16	Interest Income - Working Capital	16,245.85	285,320.02	105,336.45	179,983.57	271%	9,576.04
17	Other Local Income	910.04	462,660.77	431,414.11	31,246.66	107%	39,219.46
18	Total Other Revenue	248,274.47	3,027,924.30	3,012,823.34	15,100.96	101%	273,893.03 (13+14+15+16+17)
19	TOTAL REVENUE	5,912,026.41	66,788,282.90	61,676,908.89	5,111,374.01	108%	5,606,991.72 (7+11+18)
20	EXPENSE						
21	SUPPORTS & SERVICES						
22	Provider Claims						
23	State Facility - Local portion	14,815.93	156,600.08	176,264.05	19,663.97	89%	16,024.00
24	Community Hospital	410,686.86	6,626,357.49	5,270,323.31	(1,356,034.18)	126%	479,120.30
25	Residential Services	1,210,061.72	13,764,782.46	13,905,245.01	140,462.55	99%	1,264,113.18
26	Community Supports	2,225,945.11	23,905,644.04	20,746,078.05	(3,159,566.00)	115%	1,886,007.10
27	Total Provider Claims	3,861,509.62	44,453,384.07	40,097,910.41	(4,355,473.66)	111%	3,645,264.58 (23+24+25+26)
28	Operating Expenses						
29	Salaries	1,276,211.81	13,228,009.89	13,441,100.50	213,090.61	98%	1,221,918.23
30	Fringe Benefits	406,741.16	4,397,111.24	4,369,939.82	(27,171.42)	101%	397,267.26
31	Consumer Related	4,180.05	42,908.61	44,827.79	1,919.18	96%	4,075.25
32	Program Operations	173,837.22	1,615,687.74	1,208,671.16	(407,016.58)	134%	109,879.20
33	Facility Cost	46,932.11	589,355.70	609,540.41	20,184.71	97%	55,412.76
34	Purchased Services	739.00	45,079.45	20,221.36	(24,858.09)	223%	1,838.31
35	Other Operating Expense	54,260.42	1,288,698.16	1,275,001.59	(13,696.57)	101%	115,909.24
36	Local Funds Contribution	17,906.00	196,966.00	196,966.00	0.00	100%	17,906.00
37	Interest Expense	664.69	7,511.07	7,994.71	483.64	94%	726.79
38	Depreciation	15,132.24	192,620.23	240,911.50	48,291.27	80%	21,901.05
39	Total Operating Expenses	1,996,604.70	21,603,948.09	21,415,174.84	(188,773.25)	101%	1,946,834.08 (29+30+31+32+33+34+35+36+37+38)
40	TOTAL EXPENSES	5,858,114.32	66,057,332.16	61,513,085.25	(4,544,246.91)	107%	5,592,098.66 (27+39)
41	NET SURPLUS/(DEFICIT)	53,911.09	730,950.74	163,823.64	567,127.10	446%	14,893.06 (19-40)

Notes:

Medicaid Revenue includes an accrual for additional funds if a (shortage) exists/reduction of funds if a surplus exists from/(to) Mid-State Health Network as follows:

BASED ON PEPM FUNDING:

- Net Medicaid (shortage): (\$8,544,708.26)
- Medicaid (shortage): (\$1,158,355.04)
- Healthy Michigan (shortage): (\$2,097,964.36)
- Autism (shortage): (\$5,288,388.86)

BASED ON APPROVED BUDGET:

- Net Medicaid (shortage): (\$5,260,869)
- Medicaid (shortage): (\$3,430,420)
- Healthy Michigan (shortage): (\$35,982)
- Autism (shortage): (\$1,794,467)

**BAY-ARENAC BEHAVIORAL HEALTH
RECONCILIATION OF FUND BALANCE
AS OF AUGUST 31, 2024**

	TOTALS
Fund Balance 09/30/2023	9,357,997.82
Net (loss)/income August 2024	730,950.74
Net Increase/(Decrease) Funds Restricted for Capital Purposes	-
Calculated Fund Balance 8/31/2024	10,088,948.56
Statement of Net Assets Fund Balance 8/31/2024	10,088,948.56
Difference	-

**BAY-ARENAC BEHAVIORAL HEALTH
RECONCILIATION OF UNRESTRICTED FUND BALANCE
AS OF AUGUST 31, 2024**

	<u>TOTALS</u>
Unrestricted Fund Balance 9/30/2023	5,391,344.82
Net (loss)/income August 2024	730,950.74
Increase/Decrease in net assets	-
Calculated Unrestricted Fund Balance 8/31/2024	6,122,295.56
Statement of Net Assets Unrestricted Fund Balance 08/31/2024	6,122,295.56
Difference	-

**Bay-Arenac Behavioral Health
Fund Balance Summary**

	Sept. 30, 2023 Unrestricted <u>Fund Balance</u>	Aug 31, 2024 Permanently <u>Restricted</u>	Aug 31, 2024 Temporarily <u>Restricted</u>	Aug 31, 2024 Unrestricted/ <u>Reserved</u>	Aug 31, 2024 Total <u>Fund Balance</u>
Unrestricted	3,013,744	-	-	3,295,159	3,295,159
Capital Purposes	844,325	-	-	844,325	844,325
Invested in Capital Assets	3,122,328	-	-	3,122,328	3,122,328
Performance Incentive Pool	<u>2,377,601</u>	<u>-</u>	<u>-</u>	<u>2,827,136</u>	<u>2,827,136</u>
Balances	9,357,998	-	-	10,088,949	10,088,949

**BAY-ARENAC BEHAVIORAL HEALTH
Cash Flow**

	<u>Aug 24</u>	<u>Sep 24</u>	<u>Oct 24</u>	<u>Nov 24</u>	<u>Dec 24</u>	<u>Jan 25</u>	<u>Feb 25</u>	<u>Mar 25</u>	<u>Apr 25</u>	<u>May 25</u>	<u>Jun 25</u>	<u>Jul 25</u>	<u>Aug 25</u>
Estimated Funds:													
Beginning Inv. Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions/(Subtractions)	-	-	-	-	-	-	-	-	-	-	-	-	-
Month End Inv. Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Beginning Cash Balance	4,168,174	6,674,231	6,922,383	6,024,395	8,527,690	7,775,842	5,927,855	5,006,150	4,254,302	3,356,314	2,434,609	1,682,761	784,774
Total Medicaid	4,837,621	5,883,952	4,883,952	4,883,952	4,883,952	4,883,952	4,883,952	4,883,952	4,883,952	4,883,952	4,883,952	4,883,952	4,883,952
Total General Fund	135,505	135,504	135,505	135,505	135,504	135,505	135,505	135,504	135,505	135,506	135,504	135,505	135,506
Estimated Misc. Receipts	134,633	205,900	89,759	89,759	205,900	89,759	89,759	205,900	89,759	89,759	205,900	89,759	89,759
Client Receipts	64,892	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Interest	13,812	11,208	11,208	11,208	11,208	11,208	11,208	11,208	11,208	11,208	11,208	11,208	11,208
Total Estimated Cash	9,354,636	12,965,795	12,097,808	11,199,820	13,819,255	12,951,267	11,103,279	10,297,715	9,429,727	8,531,739	7,726,174	6,858,186	5,960,199
Total Estimated Available Funds	9,354,636	12,965,795	12,097,808	11,199,820	13,819,255	12,951,267	11,103,279	10,297,715	9,429,727	8,531,739	7,726,174	6,858,186	5,960,199
Estimated Expenditures:													
1st Payroll	553,897	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Special Pay	-	-	-	-	-	-	-	-	-	-	-	-	-
ETO Buyouts	-	-	-	-	-	-	-	-	-	-	-	-	-
2nd Payroll	558,660	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Board Per Diem	2,519	3,343	3,343	3,343	3,343	3,343	3,343	3,343	3,343	3,343	3,343	3,343	3,343
3rd Payroll	596,759	-	-	-	-	550,000	-	-	-	-	-	-	550,000
1st Friday Claims	492,123	692,123	692,123	692,123	692,123	692,123	692,123	692,123	692,123	692,123	692,123	692,123	692,123
Mortgage Pmt	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032	2,032
2nd Friday Claims	1,195,552	1,395,552	1,395,552	1,395,552	1,395,552	1,395,552	1,395,552	1,395,552	1,395,552	1,395,552	1,395,552	1,395,552	1,395,552
Board Week Bay Batch	1,000,363	1,000,363	1,000,363	1,000,363	1,000,363	1,000,363	1,000,363	1,000,363	1,000,363	1,000,363	1,000,363	1,000,363	1,000,363
Board Week Claims	884,268	975,000	975,000	975,000	975,000	975,000	975,000	975,000	975,000	975,000	975,000	975,000	975,000
Credit Card	-	-	-	-	-	-	-	-	-	-	-	-	-
4th Friday Claims	840,516	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000	875,000
5th Friday Claims	-	-	-	400,000	-	400,000	-	-	-	-	-	-	400,000
Local FFP payment to MSHN	53,717	-	-	53,717	-	-	53,717	-	-	53,717	-	-	53,717
Transfer to State of MI	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from/(to) Reserve Account	-	-	-	-	-	-	-	-	-	-	-	-	-
Settlement with MSHN	-	-	-	(3,825,000)	-	-	-	-	-	-	-	-	-
Funds from MSHN	(3,500,000)	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to (from) HRA	-	-	30,000	-	-	30,000	-	-	30,000	-	-	30,000	-
Transfer to (from) Investment	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to (from) Capital Acct	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Estimated Expenditures	2,680,406	6,043,413	6,073,413	2,672,130	6,043,413	7,023,413	6,097,130	6,043,413	6,073,413	6,097,130	6,043,413	6,073,413	7,047,130
Estimated Month End Cash Balance	6,674,231	6,922,383	6,024,395	8,527,690	7,775,842	5,927,855	5,006,150	4,254,302	3,356,314	2,434,609	1,682,761	784,774	(1,086,931)

