



BOARD OF DIRECTORS REGULAR MEETING

Thursday, December 18, 2025 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. PRESENTATION OF RECOGNITION PLAQUE FOR COLLEEN MAILLETTE |
| 4 | 3.1 Res# 2512001: Approve the resolution in recognition of Colleen Maillette for 12 years of committed service – <i>See page 4 resolution sheet</i> |
| | 4. PRESENTATION OF RECOGNITION PLAQUE FOR RICHARD BYRNE |
| 4 | 4.1 Res# 2512002: Approve the resolution in recognition of Richard Byrne for 7 years of dedicated service as the Board Chair – <i>See page 4 resolution sheet</i> |
| | 5. PRESENTATION OF RECOGNITION PLAQUE FOR ERNIE KRYGIER |
| 4 | 5.1 Res# 2512003: Approve the resolution in recognition of Ernie Krygier for 18 years of committed service – <i>See page 4 resolution sheet</i> |
| | 6. COMMUNICATIONS |
| 6-7 | 6.1 BABHA Letter to Governor regarding the Michigan Depart of Health and Human Services – <i>See pages 6-7</i> |
| | 7. REGULAR BOARD MEETING, 11/20/2025 – Distributed |
| | 7.1 Motion on minutes as distributed |
| | 8. FACILITIES & SAFETY COMMITTEE, 12/04/2025 – Distributed – Crete, Ch/ Girard, V Ch |
| | There were no motions forwarded to the full Board |
| | 8.1 Motion on minutes as distributed |
| | 9. RECIPIENT RIGHTS (RR) ADVISORY & APPEALS COMMITTEE, 12/08/2025 – Distributed – McFarland, Ch/ Mrozinski, V Ch |
| 4, 8-23 | 9.1 Res# 2512004: Approve the 2025 BABHA Annual Recipient Rights Report – <i>See page 4 resolution sheet & pages 8-23</i> |
| | 9.2 Motion on minutes as distributed |



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10. FINANCE COMMITTEE, 12/10/2025 – Distributed – Banaszak, Ch/ Mrozinski, V Ch
- 24-25 10.1 Motion to accept investment earnings balances for period ending November 30, 2025 – *See pages 24-25*
- 4, 26 10.2 Res# 2512005 Approve the Finance December 2025 contract list – *See page 4 resolution sheet & page 26*
- 4, 27-30 10.3 Res# 2512006: Approve the Risk Management Plan – *See page 4 resolution sheet, pages 27-30 & plan attached to back of packet*
- 4 10.4 Res# 2512007: Approve authorizing administration to implement a competitive bid process for autism services – *See page 4 resolution sheet*
- 10.5 Motion on minutes as distributed
11. PROGRAM COMMITTEE, 12/11/2025 – Distributed – Girard, Ch/ Schumacher, V Ch
- 5 11.1 Res# 2512008: Approve the requests for clinical privileges for Cynthia Mai, PMHNP-BC – *See page 5 resolution sheet*
- 5, 31 11.2 Res# 2512009: Approve the policy, Home and Community Based Rules, 04-05-08, to begin 30-day review – *See page 5 resolution sheet & page 31*
- 11.3 Motion on minutes as distributed
12. AUDIT COMMITTEE, 12/15/2025 – Distributed – McFarland, Ch/ Banaszak, V Ch
- 5, 32-38 12.1 Res# 2512010: Accept financial statements – *See page 5 resolution sheet & pages 32-38*
- 5, 39-42 12.2 Res# 2512011: Accept electronic fund transfers – *See page 5 resolution sheet & pages 39-42*
- 5, 43 12.3 Res# 2512012: Approve disbursement & health care claims payments – *See page 5 resolution sheet & page 43*
- 12.4 Motion on minutes as distributed
13. REPORT FROM ADMINISTRATION
- 44-48 13.1 Federal & State Health Policy Update – *See pages 44-48*
- 49-50 13.2 MidState Health Network Court of Claims Lawsuit – *See pages 49-50*



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14. UNFINISHED BUSINESS

14.1 None

15. NEW BUSINESS

15.1 Holiday Schedule

BABHA Offices will be closed on Wednesday and Thursday, December 24 & 25, 2025 for the Christmas holiday, and Wednesday and Thursday, December 31, 2025 & January 1, 2026 for the New Year's holiday

15.2 Meeting Schedule for 2026

51-54 Consideration of motion to adopt the 2026 board and committee meeting schedule as required for compliance with the Open Meetings Act – *See pages 51-54*

15.3 Personnel & Compensation (P&C) Committee Meeting

55 The regular scheduled January 1, 2026 P&C Committee meeting has been canceled due to the New Year's holiday – *See page 55*

15.4 Community Mental Health Association (CMHA) 2026 Winter Conference

56-58 The CMHA Winter Conference is scheduled for Tuesday and Wednesday, February 3 and 4, 2026 at the Radisson Plaza Hotel in Kalamazoo, Michigan – *See pages 56-58*

15.5 February Audit Committee Meeting

59 The regular scheduled February 16, 2026 Audit Committee meeting has been canceled due to a conflict with President's Day – *See page 59*

16. ADJOURNMENT



BOARD OF DIRECTORS
REGULAR MEETING

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RESOLUTIONS

Recognition Resolution for Colleen Maillette, December 18, 2025

Res# 2512001: Resolved by Bay Arenac Behavioral Health Authority to approve the recognition of Colleen Maillette for 12 years of distinguished service as a member of the Board of Directors. Her Dedication and allegiance to the Authority is deeply appreciated, and her advocacy for the community and individuals we serve is outstanding.

Recognition Resolution for Richard Byrne, December 18, 2025

Res# 2512002: Resolved by Bay Arenac Behavioral Health Authority to approve the recognition of Richard Byrne for seven years of service as Chair of the Board of Directors.

Recognition Resolution for Ernie Krygier, December 18, 2025

Res# 2512003: Resolved by Bay Arenac Behavioral Health Authority to approve the recognition of Ernie Krygier for 18 years of distinguished service as a member of the Board of Directors. His devotion and commitment to the Community is sincerely appreciated, and his advocacy for the persons and families we serve is commendable.

Recipient Rights Advisory & Appeals Committee, December 8, 2025

Res# 2512004: Resolved by Bay Arenac Behavioral Health Authority to approve the 2025 BABHA Annual Recipient Rights report.

Finance Committee, December 10, 2025

Res# 2512005: Resolved by Bay Arenac Behavioral Health Authority to approve the Finance December 2025 contract list.

Res# 2512006: Resolved by Bay Arenac Behavioral Health Authority to the Risk Management Plan.

Res# 2512007: Resolved by Bay Arenac Behavioral Health Authority to authorize administration to implement a competitive bid process to address revenue and expense issues for autism services.



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RESOLUTIONS

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Program Committee, December 11, 2025

Res# 2512008: Resolved by Bay Arenac Behavioral Health Authority to approve the requests for clinical privileges for Cynthia Mai, PMHNP-BC, for a three-year renewal term expiring December 31, 2028.

Res# 2512009: Resolved by Bay Arenac Behavioral Health Authority to approve the policy, Home and Community Based Rules, 04-05-08, to begin 30-day review.

Audit Committee, December 15, 2025

Res# 2512010: Resolved by Bay Arenac Behavioral Health Authority to approve the Financial Statements for period ending November 30, 2025.

Res# 2512011: Resolved by Bay Arenac Behavioral Health Authority to approve the electronic fund transfer (EFTs) for period ending November 30, 2025.

Res# 2512012: Resolved by Bay Arenac Behavioral Health Authority to approve the disbursements and health care payments from November 15, 2025 through December 12, 2025.



BEHAVIORAL HEALTH

December 11, 2025

Chief Executive Officer
Christopher Pinter

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

Board of Directors
Robert Pawlak, Chair
Patrick McFarland, Vice Chair
Christopher Girard, Treasurer
Sally Mrozinski, Secretary
Tim Banaszak
Richard Byrne
Patrick Conley
Jerome Crete
Shelley King
Kathy Niemiec
Carole O'Brien
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

Dear Governor Whitmer:

Bay-Arenac Behavioral Health Authority (BABHA) is the community mental health services program (CMHSP) created by Bay and Arenac Counties to assume responsibility for the delivery of public mental health services for the 120,000 residents of our area consistent with Michigan Compiled Laws (MCL) 330.1116 (2)(b). This represented a transfer of governmental responsibilities from the State to the Counties, as illustrated by the fact that the State is required to financially support CMHSPs established under MCL 330.1202(1), the priority population criteria for both the State and the CMHSPs in MCL 330.1116 (2)(a) and MCL 330.1208 respectively, are identical, the power to create CMHSPs are reserved to the county governments under MCL 330.1204(1), and governmental immunity protections were also specifically transferred to CMHSPs entities in MCL 330.1204b (4) and 330.1205 (3)(b).

The Michigan Department of Health and Human Services (MDHHS) announced its intention in February to conduct an open procurement process to replace the existing specialty Prepaid Inpatient Health Plans (PIHPs) responsible for management and funding of Medicaid behavioral health services starting October 1, 2026. Unfortunately, this decision creates the likelihood that nearly all 46 CMHSPs serving the 83 counties in Michigan will have over 90% of their public funding diverted to commercial and/or private interests with no direct accountability to the consumers, families or the elected representatives in the Bay and Arenac communities. As the current PIHPs are either CMHSPs or Regional Entities created by CMHSPs under MCL 330.1204b., this is analogous to privatization of a governmental function.