Bay-Arenac Behavioral Health

Cash Flow Forecasting For the Month of September

	<u>Bank Balance</u>	<u>Investment Balance</u>
Estimated Cash Balance September 1, 2024	6,674,231	-
Investment Purchased/Interest	-	-
Investments coming due during month	-	-
Estimated Cash Balance September 30, 2024	6,674,231	-
Estimated Cash Inflow:		
Medicaid Funds:	5,883,952	
General Fund Dollars:	135,504	
Board Receipts:	205,900	
Client Receipts:	55,000	
Funds from Investment:	-	
Interest:	11,208	
Total Estimated Cash Inflow:	6,291,565	
Estimated Cash Outflow:		
Payroll Dated: 09/13/24	(550,000)	
Payroll Dated:	(550,000)	
Board Per Diem Payroll: 09/20/24	(3,343)	
Payroll Dated: 09/27/24	-	
Claims Disbursements: 09/06/24	(692,123)	
Claims Disbursements: 09/13/24	(1,395,552)	
Claims Disbursements: 09/20/24	(975,000)	
A/P Disbursements: 09/20/24	(1,000,363)	
Mortgage Payment: 09/23/24	(2,032)	
Claims Disbursements: 09/27/24	(875,000)	
Claims Disbursements:	-	
Local FFP Payment:	-	
Transfer to Reserve Acct:	-	
HRA transfer:	-	
Transfer to MSHN:	-	
Transfer to State of MI	-	
Purchased Investment	-	
Total Estimated Cash Outflow:	(6,043,413)	
Estimated Cash Balance on September 30, 2024	6,922,383	-

Bay Arenac Behavioral Health
201 Mulholland, Bay City, MI 48708
Electronic Funds Transfers including Cash Transfers/Wires/ACHs
August 2024

Funds Paid from/ Transferred from:	Funds Paid to/ Transferred to:	Amount	Date of Payment	Description	Authorized By
Flagstar Bank	Huntington Nat'l Bank	3,774.76	8/1/2024	Transfer from General Account to Flex Spending Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	550,122.23	8/1/2024	Transfer from General Account to Payroll Account	Marci Rozek
Flagstar Bank	Flagstar Bank	570,000.00	8/2/2024	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	20,000.00	8/2/2024	Transfer from MMKT Account to General Account	Marci Rozek
Flagstar Bank	Flagstar Bank	22,398.93	8/5/2024	Credit Card Payment	Marci Rozek
Flagstar Bank	Flagstar Bank	140,000.00	8/8/2024	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	1,445,552.28	8/8/2024	Transfer Gross Amt of Accts Payable to Payable Acct	Marci Rozek
Flagstar Bank	Flagstar Bank	50,000.00	8/9/2024	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	555,000.00	8/14/2024	Transfer from MMKT Account to General Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	3,774.76	8/15/2024	Transfer from General Account to Flex Spending Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	5,000.00	8/15/2024	Transfer from General Account to H.S.A. Account	Marci Rozek
Flagstar Bank	Flagstar Bank	100,000.00	8/15/2024	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	554,885.09	8/15/2024	Transfer from General Account to Payroll Account	Marci Rozek
Flagstar Bank	Flagstar Bank	1,272,341.35	8/15/2024	Transfer Gross Amt of Accts Payable to Payable Acct	Marci Rozek
Flagstar Bank	Flagstar Bank	2,870,000.00	8/16/2024	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	50,000.00	8/20/2024	Transfer from MMKT Account to General Account	Marci Rozek
Flagstar Bank	Flagstar Bank	75,000.00	8/22/2024	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	2,031.96	8/22/2024	Transfer from General Acct for Mortgage payment	Marci Rozek
Flagstar Bank	Flagstar Bank	884,267.61	8/22/2024	Transfer Gross Amt of Accts Payable to Payable Acct	Marci Rozek
Flagstar Bank	Flagstar Bank	1,690,000.00	8/23/2024	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	570,000.00	8/28/2024	Transfer from MMKT Account to General Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	3,759.76	8/29/2024	Transfer from General Account to Flex Spending Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	587,999.52	8/29/2024	Transfer from General Account to Payroll Account	Marci Rozek
Flagstar Bank	Flagstar Bank	840,516.31	8/29/2024	Transfer Gross Amt of Accts Payable to Payable Acct	Marci Rozek
Flagstar Bank	Flagstar Bank	3,205,000.00	8/30/2024	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	10,000.00	8/30/2024	Transfer from MMKT Account to General Account	Marci Rozek

Total Withdrawals: 16,081,424.56



Submitted By: Marci Rozek or Christopher Pinter
Chief Financial Officer or Chief Executive Officer

Bay Arenac Behavioral Health
201 Mulholland, Bay City, MI 48708
Electronic Funds Transfers for Vendor ACH Payments
August 2024

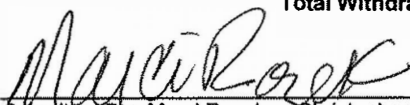
<u>Funds Paid from:</u>	<u>EFT #</u>	<u>Funds Paid to:</u>	<u>Amount</u>	<u>Date of Pmt</u>	<u>Authorized By</u>
Flagstar Bank	E6167	HAVENWYCK HOSPITAL	8,136.45	8/2/2024	Marci Rozek
Flagstar Bank	E6168	Fitzhugh House, LLC	2,782.50	8/2/2024	Marci Rozek
Flagstar Bank	E6169	MICHIGAN COMMUNITY SERVICES IN	35,708.13	8/2/2024	Marci Rozek
Flagstar Bank	E6170	DISABILITY NETWORK	14,119.60	8/2/2024	Marci Rozek
Flagstar Bank	E6171	SAMARITAS	4,322.76	8/2/2024	Marci Rozek
Flagstar Bank	E6172	HEALTHSOURCE	37,962.00	8/2/2024	Marci Rozek
Flagstar Bank	E6173	PHC OF MICHIGAN - HARBOR OAKS	15,770.00	8/2/2024	Marci Rozek
Flagstar Bank	E6174	MPA GROUP NFP, Ltd.	26,673.53	8/2/2024	Marci Rozek
Flagstar Bank	E6175	LIST PSYCHOLOGICAL SERVICES	1,912.24	8/2/2024	Marci Rozek
Flagstar Bank	E6176	SAGINAW PSYCHOLOGICAL SERVICES	25,515.70	8/2/2024	Marci Rozek
Flagstar Bank	E6177	PARAMOUNT REHABILITATION	27,188.89	8/2/2024	Marci Rozek
Flagstar Bank	E6178	ARENAC OPPORTUNITIES, INC	13,270.74	8/2/2024	Marci Rozek
Flagstar Bank	E6179	DO-ALL, INC.	6,998.05	8/2/2024	Marci Rozek
Flagstar Bank	E6180	New Dimensions	4,772.18	8/2/2024	Marci Rozek
Flagstar Bank	E6181	TOUCHSTONE SERVICES, INC	5,391.78	8/2/2024	Marci Rozek
Flagstar Bank	E6182	Nutrition for Wellness	865.30	8/2/2024	Marci Rozek
Flagstar Bank	E6183	WILSON, STUART T. CPA, P.C.	81,677.14	8/2/2024	Marci Rozek
Flagstar Bank	E6184	CAREBUILDERS AT HOME, LLC	12,485.80	8/2/2024	Marci Rozek
Flagstar Bank	E6185	AUTISM SYSTEMS LLC	224.48	8/2/2024	Marci Rozek
Flagstar Bank	E6186	CENTRIA HEALTHCARE LLC	23,722.73	8/2/2024	Marci Rozek
Flagstar Bank	E6187	Spectrum Autism Center	18,282.69	8/2/2024	Marci Rozek
Flagstar Bank	E6188	ENCOMPASS THERAPY CENTER LLC	68,197.59	8/2/2024	Marci Rozek
Flagstar Bank	E6189	Acorn Health of Michigan	159.48	8/2/2024	Marci Rozek
Flagstar Bank	E6190	MERCY PLUS HEALTHCARE SERVICES LLC	210.00	8/2/2024	Marci Rozek
Flagstar Bank	E6191	HEINRICH, KAREN	189.18	8/2/2024	Marci Rozek
Flagstar Bank	E6192	Moduform, Inc.	1,548.42	8/2/2024	Marci Rozek
Flagstar Bank	E6193	MOVVA, USHA	15,600.00	8/2/2024	Marci Rozek
Flagstar Bank	E6194	AUGRES CARE CENTER, INC	3,842.14	8/9/2024	Marci Rozek
Flagstar Bank	E6195	HAVENWYCK HOSPITAL	1,632.00	8/9/2024	Marci Rozek
Flagstar Bank	E6196	HOPE NETWORK BEHAVIORAL HEALTH	52,537.65	8/9/2024	Marci Rozek
Flagstar Bank	E6197	Hope Network Southeast	131,121.41	8/9/2024	Marci Rozek
Flagstar Bank	E6198	BEACON SPECIALIZED LIVING SVS	18,634.41	8/9/2024	Marci Rozek
Flagstar Bank	E6199	Bay Human Services, Inc.	283,928.00	8/9/2024	Marci Rozek
Flagstar Bank	E6200	CENTRAL STATE COMM. SERVICES	36,757.94	8/9/2024	Marci Rozek
Flagstar Bank	E6201	VALLEY RESIDENTIAL SERVICES	87,624.31	8/9/2024	Marci Rozek
Flagstar Bank	E6202	SUPERIOR CARE OF MICHIGAN LLC	8,506.40	8/9/2024	Marci Rozek
Flagstar Bank	E6203	Closer to Home, LLC	19,151.80	8/9/2024	Marci Rozek
Flagstar Bank	E6204	SAMARITAS	33,189.04	8/9/2024	Marci Rozek
Flagstar Bank	E6205	FOREST VIEW HOSPITAL	1,632.00	8/9/2024	Marci Rozek
Flagstar Bank	E6206	MPA GROUP NFP, Ltd.	23,559.22	8/9/2024	Marci Rozek
Flagstar Bank	E6207	LIST PSYCHOLOGICAL SERVICES	1,774.42	8/9/2024	Marci Rozek
Flagstar Bank	E6208	SAGINAW PSYCHOLOGICAL SERVICES	22,400.08	8/9/2024	Marci Rozek
Flagstar Bank	E6209	PARAMOUNT REHABILITATION	19,783.20	8/9/2024	Marci Rozek
Flagstar Bank	E6210	DO-ALL, INC.	7,817.86	8/9/2024	Marci Rozek
Flagstar Bank	E6211	Winningham, Linda Jo	688.00	8/9/2024	Marci Rozek
Flagstar Bank	E6212	Nutrition for Wellness	2,237.60	8/9/2024	Marci Rozek
Flagstar Bank	E6213	WILSON, STUART T. CPA, P.C.	82,014.30	8/9/2024	Marci Rozek
Flagstar Bank	E6214	CAREBUILDERS AT HOME, LLC	6,995.68	8/9/2024	Marci Rozek
Flagstar Bank	E6215	AUTISM SYSTEMS LLC	19,660.12	8/9/2024	Marci Rozek
Flagstar Bank	E6216	CENTRIA HEALTHCARE LLC	22,490.20	8/9/2024	Marci Rozek
Flagstar Bank	E6217	Flourish Services, LLL	24,548.95	8/9/2024	Marci Rozek
Flagstar Bank	E6218	GAME CHANGER PEDIATRIC THERAPY	172,082.64	8/9/2024	Marci Rozek
Flagstar Bank	E6219	Spectrum Autism Center	17,602.53	8/9/2024	Marci Rozek
Flagstar Bank	E6220	ENCOMPASS THERAPY CENTER LLC	74,412.39	8/9/2024	Marci Rozek
Flagstar Bank	E6221	Acorn Health of Michigan	31.20	8/9/2024	Marci Rozek
Flagstar Bank	E6222	MERCY PLUS HEALTHCARE SERVICES LLC	87,536.88	8/9/2024	Marci Rozek
Flagstar Bank	E6223	STATE OF MICHIGAN DEPT OF COMM HEALTH A	10,629.93	8/9/2024	Marci Rozek
Flagstar Bank	E6224	Articulate Global LLC	100.00	8/9/2024	Marci Rozek
Flagstar Bank	E6225	A2Z CLEANING & RESTORATION INC.	5,178.00	8/16/2024	Marci Rozek
Flagstar Bank	E6226	ADLER, THERESA	112.23	8/16/2024	Marci Rozek
Flagstar Bank	E6227	ARQUETTE, LORI	250.71	8/16/2024	Marci Rozek
Flagstar Bank	E6228	Berkobien, Nicholas	48.24	8/16/2024	Marci Rozek
Flagstar Bank	E6229	BICKEL, MEREDITH	285.42	8/16/2024	Marci Rozek
Flagstar Bank	E6230	Bryan, Kelly	270.27	8/16/2024	Marci Rozek
Flagstar Bank	E6231	BYRNE, RICHARD	294.80	8/16/2024	Marci Rozek
Flagstar Bank	E6232	Castillo, Mariah	139.03	8/16/2024	Marci Rozek

Flagstar Bank	E6233	CERESKE, KIM	62.62	8/16/2024	Marci Rozek
Flagstar Bank	E6234	Cook, Jordyn	117.92	8/16/2024	Marci Rozek
Flagstar Bank	E6235	Deshano, Jennifer	314.23	8/16/2024	Marci Rozek
Flagstar Bank	E6236	Diebel, Kari	322.83	8/16/2024	Marci Rozek
Flagstar Bank	E6237	ERGOMED PRODUCTS, INC.	1,406.00	8/16/2024	Marci Rozek
Flagstar Bank	E6238	FLEX ADMINISTRATORS INC	1,050.95	8/16/2024	Marci Rozek
Flagstar Bank	E6239	FOLSOM, AMY K	157.72	8/16/2024	Marci Rozek
Flagstar Bank	E6240	FRIEBE, HEATHER	93.80	8/16/2024	Marci Rozek
Flagstar Bank	E6241	Gleeson, Chrystal	929.96	8/16/2024	Marci Rozek
Flagstar Bank	E6242	GoTo Technologies USA, Inc.	48.00	8/16/2024	Marci Rozek
Flagstar Bank	E6243	GUERTIN, SUSAN	40.20	8/16/2024	Marci Rozek
Flagstar Bank	E6244	HARLESS, MICHELLA	231.15	8/16/2024	Marci Rozek
Flagstar Bank	E6245	HEWTTY, MARIA	146.53	8/16/2024	Marci Rozek
Flagstar Bank	E6246	HOLSINGER, SARAH	80.40	8/16/2024	Marci Rozek
Flagstar Bank	E6247	Iris Telehealth Medical Group, PA	83,262.00	8/16/2024	Marci Rozek
Flagstar Bank	E6248	KING COMMUNICATIONS	172.20	8/16/2024	Marci Rozek
Flagstar Bank	E6249	KOIN, STACEY E.	324.28	8/16/2024	Marci Rozek
Flagstar Bank	E6250	Lagalo, Lori	333.12	8/16/2024	Marci Rozek
Flagstar Bank	E6251	NETSOURCE ONE, INC.	38,026.24	8/16/2024	Marci Rozek
Flagstar Bank	E6252	Niemiec, Kathleen	120.60	8/16/2024	Marci Rozek
Flagstar Bank	E6253	NIX, HEATHER	280.06	8/16/2024	Marci Rozek
Flagstar Bank	E6254	O'BRIEN, CAROLE	126.63	8/16/2024	Marci Rozek
Flagstar Bank	E6255	PETER CHANG ENTERPRISES, INC.	23,272.83	8/16/2024	Marci Rozek
Flagstar Bank	E6256	Reese, Marie	30.15	8/16/2024	Marci Rozek
Flagstar Bank	E6257	RICKER, AMY	188.27	8/16/2024	Marci Rozek
Flagstar Bank	E6258	Rooker, Stephani	149.54	8/16/2024	Marci Rozek
Flagstar Bank	E6259	ROSE, KEVIN	117.92	8/16/2024	Marci Rozek
Flagstar Bank	E6260	RUTHERFORD, SHALYNDA	188.94	8/16/2024	Marci Rozek
Flagstar Bank	E6261	Sage Software Inc	768.00	8/16/2024	Marci Rozek
Flagstar Bank	E6262	Schumacher, Pamela	49.31	8/16/2024	Marci Rozek
Flagstar Bank	E6263	SPORMAN, JOELLE	57.22	8/16/2024	Marci Rozek
Flagstar Bank	E6264	Staples	3,949.37	8/16/2024	Marci Rozek
Flagstar Bank	E6265	Tenney, Ben	67.67	8/16/2024	Marci Rozek
Flagstar Bank	E6266	Trout, Amber	280.06	8/16/2024	Marci Rozek
Flagstar Bank	E6267	Truhn, Emelia	170.18	8/16/2024	Marci Rozek
Flagstar Bank	E6268	UNITED WAY OF BAY COUNTY/RENT	2,125.00	8/16/2024	Marci Rozek
Flagstar Bank	E6269	VanWert, Laurie	50.36	8/16/2024	Marci Rozek
Flagstar Bank	E6270	VASCONCELOS, FLAVIA	524.21	8/16/2024	Marci Rozek
Flagstar Bank	E6271	VOGEL, HOLLI	914.55	8/16/2024	Marci Rozek
Flagstar Bank	E6272	Yeo & Yeo Technology	210.00	8/16/2024	Marci Rozek
Flagstar Bank	E6273	SAGINAW CO CMH AUTHORITY	3,191.22	8/16/2024	Marci Rozek
Flagstar Bank	E6274	HOPE NETWORK BEHAVIORAL HEALTH	169.30	8/16/2024	Marci Rozek
Flagstar Bank	E6275	Fitzhugh House, LLC	10,911.16	8/16/2024	Marci Rozek
Flagstar Bank	E6276	Bay Human Services, Inc.	74,157.99	8/16/2024	Marci Rozek
Flagstar Bank	E6277	MICHIGAN COMMUNITY SERVICES IN	105,272.09	8/16/2024	Marci Rozek
Flagstar Bank	E6278	LIBERTY LIVING, INC.	60,516.32	8/16/2024	Marci Rozek
Flagstar Bank	E6279	HEALTHSOURCE	7,182.00	8/16/2024	Marci Rozek
Flagstar Bank	E6280	PHC OF MICHIGAN - HARBOR OAKS	19,090.00	8/16/2024	Marci Rozek
Flagstar Bank	E6281	MPA GROUP NFP, Ltd.	53,206.17	8/16/2024	Marci Rozek
Flagstar Bank	E6282	LIST PSYCHOLOGICAL SERVICES	1,378.70	8/16/2024	Marci Rozek
Flagstar Bank	E6283	SAGINAW PSYCHOLOGICAL SERVICES	16,668.19	8/16/2024	Marci Rozek
Flagstar Bank	E6284	PARAMOUNT REHABILITATION	17,634.96	8/16/2024	Marci Rozek
Flagstar Bank	E6285	ARENAC OPPORTUNITIES, INC	21,536.39	8/16/2024	Marci Rozek
Flagstar Bank	E6286	DO-ALL, INC.	6,715.39	8/16/2024	Marci Rozek
Flagstar Bank	E6287	New Dimensions	8,461.76	8/16/2024	Marci Rozek
Flagstar Bank	E6288	Winningham, Linda Jo	1,670.00	8/16/2024	Marci Rozek
Flagstar Bank	E6289	WILSON, STUART T. CPA, P.C.	101,445.74	8/16/2024	Marci Rozek
Flagstar Bank	E6290	CAREBUILDERS AT HOME, LLC	7,132.88	8/16/2024	Marci Rozek
Flagstar Bank	E6291	CENTRIA HEALTHCARE LLC	23,597.81	8/16/2024	Marci Rozek
Flagstar Bank	E6292	Flourish Services, LLL	9,638.49	8/16/2024	Marci Rozek
Flagstar Bank	E6293	GAME CHANGER PEDIATRIC THERAPY	80,238.47	8/16/2024	Marci Rozek
Flagstar Bank	E6294	Spectrum Autism Center	13,679.53	8/16/2024	Marci Rozek
Flagstar Bank	E6295	ENCOMPASS THERAPY CENTER LLC	41,612.05	8/16/2024	Marci Rozek
Flagstar Bank	E6296	Acorn Health of Michigan	265.08	8/16/2024	Marci Rozek
Flagstar Bank	E6297	MERCY PLUS HEALTHCARE SERVICES LLC	25,807.74	8/16/2024	Marci Rozek
Flagstar Bank	E6298	Cook, Jordyn	89.11	8/16/2024	Marci Rozek
Flagstar Bank	E6299	SHRED EXPERTS LLC	395.00	8/16/2024	Marci Rozek
Flagstar Bank	E6300	SAGINAW CO CMH AUTHORITY	1,427.33	8/23/2024	Marci Rozek
Flagstar Bank	E6301	Bay Human Services, Inc.	158,185.71	8/23/2024	Marci Rozek
Flagstar Bank	E6302	MICHIGAN COMMUNITY SERVICES IN	221,700.55	8/23/2024	Marci Rozek
Flagstar Bank	E6303	VALLEY RESIDENTIAL SERVICES	1,036.26	8/23/2024	Marci Rozek
Flagstar Bank	E6304	HEALTHSOURCE	13,338.00	8/23/2024	Marci Rozek
Flagstar Bank	E6305	PHC OF MICHIGAN - HARBOR OAKS	16,600.00	8/23/2024	Marci Rozek
Flagstar Bank	E6306	MPA GROUP NFP, Ltd.	21,415.94	8/23/2024	Marci Rozek
Flagstar Bank	E6307	LIST PSYCHOLOGICAL SERVICES	2,558.98	8/23/2024	Marci Rozek