It is also important to place the procurement process in the larger MDHHS and CMHSP context since 2022:

- MDHHS has repeatedly mischaracterized CMHSPs as pursuing a "for-profit" or pecuniary motive in its assessment and service planning processes despite existing state laws preventing service decisions based on ability to pay or insurance and the fact that the funding model, rate setting process and year-end financial settlement requirements disincentivizes CMHSPs from direct service provision if a lower cost provider is available.

www.babha.org

- MDHHS has consistently misrepresented the state and county partnership as a discretionary commercial relationship rather than a statutory transfer of governmental responsibilities, attempted to override CMHSP compliance discretion in federal accounting requirements at 2 CFR Part 200 for public agencies, and produced inaccurate PIHP Medical Loss Ratio reporting that is unnecessary for non-risk contracts defined at 42 CFR § 438.2.
- MDHHS has routinely interfered with competitive market dynamics by directing expenditures to specific providers such as Mandatory Rate increase for Autism services and encouraging the state-wide Waskul settlement that essentially requires a 50% increase in hourly staff wages for SOME CLS services for SOME Medicaid beneficiaries.
- MDHHS consistently underfunded the CMHSPs in 2023 and 2024. The Medicaid behavioral health actuarial rates and enrollment projections were insufficient in both FY2023 and FY2024 by a range between \$137-\$246 Million below the actual legislative appropriation for each year. This represented a cumulative impoundment of over 10% of funds appropriated for CMHSPs during this period despite increasing post-COVID service demand.

BABHA and many other CMHSPs have consistently raised these concerns with MDHHS Leadership but to no avail. This culminated in the unilateral procurement decision to transfer over \$4 Billion in funds specifically appropriated for the 300,000+ consumers served by the county CMHSPs (and representing nearly 5% of the State's total budget) to non-governmental entities without prior discussion with either the state legislature or the 83 counties that have been responsible for this system for more than 60 years.

This is designed to reduce the county CMHSPs to statutory shells with no sustainable Medicaid funding to meet the minimum requirements of state law and will ultimately lead to more hospitalizations, more homelessness, more substance abuse, more unemployment, more suicides, and more incarcerations. On behalf of the residents of Bay and Arenac Counties, I urge the executive office to reconsider the MDHHS procurement process under these circumstances.

Thank you for your consideration in this very important matter.

Sincerely,



Christopher Pinter
Chief Executive Officer

cc: Tricia Foster, Chief Operating Officer
JoAnne Huls, Chief of Staff
Senator Michelle Hoytenga
Representative Mike Hoadley
Representative Timothy Beson

Office of Recipient Rights Demographic Data

**Data Report Covering
October 1, 2024 through September 30, 2025**

Regarding the Current Status of Recipient Rights at

Bay Arenac Behavioral Health Authority

Rights Office Director Name

Jackie Kish

Unduplicated Count of Individuals Served (CMH)

5122

-or-

Number of Beds (LPH)

Staff Performing Recipient Rights Functions

Staff Name	Hours Per Week	Role
Jackie Kish	40	Investigation
Kevin Motyka	40	Investigation
Bridget Hayes	40	Investigation
Jeff Wells	5	Investigation
Tamera Matuszewski	40	Administration/ Clerical

Summary of Complaint Data by Category

Code	Category	Total Received	Investigation	Intervention	Substantiated
7221	Abuse Class I	2	2	0	0
7224	Abuse Class I Sexual Abuse	1	1	0	0
72221	Abuse Class II Nonaccidental Act	12	12	0	1
72222	Abuse Class II Unreasonable Force	12	12	0	1
72223	Abuse Class II Emotional Harm	0	0	0	0
72224	Abuse Class II Treating as Incompetent	0	0	0	0
72225	Abuse Class II Exploitation	2	2	0	1
7223	Abuse Class III	19	19	0	7
72251	Neglect Class I	6	6	0	1
72252	Neglect Class I Failure to Report	0	0	0	0
72261	Neglect Class II	4	4	0	1
72262	Neglect Class II Failure to Report	0	0	0	0
72271	Neglect Class III	26	26	0	17
72272	Neglect Class III Failure to Report	0	0	0	0
7040	Civil Rights	0	0	0	0
7044	Religious Practice	0	0	0	0
7045	Voting	0	0	0	0
7081	Mental Health Services Suited to Condition	22	21	1	7
7082	Safe Sanitary and Humane Treatment Environment	3	3	0	3
7083	Least Restrictive Setting	0	0	0	0
7084	Dignity and Respect	33	33	0	17
7100	Physical and Mental Exams	0	0	0	0
7110	Family Rights	1	1	0	0
7120	Individual Written Plan of Service	2	2	0	2
7130	Choice of Physician or Mental Health Professional	0	0	0	0
7140	Notice of Clinical Status and Progress	0	0	0	0
7150	Services of a Mental Health Professional	0	0	0	0