Flagstar Bank	E6308	SAGINAW PSYCHOLOGICAL SERVICES	23,058.79	8/23/2024	Marci Rozek
Flagstar Bank	E6309	ARENAC OPPORTUNITIES, INC	1,189.22	8/23/2024	Marci Rozek
Flagstar Bank	E6310	DO-ALL, INC.	6,221.44	8/23/2024	Marci Rozek
Flagstar Bank	E6311	New Dimensions	5,611.23	8/23/2024	Marci Rozek
Flagstar Bank	E6312	TOUCHSTONE SERVICES, INC	3,144.96	8/23/2024	Marci Rozek
Flagstar Bank	E6313	Winningham, Linda Jo	1,122.00	8/23/2024	Marci Rozek
Flagstar Bank	E6314	Nutrition for Wellness	1,036.30	8/23/2024	Marci Rozek
Flagstar Bank	E6315	WILSON, STUART T. CPA, P.C.	88,003.34	8/23/2024	Marci Rozek
Flagstar Bank	E6316	CAREBUILDERS AT HOME, LLC	7,106.80	8/23/2024	Marci Rozek
Flagstar Bank	E6317	CENTRIA HEALTHCARE LLC	27,018.39	8/23/2024	Marci Rozek
Flagstar Bank	E6318	Flourish Services, LLL	22,831.23	8/23/2024	Marci Rozek
Flagstar Bank	E6319	Spectrum Autism Center	16,040.73	8/23/2024	Marci Rozek
Flagstar Bank	E6320	ENCOMPASS THERAPY CENTER LLC	49,846.41	8/23/2024	Marci Rozek
Flagstar Bank	E6321	Acorn Health of Michigan	25.38	8/23/2024	Marci Rozek
Flagstar Bank	E6322	MERCY PLUS HEALTHCARE SERVICES LLC	31,900.78	8/23/2024	Marci Rozek
Flagstar Bank	E6323	HAMPTON AUTO REPAIR	2,514.03	8/23/2024	Marci Rozek
Flagstar Bank	E6324	New Dimensions, inc.	700.00	8/23/2024	Marci Rozek
Flagstar Bank	E6325	PRO-SCAPE, INC.	464.60	8/23/2024	Marci Rozek
Flagstar Bank	E6326	V.O.I.C.E., INC.	509.58	8/23/2024	Marci Rozek
Flagstar Bank	E6327	Fitzhugh House, LLC	10,758.96	8/30/2024	Marci Rozek
Flagstar Bank	E6328	Bay Human Services, Inc.	31.21	8/30/2024	Marci Rozek
Flagstar Bank	E6329	MICHIGAN COMMUNITY SERVICES IN	1,178.82	8/30/2024	Marci Rozek
Flagstar Bank	E6330	CENTRAL STATE COMM. SERVICES	49.21	8/30/2024	Marci Rozek
Flagstar Bank	E6331	LIBERTY LIVING, INC.	14,625.34	8/30/2024	Marci Rozek
Flagstar Bank	E6332	SAMARITAS	4,348.84	8/30/2024	Marci Rozek
Flagstar Bank	E6333	HEALTHSOURCE	20,520.00	8/30/2024	Marci Rozek
Flagstar Bank	E6334	MPA GROUP NFP, Ltd.	29,719.04	8/30/2024	Marci Rozek
Flagstar Bank	E6335	LIST PSYCHOLOGICAL SERVICES	2,315.88	8/30/2024	Marci Rozek
Flagstar Bank	E6336	SAGINAW PSYCHOLOGICAL SERVICES	18,719.34	8/30/2024	Marci Rozek
Flagstar Bank	E6337	PARAMOUNT REHABILITATION	16,545.70	8/30/2024	Marci Rozek
Flagstar Bank	E6338	ARENAC OPPORTUNITIES, INC	14,859.35	8/30/2024	Marci Rozek
Flagstar Bank	E6339	DO-ALL, INC.	6,264.02	8/30/2024	Marci Rozek
Flagstar Bank	E6340	New Dimensions	56,836.08	8/30/2024	Marci Rozek
Flagstar Bank	E6341	Winningham, Linda Jo	456.00	8/30/2024	Marci Rozek
Flagstar Bank	E6342	Nutrition for Wellness	2,445.90	8/30/2024	Marci Rozek
Flagstar Bank	E6343	WILSON, STUART T. CPA, P.C.	70,474.26	8/30/2024	Marci Rozek
Flagstar Bank	E6344	AUTISM SYSTEMS LLC	16,694.61	8/30/2024	Marci Rozek
Flagstar Bank	E6345	CENTRIA HEALTHCARE LLC	30,768.63	8/30/2024	Marci Rozek
Flagstar Bank	E6346	PERSONAL ASSISTANCE OPTIONS INC	46,500.64	8/30/2024	Marci Rozek
Flagstar Bank	E6347	Flourish Services, LLL	9,644.60	8/30/2024	Marci Rozek
Flagstar Bank	E6348	GAME CHANGER PEDIATRIC THERAPY	146,284.57	8/30/2024	Marci Rozek
Flagstar Bank	E6349	Spectrum Autism Center	17,136.56	8/30/2024	Marci Rozek
Flagstar Bank	E6350	ENCOMPASS THERAPY CENTER LLC	55,989.85	8/30/2024	Marci Rozek
Flagstar Bank	E6351	Acorn Health of Michigan	36.16	8/30/2024	Marci Rozek
Flagstar Bank	E6352	MERCY PLUS HEALTHCARE SERVICES LLC	32,637.28	8/30/2024	Marci Rozek
Flagstar Bank	E6353	CWC LEADERSHIP DEVELOPMENT, LLC	7,700.00	8/30/2024	Marci Rozek
Flagstar Bank	E6354	HOSPITAL PSYCHIATRY PLLC	42,000.00	8/30/2024	Marci Rozek

Total Withdrawals:

4,007,761.75



Submitted By: Marci Rozek or Christopher Pinter
 Chief Financial Officer or Chief Executive Officer



INTEROFFICE CORRESPONDENCE

BEHAVIORAL HEALTH

September 17, 2024

To: Sara McRae, Executive Assistant to the CEO
From: Karl White, Accounting Manager
Ellen Lesniak, Finance Manager
Re: Disbursement Audit Information for Audit Committee

The following is a summary of disbursements as presented

Administration and Services for Behavioral Health

09/20/24 Checks Sequence: #100150-100222, ACH E6418-E6469

Table with 2 columns: Description and Amount. Rows include Employee travel, conference; Purchase Order Invoices; Invoices for Routine Maintenance, services, purchase requisition invoices; Recurring invoices, utilities, phone, leases.