Code	Category	Total Received	Investigation	Intervention	Substantiated
7160	Surgery	0	0	0	0
7170	Electroconvulsive Therapy	0	0	0	0
7180	Psychotropic Drugs	0	0	0	0
7190	Medication Side Effects	0	0	0	0
7240	Fingerprints Photographs Recordings	1	1	0	0
7249	Video Surveillance	0	0	0	0
7261	Visits	0	0	0	0
7262	Telephone	0	0	0	0
7263	Mail	0	0	0	0
7281	Possession and Use of Personal Property	4	4	0	2
7286	Limitations on Personal Property	0	0	0	0
7300	Safeguarding Money (State Hospitals Only)	0	0	0	0
7360	Labor and Compensation	0	0	0	0
7440	Freedom of Movement	0	0	0	0
7400	Restraint	0	0	0	0
7420	Seclusion	1	1	0	0
7460	Complete Record	0	0	0	0
7480	Disclosure of Confidential Information	13	8	5	9
7481	Access Denial to Confidential Information	0	0	0	0
7490	Correction of Record	0	0	0	0
7500	Privileged Communication	0	0	0	0
0000	No Right Involved	22			
0001	Outside ORR Jurisdiction	3			

Substantiated Rights Violations and Remedial Action Taken

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Neglect Class III	Contracted Provider	Verbal Reprimand	Training
Dignity and Respect	Contracted Provider	Staff Transfer	Training
Dignity and Respect	Contracted Provider	Employee Resigned	
Disclosure of Confidential Information	Contracted Provider	Employee Resigned	
Mental Health Services Suited to Condition	Contracted Provider	Written Reprimand	
Disclosure of Confidential Information	Direct Hire	Training	Written Counseling
Mental Health Services Suited to Condition	Contracted Provider	Verbal Counseling	Training
Mental Health Services Suited to Condition	Contracted Provider	Suspension	Training
Dignity and Respect	Contracted Provider	Employee Resigned	
Neglect Class III	Contracted Provider	Staff Transfer	Suspension
Neglect Class II	Contracted Provider	Written Reprimand	
Mental Health Services Suited to Condition	Contracted Provider	Other	
Individual Written Plan of Service	Contracted Provider	Other	
Disclosure of Confidential Information	Contracted Provider	Training	
Neglect Class III	Contracted Provider	Suspension	Written Reprimand
Dignity and Respect	Direct Hire	Written Reprimand	
Neglect Class III	Contracted Provider	Written Reprimand	
Abuse Class III	Contracted Provider	Employment Termination	

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Dignity and Respect	Contracted Provider	Employee Resigned	
Neglect Class III	Contracted Provider	Written Reprimand	Suspension
Safe Sanitary and Humane Treatment Environment	Contracted Provider	Employment Termination	Suspension
Dignity and Respect	Contracted Provider	Employment Termination	Suspension
Possession and Use of Personal Property	Contracted Provider	Employee Resigned	Other
Neglect Class III	Contracted Provider	Written Counseling	Employee Resigned
Neglect Class III	Contracted Provider	Employment Termination	Training
Neglect Class III	Contracted Provider	Employment Termination	Training
Neglect Class III	Contracted Provider	Training	Contract Action
Disclosure of Confidential Information	Contracted Provider	Employee Resigned	
Neglect Class I	Contracted Provider	Written Reprimand	
Possession and Use of Personal Property	Contracted Provider	Training	
Abuse Class III	Contracted Provider	Written Reprimand	Employment Termination
Disclosure of Confidential Information	Contracted Provider	Written Reprimand	Suspension
Disclosure of Confidential Information	Direct Hire	Other	
Neglect Class III	Direct Hire	Written Counseling	Training
Mental Health Services Suited to Condition	Contracted Provider	Training	Other
Dignity and Respect	Contracted Provider	Employment Termination	
Neglect Class III	Direct Hire	Training	Other

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Mental Health Services Suited to Condition	Contracted Provider	Employment Termination	Training
Individual Written Plan of Service	Contracted Provider	Employment Termination	Training
Dignity and Respect	Contracted Provider	Written Reprimand	Training
Dignity and Respect	Direct Hire	Written Reprimand	
Neglect Class III	Contracted Provider	Employee Resigned	Written Counseling
Neglect Class III	Contracted Provider	Written Counseling	Employment Termination
Neglect Class III	Contracted Provider	Written Reprimand	Suspension
Abuse Class III	Contracted Provider	Employment Termination	
Neglect Class III	Contracted Provider	Employment Termination	
Abuse Class II Nonaccidental Act	Contracted Provider	Employment Termination	
Dignity and Respect	Contracted Provider	Written Reprimand	
Abuse Class II Unreasonable Force	Contracted Provider	Written Reprimand	
Dignity and Respect	Contracted Provider	Suspension	Staff Transfer
Dignity and Respect	Contracted Provider	Employment Termination	
Dignity and Respect	Contracted Provider	Written Reprimand	Training
Abuse Class III	Contracted Provider	Suspension	Employment Termination
Disclosure of Confidential Information	Direct Hire	Training	
Dignity and Respect	Contracted Provider	Written Counseling	
Abuse Class III	Contracted Provider	Suspension	Employment Termination