SUBTOTAL - Monthly Batch \$ 591,258.39

ITEMS FOR REVIEW:

EFT transfer - Credit Card 09/05/2024 \$ 15,395.34

Weekly Special Checks:

Table with 2 columns: Date and Description, and Amount. Rows include 08/16/2024 Checks 100093-100100, E6298-E6299; 08/23/2024 Checks 100108-100114, E6323-E6326; 08/30/2024 Checks 100120-100124, E6355-E6356; 09/06/2024 Checks 100132-100138, E6381-E6382; 09/13/2024 Checks 100145-100148, E6417.

SUBTOTAL - Special Checks \$ 141,678.20

Health Care payments

Table with 2 columns: Date and Description, and Amount. Rows include 08/16/2024 Checks 100083-100088, ACH Pmts E6273-E6297; 08/23/2024 Checks 100103-100107, ACH Pmts E6300-E6322; 08/30/2024 Checks 100115-100117, ACH Pmts E6327-E6352; 09/06/2024 Checks 100128-100131, ACH Pmts E6355-E6380; 09/13/2024 Checks 100139-100144, ACH Pmts E6383-E6416.

SUBTOTAL - Health Care Payments \$ 4,741,447.83

TOTAL DISBURSEMENTS \$ 5,489,779.76

Prepared by: Karl White

Reviewed by: Marci Roser



BEHAVIORAL HEALTH

Chief Executive Officer
Christopher Pinter

Board of Directors
Richard Byrne, Chair
Robert Pawlak, Vice Chair
Patrick McFarland, Treasurer
Christopher Girard, Secretary
Tim Banaszak
Patrick Conley
Jerome Crete
Sally Mrozinski
Kathy Niemiec
Carole O'Brien
Marie (Toni) Reese
Pamela Schumacher

Board Administration
Behavioral Health Center
201 Mulholland
Bay City, MI 48708
800-448-5498 Access Center
989-895-2300 Business

Arenac Center
PO Box 1188
1000 W. Cedar
Standish, MI 48658

North Bay
1961 E. Parish Road
Kawkawlin, MI 48631

William B. Cammin Clinic
1010 N. Madison
Bay City, MI 48708

Wirt Building
909 Washington Ave.
Bay City, MI 48708

www.babha.org

September 6, 2024

Honorable Governor Gretchen Whitmer
P.O. Box 30013
Lansing, Michigan 48909

Dear Governor Whitmer:

The purpose of this correspondence is to request your assistance in resolving significant Medicaid revenue and expense gaps in the current 2024 fiscal year that threaten to overwhelm many of the public community mental health services programs (CMHSPs) and Pre-paid Inpatient Health Plan (PIHPs) regions in Michigan.

Bay-Arenac Behavioral Health Authority (BABHA) is the CMHSP providing services to nearly 5,000 residents a year from Bay and Arenac Counties. The priority populations for these services are persons with serious mental illness, intellectual/developmental disabilities (including autism), substance use disorders, and children with severe emotional disturbances. BABHA is part of the Mid-State Health Network (MSHN) region comprising 12 CMHSPs and 21 counties.

The Community Mental Health Association of Michigan (CMHAM) is reporting, for the first time since the Michigan Department of Health and Human Services (MDHHS) implemented the CMHSP/PIHP managed care program in 1999, at least 6 of the 10 regions are forecasted to experience an aggregate Medicaid deficit of nearly \$90 Million in fiscal year 2024.

This will require extensive use of PIHP internal service funds to close these deficits and are likely to require significant reductions in specialty services in fiscal year 2025 and beyond. **These systemic deficits are primarily related to a combination of three factors: Medicaid enrollment changes, service utilization, and the medical inflation index.**

Medicaid Enrollment Changes

During the COVID-19 public health emergency, Medicaid re-enrollment/redetermination within Michigan was frozen – resulting in an increase in Medicaid recipients throughout the state. This temporarily produced surplus funds at several PIHPs and gave a false impression of financial stability in the annual rate setting process. However, as the pandemic ended, the annual re-enrollment and redetermination process was reinstated, and the three-year backlog resulted in over 700,000 Michiganders losing their Medicaid coverage. Unfortunately, the Medicaid rates have consistently been based on more optimistic enrollment projections contributing to the significant gaps in revenues received.

This was also exacerbated by errors in the redetermination process itself that transitioned some beneficiaries from the traditional “Disabled, Aged, and Blind” eligibility to other groups such as “Plan First”, with significantly lesser associated revenue and covered benefits. Although these beneficiaries remained eligible for CMHSP services, even a temporary loss or change in Medicaid coverage in the last year can have a significant impact on revenues received by the PIHPs during this transition.

Service Utilization

As the overall number of Medicaid beneficiaries and the associated revenue to Michigan’s public system dropped in the last year, the demand for Medicaid mental health services and costs of those services continued to increase. This is due to the fact that the vast majority of persons that receive CMHSP services retain Medicaid coverage due to the severe and long-term nature of their disabilities.

BABHA has experienced a considerable increase in behavioral health service demand and expenses between FY2022 and FY2024. These increases have primarily been related to inpatient community hospitalization, community living support (CLS) services for adults, and CLS services specific to autism services. For example, the number of inpatient hospital admissions increased 23%, the number of persons receiving CLS for adults increased 11%, and the number of children entering CLS autism services increased 28%.

This translated into increases in Medicaid expenses during this same FY2022 – FY2024 period for community hospital services from \$4.8 Million to projected \$7.1 Million (+48%); CLS services for adults from \$7.1 Million to \$8.7 Million (+22%); and CLS autism-related services from \$7.3 Million to \$10.4 Million (+42%). It should also be noted that inpatient utilization for children has been compounded by the limited availability of state inpatient beds during the replacement of Hawthorne Center.

Medical Inflation index

The third factor impacting Medicaid expenses has been the significant cost increases in the health care market over the past three years producing higher labor, supply chain, and service expenses. **For example, BABHA Medicaid revenue between FY2021 and FY2024 increased approximately 6% (+\$3.6 Million).** However, the cumulative percent change in Consumer Price Index for All Urban Consumers (CPI-U) for medical care during the same FY2021 to FY2024 period was nearly 17% according to the Peterson/Kaiser Family Foundation Health System Tracker, 8-2-24. The actual overall expense increase for BABHA during this period was approximately 22% (+\$13 Million) with the majority of those being external claims.

In summary, the core of the issue is that the Medicaid rate setting processes used in the past few years did not adequately account for the impact of Medicaid enrollment changes, post-COVID service utilization rebound, and the unusually high inflationary pressures on projected revenues and expenses necessary to sustain a long-term care specialty program. This was compounded by atypical fiscal year 2021 and 2022 utilization data that may have masked emerging service trends.

It is recommended that MDHHS consider necessary actions to retroactively increase the current year 2024 Medicaid rates to be more reflective of actual PIHP and CMHSP service and expense trends. This may be accomplished by utilizing existing unspent Medicaid funds already in the 2024 Appropriation Act and would not require additional legislative action. A retroactive rate adjustment would permit the PIHPs to offset their projected fiscal year 2024 deficits and avoid the use of Medicaid internal service funds.

In addition, MDHHS should give serious consideration to reviewing the fiscal year 2025 prospective rates in order to prevent a similar revenue to expense trend next year. The continued uncertainty in Medicaid financing since the pandemic makes it very difficult for PIHPs and CMHSPs to adequately plan, evaluate, and respond to emerging community demand. It should also be noted that revenues distributed to the PIHPs retain their public identity and may only be used for legitimate Medicaid expenses. Any unspent or surplus funds beyond the existing shared risk contract are required to be returned to MDHHS. The risk to the state is small when compared to the risk of CMHSP beneficiaries and families in our communities not receiving medically necessary mental health services.

Thank you again for your consideration regarding these important matters. If we can ever be of any assistance, please feel free to contact BABHA anytime at (989) 895-2348.

Sincerely,



Christopher Pinter
Chief Executive Officer

cc: MDHHS Director Elizabeth Hertel
Senator Kristen McDonald-Rivet
Senator Michelle Hoitenga
Representative Timoth Beson
Representative Mike Hoadley
MDHHS Meghan Groen
Bay County Board of Commissioners
Arenac County Board of Commissioners

Community Mental Health Association of Michigan Comparison of Actuarial Projected Funding and Funding Received

Funding Category	October of 23 through March of 24 Revised Funding Comparison			
	Revised Actuarial Projected Funding	Actual Funding Reported	Difference	% Difference is to Projected
DAB Capitation Behavioral Health	\$ 1,040,800,000	\$ 1,040,781,694	(\$18,306)	0.0%
DAB Capitation Substance Use Disorder	\$ 20,500,000	\$ 20,476,189	(\$23,811)	-0.1%
TANF Capitation Behavioral Health	\$ 189,000,000	\$ 189,038,335	\$38,335	0.0%
TANF Capitation Substance Use Disorder	\$ 24,000,000	\$ 24,032,138	\$32,138	0.1%
HSW,CWP, & SED Payments	\$ 319,300,000	\$ 319,122,821	(\$177,179)	-0.1%
HMP Capitation Behavioral Health	\$ 151,700,000	\$ 151,690,523	(\$9,477)	0.0%
HMP Capitation Substance Use Disorder	\$ 69,900,000	\$ 69,861,724	(\$38,276)	-0.1%
Autism all Populations	\$ 150,700,000	\$ 150,746,569	\$46,569	0.0%
Total:	\$ 1,965,900,000	\$ 1,965,749,994	(\$150,006)	0.0%

Comparison of Projected Funding versus Actual Funding for April and May of 2024				
Funding Category	30-Apr-24			
	Actuarial Projected Funding	Actual Funding Reported	Difference	% Difference is to Projected
DAB Capitation Behavioral Health	\$ 183,630,000	\$ 176,556,134	(\$7,073,866)	-3.9%
DAB Capitation Substance Use Disorder	\$ 3,540,000	\$ 3,415,108	(\$124,892)	-3.5%
TANF Capitation Behavioral Health	\$ 33,080,000	\$ 32,214,027	(\$865,973)	-2.6%
TANF Capitation Substance Use Disorder	\$ 4,040,000	\$ 3,745,070	(\$294,930)	-7.3%
HSW,CWP, & SED Payments	\$ 57,030,000	\$ 54,814,615	(\$2,215,385)	-3.9%
HMP Capitation Behavioral Health	\$ 25,810,000	\$ 24,563,864	(\$1,246,136)	-4.8%
HMP Capitation Substance Use Disorder	\$ 11,900,000	\$ 11,374,170	(\$525,830)	-4.4%
Autism all Populations	\$ 27,110,000	\$ 27,101,059	(\$8,941)	0.0%
Total:	\$ 346,140,000	\$ 333,784,045	(\$12,355,955)	-3.6%

Medicaid Populations	Actuarial Projected *	Actual Reported	Difference	% Difference is to Projected
DAB Population Count	503,500	498,361	(5,139)	-1.0%
TANF Population Count	1,296,500	1,299,173	2,673	0.2%
HMP Population Count	780,500	773,052	(7,448)	-1.0%
HSW Paid Person Count	7,457	7,249	(208)	-2.8%

Funding Category	31-May-24			
	Actuarial Projected Funding	Actual Funding Reported	Difference	% Difference is to Projected
DAB Capitation Behavioral Health	\$ 182,350,000	\$ 173,819,440	(\$8,530,560)	-4.7%
DAB Capitation Substance Use Disorder	\$ 3,510,000	\$ 3,366,333	(\$143,667)	-4.1%
TANF Capitation Behavioral Health	\$ 32,440,000	\$ 31,683,590	(\$756,410)	-2.3%
TANF Capitation Substance Use Disorder	\$ 3,960,000	\$ 3,675,266	(\$284,734)	-7.2%
HSW,CWP, & SED Payments	\$ 57,030,000	\$ 54,625,857	(\$2,404,143)	-4.2%
HMP Capitation Behavioral Health	\$ 24,800,000	\$ 23,544,409	(\$1,255,591)	-5.1%
HMP Capitation Substance Use Disorder	\$ 11,430,000	\$ 10,897,855	(\$532,145)	-4.7%
Autism all Populations	\$ 26,780,000	\$ 26,855,244	\$75,244	0.3%
Total:	\$ 342,300,000	\$ 328,467,993	(\$13,832,007)	-4.0%

Medicaid Populations	Actuarial Projected *	Actual Reported	Difference	% Difference is to Projected
DAB Population Count	499,900	490,794	(9,106)	-1.8%
TANF Population Count	1,271,500	1,276,993	5,493	0.4%
HMP Population Count	750,800	739,031	(11,769)	-1.6%
HSW Paid Person Count	7,457	7,249	(208)	-2.8%

Community Mental Health Association of Michigan Comparison of Actuarial Projected Funding and Funding Received

Funding Category	30-Jun-24			
	Actuarial Projected Funding	Actual Funding Reported	Difference	% Difference is to Projected
DAB Capitation Behavioral Health	\$ 181,030,000	\$ 170,790,573	(\$10,239,427)	-5.7%
DAB Capitation Substance Use Disorder	\$ 3,490,000	\$ 3,313,409	(\$176,591)	-5.1%
TANF Capitation Behavioral Health	\$ 31,800,000	\$ 30,949,294	(\$850,706)	-2.7%
TANF Capitation Substance Use Disorder	\$ 3,880,000	\$ 3,561,790	(\$318,210)	-8.2%
HSW,CWP, & SED Payments	\$ 57,030,000	\$ 54,086,561	(\$2,943,439)	-5.2%
HMP Capitation Behavioral Health	\$ 23,780,000	\$ 22,788,348	(\$991,652)	-4.2%
HMP Capitation Substance Use Disorder	\$ 10,960,000	\$ 10,509,926	(\$450,074)	-4.1%
Autism all Populations	\$ 26,430,000	\$ 26,421,078	(\$8,922)	0.0%
Total:	\$ 338,400,000	\$ 322,420,982	(\$15,979,018)	-4.7%

Medicaid Populations	Actuarial Projected *	Actual Reported	Difference	% Difference is to Projected
DAB Population Count	496,200	483,289	(12,911)	-2.6%
TANF Population Count	1,246,200	1,247,515	1,315	0.1%
HMP Population Count	720,700	715,240	(5,460)	-0.8%
HSW Paid Person Count	7,457	7,206	(251)	-3.4%

* Does not include adjustment factor from certification document

Funding Category	31-Jul-24			
	Actuarial Projected Funding	Actual Funding Reported	Difference	% Difference is to Projected
DAB Capitation Behavioral Health	\$ 179,670,000	\$ 167,703,001	(\$11,966,999)	-6.7%
DAB Capitation Substance Use Disorder	\$ 3,460,000	\$ 3,266,152	(\$193,848)	-5.6%
TANF Capitation Behavioral Health	\$ 31,150,000	\$ 30,105,233	(\$1,044,767)	-3.4%
TANF Capitation Substance Use Disorder	\$ 3,800,000	\$ 3,443,419	(\$356,581)	-9.4%
HSW,CWP, & SED Payments	\$ 57,030,000	\$ 54,398,319	(\$2,631,681)	-4.6%
HMP Capitation Behavioral Health	\$ 22,740,000	\$ 21,751,183	(\$988,817)	-4.3%
HMP Capitation Substance Use Disorder	\$ 10,480,000	\$ 10,089,191	(\$390,809)	-3.7%
Autism all Populations	\$ 26,070,000	\$ 26,076,932	\$6,932	0.0%
Total:	\$ 334,400,000	\$ 316,833,430	(\$17,566,570)	-5.3%

Medicaid Populations	Actuarial Projected *	Actual Reported	Difference	% Difference is to Projected
DAB Population Count	492,400	475,350	(17,050)	-3.5%
TANF Population Count	1,220,500	1,210,312	(10,188)	-0.8%
HMP Population Count	690,100	682,931	(7,169)	-1.0%
HSW Paid Person Count	7,457	7,200	(257)	-3.4%

Funding Category	31-Aug-24			
	Actuarial Projected Funding	Actual Funding Reported	Difference	% Difference is to Projected
DAB Capitation Behavioral Health	\$ 179,670,000	\$ 169,312,890	(\$10,357,110)	-5.8%
DAB Capitation Substance Use Disorder	\$ 3,460,000	\$ 3,272,298	(\$187,702)	-5.4%
TANF Capitation Behavioral Health	\$ 31,150,000	\$ 30,704,667	(\$445,333)	-1.4%
TANF Capitation Substance Use Disorder	\$ 3,800,000	\$ 3,517,078	(\$282,922)	-7.4%
HSW,CWP, & SED Payments	\$ 57,030,000	\$ 54,850,782	(\$2,179,218)	-3.8%
HMP Capitation Behavioral Health	\$ 22,740,000	\$ 22,447,323	(\$292,677)	-1.3%
HMP Capitation Substance Use Disorder	\$ 10,480,000	\$ 10,292,989	(\$187,011)	-1.8%
Autism all Populations	\$ 26,070,000	\$ 26,177,505	\$107,505	0.4%
Total:	\$ 334,400,000	\$ 320,575,533	(\$13,824,467)	-4.1%

Medicaid Populations	Actuarial Projected *	Actual Reported	Difference	% Difference is to Projected
DAB Population Count	492,400	478,992	(13,408)	-2.7%
TANF Population Count	1,220,500	1,237,647	17,147	1.4%
HMP Population Count	690,100	704,136	14,036	2.0%
HSW Paid Person Count	7,457	7,302	(155)	-2.1%

* Does not include adjustment factor from certification document
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Concerns and recommendations:

MDHHS-proposed Conflict-Free Access and Planning approach

March 2024

Summary

MDHHS has proposed options, in pursuit of compliance with Centers for Medicare and Medicaid Services (CMS) rules, that call for organizations that carry out the access, person centered planning, and case management/supports coordination functions of Michigan’s public mental health system be separate organizations from those that provide other mental health services. These requirements, in Michigan, are referred to as Conflict Free Access and Planning (CFAP).