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Dignity and Respect	Contracted Provider	Employee Resigned	Training
Neglect Class III	Contracted Provider	Written Counseling	Verbal Counseling
Abuse Class III	Contracted Provider	Written Reprimand	Written Counseling
Safe Sanitary and Humane Treatment Environment	Contracted Provider	Employment Termination	
Safe Sanitary and Humane Treatment Environment	Contracted Provider	Employment Termination	
Disclosure of Confidential Information	Direct Hire	Verbal Counseling	
Mental Health Services Suited to Condition	Contracted Provider	Employment Termination	
Abuse Class III	Contracted Provider	Employment Termination	
Disclosure of Confidential Information	Direct Hire	Verbal Counseling	Training
Abuse Class II Exploitation	Contracted Provider	Employment Termination	
Dignity and Respect	Direct Hire	Verbal Counseling	
Neglect Class III	Contracted Provider	Suspension	
Dignity and Respect	Contracted Provider	Employment Termination	

Training Received by the Office of Recipient Rights

[illegible]

Training Provided by the Office of Recipient Rights

Topic	Mode	Length	Number of attendees by type			
			Direct Hire	Contracted	Recipient	Other
Provider Test	eLearning	1.0		2		1
Recipient Rights zoom training	Instructor-Led (Virtual)	7.0		36		1
New Employee Orientation	Instructor-Led (Virtual)	1.0	2			1
Provider Training	Instructor-Led (In Person)	1.5		36		1
Recipient Rights in person training	Instructor-Led (In Person)	7.0		23		1
Recipient training at Consumer Council Meetings	Instructor-Led (In Person)	4.0			25	1
Recipient Rights zoom training	Instructor-Led (Virtual)	7.0		22		1
New Employee Orientation	Instructor-Led (Virtual)	4.0	13			1
Provider Training	Instructor-Led (In Person)	1.5		3		1
Recipient Rights in person training	Instructor-Led (In Person)	7.0		19		1
Recipient Rights zoom training	Instructor-Led (Virtual)	7.0		28		1
Recipient Rights in person training	Instructor-Led (In Person)	7.0		29		1
Recipient Rights zoom training	Instructor-Led (Virtual)	7.0		38		1
New Employee Orientation	Instructor-Led (Virtual)	2.0	6			1
Recipient Rights in person training	Instructor-Led (In Person)	10.5		35		1
Recipient Rights zoom training	Instructor-Led (Virtual)	14.0		71		1

Topic	Mode	Length	Direct Hire	Contracted	Recipient	Other
Recipient Rights in person training	Instructor-Led (In Person)	7.0		28		1
New Employee Orientation	Instructor-Led (Virtual)	2.0	12			
Recipient Rights training	Instructor-Led (In Person)	0.5	1			
Annual Recipient Rights training	eLearning	261.0	230	18		13
Online Contract Provider RR Training	eLearning			57		

Appeals

Allegation Appealed	Grounds for Appeal	Action	Final Decision

Desired Outcomes and Progress Toward These Outcomes

Outcomes

Maintain full compliance with MDHHS ORR standards.

Promote visibility of the Recipient Rights/Customer Service Staff

Complete investigations within 60 calendar days unless awaiting outside information for completion

Continue to provide effective Recipient Rights training to those we serve, employees, contract staff/providers.

Provide initial Recipient Rights site review within three months of fully executed contracts with new providers

Outcomes established for the Office of Recipient Rights for 2026

Maintain full compliance with MDHHS ORR standards.

Promote visibility of the Recipient Rights/Customer Service Staff

Complete investigations within 60 calendar days unless awaiting outside information for completion

Continue to provide effective Recipient Rights training to those we serve, employees, contract staff/pr

Provide initial Recipient Rights site review within three months of fully executed contracts with new prc

Recommendations to the Governing Board

The Office of Recipient Rights and Recipient Rights Advisory Committee Recommends:

The Recipient Rights Advisory Board will continue to receive annual training on Recipient Rights policies and related topics.

Annual Recipient Rights training will be offered online for all staff, providers, and Board members.

The Recipient Rights Advisory Committee will be invited to the Annual Recipient Rights conference and provided necessary details if they choose to attend.

The Recipient Rights Advisory Committee may choose to attend collectively or participate in up to 7 site reviews annually, subject to board chair authorization. Each member may receive up to 2 per diems yearly.