While CMHA and its members strongly support the aim of the CMS rule, the Community Mental Health Association of Michigan (CMHA), its members, and the persons served who participated in the MDHHS Listening Sessions, have concerns regarding the options proposed by MDHHS to achieve this aim. These concerns center around the **threat that these options hold for persons served and to the integrity of Michigan’s public mental health system**.

CMHA has proposed, in accordance with federal and state law and Michigan’s Medicaid waivers, a comprehensive alternative to the MDHHS approach – an alternative that provides for conflict mitigation while also ensuring ease of access for Michiganders to mental health services.

Approach proposed by MDHHS

The Conflict Free Access and Planning (CFAP) approach, proposed by MDHHS, would require that a person seeking mental health services from the state’s public mental health system obtain their assessment, individual plan of service (clinical treatment plan), and case management from one organization and receive the services outlined in that plan from another organization.

Support for the intent of CMS rule and for freedom of choice for persons served

CMHA and its members strongly support the aim of the CMS rule - to ensure that conflicts of interest in the provision and financing of services are mitigated.

Additionally, **CMHA and its members strongly support the foundational principle that persons served be empowered by exercising their rights to make choices regarding the services and supports** that they receive. These rights include:

- the right to select an independent facilitator of their person-centered planning (PCP) (not employed by or affiliated with the CMHSP/PIHP) to facilitate the PCP process.
- the right to lead the person-centered planning (PCP) process with the involvement of allies chosen by the person served.
- the right to be provided with full information regarding the array of services and supports available, the choice of providers, and access to self-determination arrangements.

- The right to choose their case manager/supports coordinator – from those employed by the CMHSP, the CMHSP contractor, or to choose an independent supports coordinator ((not employed directly by a CMHSP or by a current CMH contracted provider)
- The right to use the CMHSP Recipient Rights System and Grievance/Appeal process. These processes are independent of the clinical reporting line from PCP development, service authorization, and HCBS services and are subject to MDHHS oversight.

Concerns around options proposed by MDHHS

1. This structural separation of access, planning, and case management from service delivery, proposed by MDHHS, makes an already complex system more complex for persons served and creates an artificial access barrier to persons seeking services and weakens continuity and coordination/integration of care.

In fact, same day service (what is often termed “treat first”) would be impossible under the separation of functions that MDHHS is proposing.

Additionally, outreach to persons in need of services would be seriously hindered by prohibiting the services provider from assessing and building a treatment/services plan with the person in need.

The comments of persons served, obtained during the MDHHS listening sessions underscore the concerns of persons served around the complexity, loss of access, and continuity of care that will occur as a result of the Department’s proposed system restructuring. These comments are provided below:

- “I think [Separating access/planning from direct service] could be problematic due to a person having to repeat providing their info...”
- “Having to go from here, to here, to here to do it when being in a place where I need help would be a lot. It’s a lot to ask one person to go through.”
- “The concern is the challenge is managing [different organizations] that need to be in alignment with one another. The management now is already a concern. Does this make it worse.
- “...if no communication or miscommunication this will be hard because it will be left to person with disabilities to relay info.”
- “[I have] mixed feelings. [It is] Protecting people getting these services, but I can get frantic going places to places.”
- “Between the point of access and referral, things get dropped and lost.”
- “It feels like the game it goes through several people and it is not the same in the end after it has moved through all the steps.”

2. The CMS rules were intended to prevent inappropriate financial gain/inappropriate profit taking by providers. CMHSPs are governmental bodies, prohibited from profit-taking. Additionally, because Michigan’s CMHSPs, unlike nearly every other state in the country, are financed via a shared-risk prepaid capitated basis, the state’s CMHSPs have no financial interest in self-providing services, as would be true in a private or fee-for-service financing model. The funds retain their public identity subject to reporting, accounting, and government oversight.

3. The MDHHS options dismantle and are in conflict with:

- The **statutorily required core functions of Michigan’s CMHSPs** – access and assessment, clinical plan development, and provision of services directly or through a directly managed provider network.

- The **federally required core functions of Michigan’s Certified Community Behavioral Health Clinics (CCBHC) and Behavioral Health Homes (BHH)** – the functions of access and assessment, clinical plan (individual plan of service) development, and provision of services directly and through a directly managed provider network.

4. MDHHS already has the approval of CMS of the innovative set of sound conflict-mitigation design elements and can apply the CMS-outlined exception to the CMS rule. These approaches reflect the unique nature of Michigan’s system and are included in [Michigan’s HCBS plan amendment](#). These conflict mitigation approaches include:

- The person facilitating the Person Centered Planning process are not providers of any Home and Community Based Services (HCBS) for that individual and are not the same persons responsible for the independent HCBS needs assessment.
- The person facilitating the PCP process does not authorize the services contained in the plan
- The development of the IPOS through the person-centered planning (PCP) process is led by the person served with the involvement of allies chosen by the person served to ensure that the service plan development is conducted in the best interests of the beneficiary.
- The person served can choose an independent facilitator (not employed by or affiliated with the CMHSP/PIHP) to facilitate the PCP process.
- The CMHSPs are required to provide full information regarding the array of services and supports available, the choice of providers, and access to self-determination arrangements.
- The person served can choose their case manager/supports coordinator employed by a CMHSP or PIHP contractor or can choose an independent supports coordinator (not employed directly by or affiliated with the PIHP except through the provider network)
- The persons served has the right to use the CMHSP Recipient Rights System and Grievance/Appeal process. These processes are independent of the clinical reporting line from PCP development, service authorization, and HCBS services and are subject to MDHHS oversight.

The public structure of and the state statutes that guide Michigan’s CMH system **provides Michigan with the ability to apply the exception to the CMS rule which would allow the use of these conflict mitigation approaches.** The basis for such an exception is contained on page 6 of the [legal opinion of the firm of Feldesman Tucker](#) (one of the nation’s leading Medicaid managed care law firms).

5. Rather than harm access and cause unnecessary system complexity,– what is needed are efforts to ensure that these conflict mitigation approaches are widely known and used by persons served. If these options are not often requested by persons served, what is needed is a strengthened effort to ensure that all persons served are informed of and supported in pursuing these options with the vigor that is found in the system’s work to ensure that persons served are aware of their Recipient Rights.

Recommendation: Comprehensive alternative conflict mitigation approach to Home and Community Based Services in Michigan

As Michigan works to ensure compliance with the CMS rule, the intent of which is strongly supported by the Community Mental Health Association of Michigan (CMHA), **CMHA and its members have proposed, below, an alternative conflict mitigation approach to those proposed by MDHHS.**

This alternative approach:

- Is founded on state and federal law and Medicaid waivers
- Provides strong safeguards against conflict of interest
- Prevents the addition of unnecessary and access-hindering complexity to the service access and delivery system
- Ensures the comprehensive organized system of care provided by Michigan's public mental health system and its ability to fulfill its statutory obligations.
- Can obtain CMS approval based on the points contained in this paper

Proposed approach to HCBS conflict mitigation

The alternative approach, outlined below, builds upon and strengthens the wide range of conflict mitigation processes and tools currently existing in Michigan's system and described in [Michigan's HCBS plan amendment](#).

The efforts proposed below need to be **designed and implemented with the vigor, breadth, and depth found in the state's mental health Recipient Rights system.** This effort would significantly bolster the state's work in ensuring HCBS conflicts are mitigated and that all persons served are informed of and supported in the exercise of the rights outlined in state's HCBS plan and the Michigan Mental Health Code.

This HCBS conflict mitigation approach consists of the following components:

Structural conflict mitigation components:

1. Persons facilitating the Person-Centered Planning process **cannot be providers** of any Home and Community Based Services (HCBS) to those with whom they facilitate PCP processes.
2. The person facilitating the PCP process or serving as the case manager/supports coordinator for the person served **cannot authorize the services** contained in the plan for that person.
3. Neither the persons facilitating the Person-Centered Planning process nor the providers of any Home and Community Based Services (HCBS) can be the person responsible for the **independent HCBS eligibility determination.** This latter role is held by MDHHS.

Process-centered conflict mitigation components:

1. **Robust monitoring and contract compliance processes** to ensure that:
 - The person facilitating the PCP process is **not a provider** of Home and Community Based services **nor the person authorizing** the services contained in the plan,
 - The development of the IPOS through the person-centered planning (PCP) process is **led by the person served with the involvement of allies chosen by the person served** to ensure that the service plan development is conducted in the best interests of the beneficiary,

- The person served has (and is informed that they have) **the right to choose an independent facilitator** (not employed by or affiliated with the CMHSP/PIHP) to facilitate the PCP process,
- The person served can (and is informed that they can) **choose their case manager/supports coordinator** employed by a CMHSP or PIHP contractor or can choose an independent case manager/supports coordinator (not employed directly by or affiliated with the PIHP except through the provider network),
- The person served was made **aware of all of the forms of grievance and appeals** to which they have a right and supported in pursuing those grievances and appeals if they choose to do so.

Communication and information sharing components:

1. **Accessible, frequent, and readily available information** to persons served regarding the rights outlined above – through the use of:
 - A uniform set of hard-copy handouts and electronic messages
 - Notices on the websites of the state’s CMHSPs, PIHPs, providers, and MDHHS
 - Social media posts
2. **Continual education, training, supervision, and coaching of CMHSP, PIHP, and provider staff** around these rights – efforts led by MDHHS, the state’s major advocacy organizations, and CMHA
3. The **use of contractual powers, corrective action plans, and sanctions**, when needed, to ensure that these rights are afforded persons served – via the MDHHS/PIHP contract, the MDHHS/CMHSP contract, and the PIHP/CMHSP contract.

Rationale for the use of this approach ¹

A number of characteristics, unique to Michigan’s public mental health system, underscore the importance of applying the alternative HCBS conflict mitigation approaches outlined above. That alternate approach fits the definition of conflict mitigation approaches allowed by CMS – given the unique system characteristics, outlined below.

1. Michigan’s Medicaid behavioral health system has one of the broadest arrays of HCBS services provided to the broadest set of persons, far beyond the limited number of persons receiving HCBS services in other states – typically only those persons certified as eligible for a limited number of “slots” through a habilitative, SED, or similar waivers. **In contrast to other states, Michigan has wisely expanded the use of HCBS services to a large and diverse number of Medicaid beneficiaries. So much so, that an iSPA was required to comply with the federal Medicaid waiver budget neutrality requirements.**

2. The **access and person-centered planning roles** of Michigan’s CMHSPs, as local units of government, **are core requirements of Michigan’s CMHSP system under Michigan’s Mental Health Code and Medicaid waiver, unlike CMHSPs in many other states.** Michigan’s system has a 60-year history of integrating the access, assessment, PCP development, case management, and provider roles into a comprehensive organized system of care.

¹ This rationale is supported by the legal opinion of the firm of Feldesman Tucker (one of the nation’s leading Medicaid managed care law firms). That legal opinion can be [found here](#).

The approach outlined above, fits the CMS standard for an alternate conflict mitigation approach, given that, **as outlined in state law and the state’s Medicaid waivers, the state’s CMHSPs, as the sub-capitated Medicaid Comprehensive Specialty Services Network (CSSN)**, are the only bodies that can develop and authorize individual plans of service and will be, for some beneficiaries, also an HCBS provider, given the breadth of Michigan’s HCBS service array and the equally broad range of persons eligible to receive HCBS services. ⁱ

3. **Unlike many other states, Michigan’s CCBHCs and Behavioral Health Homes provide HCBS and non-HCBS services.** The use of the alternative approach outlined above ensures that the state’s CCBHCs and Behavioral Health Homes can comply with the HCBS requirements related to conflict mitigation while also complying with the CCBHC and Behavioral Health Home requirements mandating the linking, under the same provider organization, access, planning, case management, and service delivery.

4. Michigan’s **CMHSPs and PIHPs are governmental bodies funded via shared-risk pre-paid capitation system.** Given these two characteristics, the conflicts that the CMS rule is intended to address – those of a private provider receiving financial gain by also holding the plan development and case management roles – are not present in Michigan’s system.

In many other states, the Medicaid-funded behavioral health system is dominated by private non-profit and private for-profit organizations, for whom self-referral and authorization-related private gain concerns often lead to structural mitigation models – **unlike Michigan’s governmental CMHSP and PIHP system.** The funds retain their public identity subject to reporting, accounting, and government oversight.

5. Given that the state’s CMHSPs and PIHPs (the latter as provider-sponsored plans) hold the service authorization and financial responsibility for the services provided by the system, **the movement of the development of the person-centered plan and case management from the state’s CMHSPs only serves to delink the plan development and its Medicaid authorization.** Such delinking will lead to the mismatch of the initial person-centered plan from the final authorized plan – a mismatch which will lead to confusion and frustration for the person served.

6. **Michigan’s current HCBS plan** currently requires the offering of: independent PCP facilitator, independent case manager, choice of provider, and Self-Determination/Self-Directed Budget arrangements to mitigate conflicts of interest. This design sets the stage for CMS understanding the value of the alternative approach outlined above. ⁱⁱ

7. Over the last several years, **CMS has been supportive of innovation by states** – innovations that run counter to longstanding CMS regulations. Examples include CMS’s approval of: the use of Medicaid dollars to fund brief inpatient stays at Institutions for Mental Disease (IMD); the suspension of Medicaid eligibility, rather than loss of eligibility, when a beneficiary is incarcerated; and the approval of state waivers that provide up to 6 months of rental assistance and other far-from-traditional Medicaid expenditures.

This history of the support for innovation, by CMS, provides a strong context for CMS’s approval of the alternative conflict mitigation approach, outlined above.

ⁱ **CMHSPs as comprehensive service providers as defined by statute (Michigan Mental Health Code):**

Michigan's CMHSPs have been designed, with that design imbedded in state law, as comprehensive mental/behavioral health services providers. This role is underscored by the Michigan Mental Health Code requirement (Code language provided below) that outlines the comprehensive service array that CMHSPs must provide **whether provided directly or via contract with another provider.**

330.1206 Community mental health services program; purpose; services.

Sec. 206.

(1) The purpose of a community mental health services program **shall be to provide a comprehensive array of mental health services** appropriate to conditions of individuals who are located within its geographic service area, regardless of an individual's ability to pay. The array of mental health services shall include, at a minimum, all of the following:

- (a) **Crisis stabilization and response including a 24-hour, 7-day per week, crisis emergency service** that is prepared to respond to persons experiencing acute emotional, behavioral, or social dysfunctions, and the provision of inpatient or other protective environment for treatment.
- (b) **Identification, assessment, and diagnosis** to determine the specific needs of the recipient and to develop an individual plan of services.
- (c) **Planning, linking, coordinating, follow-up, and monitoring** to assist the recipient in gaining access to services.
- (d) **Specialized mental health recipient training, treatment, and support**, including therapeutic clinical interactions, socialization and adaptive skill and coping skill training, health and rehabilitative services, and pre-vocational and vocational services.
- (e) Recipient rights services.
- (f) Mental health advocacy.
- (g) **Prevention activities** that serve to inform and educate with the intent of reducing the risk of severe recipient dysfunction.
- (h) **Any other service approved by the department.**

ⁱⁱ Existing sound structural and procedural mitigation approaches, which would form the foundation for any revised approaches, **are outlined in Michigan's 1915(i) State plan HCBS State plan (Attachment 3.1-i.2)** the relevant sections of which are underscored below:

The right of every individual receiving public mental health services in Michigan to the development of an individual plan of services and supports using the person-centered planning process is established by law in Chapter 7 of the Michigan Mental Health Code. Through the MDHHS/PIHP contract, MDHHS delegates the responsibility for the authorization of the service plan to the PIHPs.

The PIHPs delegate the responsibilities of plan development to CMHSP supports coordinator or other qualified staff chosen by the individual or family. These individuals responsible for the IPOS are not providers of any HCBS for that individual and are not the same people responsible for the independent HCBS needs assessment. The CMHSPs authorize the implementation of service through a separate service provider entity. The development of the IPOS through the person-centered planning (PCP) process is led by the beneficiary with the involvement of allies chosen by the beneficiary to ensure that the service plan development is conducted in the best interests of the beneficiary. The beneficiary has the option of choosing an independent facilitator (not employed by

or affiliated with the PIHP) to facilitate the planning process. In addition, the PIHP, through its Customer Services Handbook and the one-on-one involvement of a supports coordinator, supports coordinator assistant, or independent supports broker are required to provide full information and disclosure to beneficiaries about the array of services and supports available and the choice of providers.

The beneficiary has the option to choose his or her supports coordinator employed by a PIHP subcontractor or can choose an independent supports coordinator (not employed directly by or affiliated with the PIHP except through the provider network) or select a supports coordinator assistant or independent supports broker. This range of flexible options enables the beneficiary to identify who he or she wants to assist with service plan development that meets the beneficiary's interests and needs. Person-centered planning is one of the areas that QMP Site Review Team addresses during biennial reviews of each PIHP.

The MDHHS/BHDDA has several safeguards in place to assure that the independent assessment, independent eligibility evaluation, development of the Individual Plan of Service (IPOS), and delivery of 1915(i) services by the PIHP provider network are free from conflict of interest through the following:

- 1) 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;
- 2) 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;
- 3) All Medicaid beneficiaries are supported in exercising their right to free choice of providers and are provided information about the full range of 1915(i) services, not just the services furnished by the entity that is responsible for the person-centered service plan development.

All beneficiaries are advised about the Medicaid Fair Hearing process in the Customer Services Handbook that is provided by the PIHP to the individual at the onset of services, at least annually at the person-centered planning meeting and upon request of the individual at any time. The Medicaid Fair Hearings process is available to the individual to appeal decisions made related to 1915(i) services.

This may include beneficiaries who believe they were incorrectly determined ineligible for 1915(i) services; beneficiaries who believe the amount, scope, and duration of services determined through the person-centered planning process is inadequate to meet their needs; and if 1915(i) services are reduced, suspended or terminated. Adequate Notice of Medicaid Fair Hearing rights is provided at the time the person-centered plan of service is developed and Advanced Notice of Medicaid Fair Hearing rights is provided prior to any reduction, elimination, suspension or termination of services;

4) The results of the individual needs assessment, including any other historical assessment or evaluation results, may be used as part of the information utilized in developing the individual plan of services (IPOS). Oversight/coordination of the IPOS is done by a case manager or supports coordinator or other qualified staff chosen by the individual or family, is not a provider of any other service for that individual, and is not the professional/entity that completes the individual needs assessment/authorization for eligibility or services;

5) The PIHP performs the utilization management managed care function to authorize the amount, scope and duration of 1915i services. PIHP utilization management staff are completely separate from the sub-contracted staff and entities performing evaluation, assessment, planning, and delivery of 1915i services.