The Advisory Committee will receive annual training on the appeals process and guidelines. In the absence of actual appeals, the committee will conduct at least one mock appeal yearly.

Director Attestation

(To be completed by the CMH/LPH Director)

I attest that I have reviewed this annual report and I am submitting it as required by law.

Name (sign or type below)

Mr. Christopher Pinter, CEO at Bay-Arenac Behavioral Health

DATE

12/17/2025

Data Summary

Demographic Information

Reporting CMH/LPH	Bay Arenac Behavioral Health Authority
Recipient Rights Office Director Name	Jackie Kish
Reporting Period	October 1, 2024 through September 30, 2025
Number of Rights Office Staff	5
Full Time Equivalents (FTEs)	4.125
Staff with an Investigative Role	4
FTEs for Investigation	3.13
Complaints per FTE	52.48

Complaint Data Summary

<i>Type</i>	<i>Received</i>	
All Allegations Received	189	
Allegations Received Subject to Investigation/Intervention	164	
Allegations Received with No Right Involved or Outside Jurisdiction	25	
Investigations Completed	158	
Interventions Completed	6	
Allegations Substantiated	69	
Percent of All Allegations Substantiated	42%	
<i>Highlighted Complaint Categories</i>	<i>Received</i>	<i>Substantiated</i>
Abuse I, II, III	48	10
Neglect I, II, III	36	19
Dignity and Respect	33	17
MH Services Suited to Condition	22	7
Individual Written Plan of Service	2	2
Disclosure of Confidential Information	13	9

Complaint Remediation

<i>Remediation Type</i>	<i>Total</i>
Verbal Counseling	5
Written Counseling	8
Verbal Reprimand	1
Written Reprimand	16
Suspension	12
Demotion	0
Staff Transfer	3
Training	20
Employment Termination	21
Employee Resigned	9
Contract Action	1
Policy Revision/Development	0
Environmental Repair/Enhancement	0
Plan of Service Revision	0
Recipient Transfer to Another Provider/Site	0
Other	6
None	0

Training Received by the Office of Recipient Rights

Training Categories	Hours
I - Operations	32.5
II - Legal Foundations	3
III - Leadership	12
IV - Augmented Training	0
Total	47.5

Training Provided by the Office of Recipient Rights

	Agency	Contracted	Recipient	Other
Instructor-Led (In Person)	1	173	25	8
Instructor-Led (Virtual)	33	195	0	8
eLearning	230	77	0	14
Video	0	0	0	0
Paper	0	0	0	0
Total	264	445	25	30

Appeals

Grounds	Total
Findings	0
Action Taken	0
Timeliness	0
Decision	Total
Denied Appeal	0
Upheld Investigative Findings	0
Returned for Reinvestigation	0
Requested External Investigation	0
Take Additional Action	0
Address Timeliness Issues	0

Bay-Arenac Behavioral Health Authority
Estimated Cash and Investment Balances Nov 30, 2025

Balance Nov 1, 2025	5,757,064.64
Balance Nov 30, 2025	8,916,267.21
Average Daily Balance	5,227,099.90
Estimated Actual/Accrued Interest Nov 2025	13,614.05
Effective Rate of Interest Earning Nov 2025	3.13%
Estimated Actual/Accrued Interest Fiscal Year to Date	28,545.44
Effective Rate of Interest Earning Fiscal Year to Date	3.33%

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

Cash Available - Operating Fund

	Rate	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Beg. Balance Operating Funds - Cash,													
Cash equivalents, Investments		8,600,946	7,785,099	5,777,598	5,192,261	4,585,448	7,971,323	6,179,005	4,597,768	6,261,517	6,775,688	5,966,633	5,274,202
Cash in		13,201,840	11,895,758	12,023,619	12,246,135	20,379,721	12,205,772	12,225,824	20,990,024	16,234,403	12,208,234	13,636,279	21,097,480
Cash out		(14,017,688)	(13,903,259)	(12,608,956)	(12,852,949)	(16,993,846)	(13,998,090)	(13,807,060)	(19,326,275)	(15,720,233)	(13,017,289)	(14,328,710)	(17,939,763)
Ending Balance Operating Fund		7,785,099	5,777,598	5,192,261	4,585,448	7,971,323	6,179,005	4,597,768	6,261,517	6,775,688	5,966,633	5,274,202	8,431,919
Investments													
Money Markets		7,785,099	5,777,598	5,192,261	4,585,448	7,971,323	6,179,005	4,597,768	6,261,517	6,775,688	5,966,633	5,274,202	8,431,919
90.00													
180.00													
180.00													
270.00													
270.00													
Total Operating Cash, Cash equivalents, Invested		7,785,099	5,777,598	5,192,261	4,585,448	7,971,323	6,179,005	4,597,768	6,261,517	6,775,688	5,966,633	5,274,202	8,431,919
Average Rate of Return General Funds		3.57%	3.50%	3.48%	3.45%	3.43%	3.42%	3.40%	3.37%	3.36%	3.34%	3.06%	2.94%
		3.48%	3.30%	3.38%	3.30%	3.32%	3.32%		3.26%	3.13%	3.28%	3.06%	2.81%
Average		7,231,574	6,868,080	6,532,916	6,208,338	6,460,193	6,425,045	6,222,014	6,225,964	6,275,939	6,295,231	5,274,202	6,853,061

Cash Available - Other Restricted Funds

	Rate	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Beg. Balance-Other Restricted Funds -													
Cash, Cash equivalents, Investments		464,891	466,575	468,220	469,711	471,366	472,974	474,641	476,260	477,939	479,623	481,232	482,860
Cash in		1,684	1,645	1,491	1,656	1,608	1,667	1,619	1,679	1,684	1,608	1,628	1,488
Cash out													
Ending Balance Other Restricted Funds		466,575	468,220	469,711	471,366	472,974	474,641	476,260	477,939	479,623	481,232	482,860	484,348
Investments													
Money Market		466,575	468,220	469,711	471,366	472,974	474,641	476,620	477,939	479,623	481,232	482,860	484,348
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		466,575	468,220	469,711	471,366	472,974	474,641	476,620	477,939	479,623	481,232	482,860	484,348
Average Rate of Return Other Restricted Funds		4.84%	4.84%	4.84%	4.84%	4.84%	4.84%	4.75%	4.68%	4.63%	4.58%	4.11%	4.11%
		4.84%	4.84%	4.84%	4.84%	4.84%	4.84%	4.02%	4.02%	4.15%	4.00%	4.11%	4.11%
Average		464,894	465,725	466,523	467,330	468,136	468,942	469,762	470,615	471,434	472,251	482,860	483,604
Total - Bal excludes payroll related cash accounts		8,251,674	6,245,818	5,661,972	5,056,814	8,444,297	6,653,646	5,074,388	6,739,456	7,255,311	6,447,865	5,757,062	8,916,267
Total Average Rate of Return		3.63%	3.58%	3.52%	3.51%	3.49%	3.49%	3.47%	3.44%	3.38%	3.39%	3.55%	3.33%

**Bay-Arenac Behavioral Health
Finance Council Board Meeting
Summary of Proposed Contracts
December 10, 2025**

			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	R	Bay City CRU Crisis Residential Services	\$98,458/month - flat monthly payment arrangement	\$625/day	1/1/26 - 9/30/26	Y	N
Admin/Other Services							
2	D	Zoom Communications, Inc. Zoom Workplace Business Monthly Room Connector Monthly	77 - \$1,100.55/month 1 - \$49/month	47 - \$671.79/month 1 - \$49/month	10/1/25, auto-renews on a monthly basis	Y	N
3	N	A2Z Cleaning Janitorial services for the Madison location Year One Year Two Year Three	\$19,280 \$20,064 \$20,904	\$20,904 \$21,600 \$22,300	1/1/2026 - 12/31/2026 1/1/2027 - 12/31/2027 1/1/2028 - 12/31/2028	Y	N
SECTION II. SERVICES PROVIDED BY THE BOARD (REVENUE CONTRACTS)							
4	N	Bay County Community Foundation Grant for the ACT Christmas Party	\$0	\$1,250	N/A	N/A	N/A
SECTION III. STATE OF MICHIGAN GRANT CONTRACTS							
SECTION IV. MISC PURCHASES REQUIRING BOARD APPROVAL							
5	R	Accident Fund Workers Compensation Renewal	\$107,751	\$122,131	1/1/2026 - 12/31/2026	N/A	N/A

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:

Risk Management Plan 2025-2026 Executive Summary

Risk Management is defined as the ability to identify, assess, prevent, monitor, and remediate risk for the organization. The goal of the plan is to manage risk and reduce the severity of a loss if one were to occur, while accomplishing our mission and core objectives in providing quality behavioral health care to the people of Bay and Arenac Counties. It is the policy of BABHA to ensure there are diligent actions to identify, assess, prevent, monitor, and remediate risk for the organization. BABHA will engage in a coordinated set of activities designed to control threats to its people, property, incomes, goodwill, and ability to accomplish goals.

Business Environment:

- Added a statement to the difficulty in retaining staff during the pandemic, as being partially due to infection control measures that were necessary to mitigate the spread of the covid virus and BABHA deployed additional technology to support social distancing.
- Added the federal policy changes going into effect in FY2027 are intended to reduce investment in the Medicaid program and shift more financial responsibilities to the individual state governments and the safety net systems are already legally and politically integrated in communities served.
- Removed CCBHC language since the State is not adding new sites.
- Actions Steps:
 - Completed evaluating the CCBHC model. BABH submitted a letter of interest, however, the State subsequently stopped adding new sites
 - Deleted/Completed monitoring and evaluating staff activity in a remote work environment.
 - Revised advocating for adequate funding to fulfill our statutory requirements as a result of the appropriation changes negatively impacting our system.

Medical and Clinical Practices:

- Added training and education in response to adverse events by including an awareness of an increase in lethality when other means are removed and the need for thorough and complete documentation.
- Deleted Quarterly review of Priority Performance Measures from MSHN. (Also deleted from Action Steps). MSHN is no longer providing these as the result of the State doing an overhaul of the measures. Some may not be tracked any longer.
- Action steps:
 - Continue conducting a root cause analysis of identified risk situations and determine action steps for process improvements.
 - Continue Health Care Practices review of quarterly reports related to infection control, medication errors, morbidity and mortality, prescribed controlled substances, and critical incidences and determine appropriate action steps for process improvements.
 - Continue local addictionologist to participate in Health Care Practices Committee.

Service Needs:

- Added BABH places individuals out of county due to Network Providers being reluctant to accept higher need individuals, which created long length vacancies. There was not an incentive to accept these individuals since we historically paid for vacancies.
- Added 3 CLS providers ended their contracts due to not being able to adequately staff, along with insufficient rates. In turn, 3 new CLS providers were added to the network
- Added with the vocational providers it gets increasingly difficult to determine appropriate social rec activities
- Added update that MDHHS has implemented a soft launch of the Electronic Visit Verification system to better monitor activity of CLS workers.

- Added update on Outpatient Therapy which included Network Provider shortage of fully licensed master level therapists who can bill 3rd party insurances. BABHA is seeking additional capacity.
- Added the lack of SUD and prevention services in Arenac County which had led BABHA to collaborate with Recovery Pathways and Ten16.
- Added the prevalence of children diagnosed with Autism and meeting medical necessity criteria for those services has increased substantially over the past few years and continues to increase.
- Action Steps:
 - Continue community needs assessment every 2 years.
 - Added BABHA will implement cost containment strategies for CLS Residential while ensuring the most in need are adequately supported. This includes consistent assessment and approvals for CLS services (a new assessment form was developed), ending duplicative CLS services and the practice of paying for vacant bed days, and transitioning NB consumers to a CLS Provider.
 - Revised BABHA will look to consolidation vacancies in the residential system and explore moving high cost out of county placements back locally.
 - Continue BABHA will address fraud and abuse for Self-directed arrangements and continue implementation of the EVV system with all CLS providers.
 - Revised BABHA will increase capacity of fully licensed therapist.
 - Added BABHA will continue to collaborate with SUD treatment and prevention providers in Arenac County.
 - Added BABHA will implement cost reduction strategies for Autism services which will include a restructure of the program and Provider Network through a procurement process.

Environment and Safety:

- Added the all hazard assessments were completed in June of 2024.
- Action Steps:
 - Continue annual inspection process by the Facility Manager to assess for safety hazards and potential areas of risk.
 - Continue working with the Facility Manager and the Safety Committee and SLT to review and revise the BABHA EPP for the purpose of updating HVA, both of which are every two years.
 - Completed ALICE (Alert-Lockdown-Inform-Counter-Evacuate) safety training in 2025 on security measures in the event of an active shooter.
 - Completed information available to 911 operators through Rave Smart for emergency purposes.

Legal and Regulatory:

- Added BABHA conducts triennial Dept. of Justice evaluations of our Corporate Compliance program to ensure it's well designed, is being implemented effectively, and works in practice.
- Added the implementation of a MSHH reporting system, Healthnicity, for issues regarding quarterly EOB and prepayment data collection as well as potential fraud and abuse investigations for OIG requirements.
- Added Autism Providers were trained on the requirements for video and security camera at their centers to ensure they adhere to Home and Community Based Services rules, privacy and consent requirements.
- Action Steps:
 - Continue the verification process for providers
 - Continue monitoring of compliance with IPOS training requirements and continue to advocate for moderation of requirements at the state and regional enforcement levels.
 - Continue to increase education on Fraud, Abuse and Waste to Supervisors and consumers and in response to any substantiated Fraud and Abuse cases.
 - Added development of P&P for the safe, transparent, and ethical use of Artificial Intelligence.

Ethical:

- Added documentation change requests must meet billing/program standards, addressed staff providing support to other depts. during staff shortages when it is with a population they have limited experience.
- Removed family members with medical licensure writing prescriptions for minor children residing in licensed settings and informing consumers of medical diagnosis.
- Action Steps:
 - Continue to conduct two Ethics Committee meetings per year, provide annual Ethics training and solicit topics for discussion that the Ethics Committee meetings, and revise policies and procedures related to the outcome of the Ethics Committee meetings, as appropriate.

Financial:

- Action Steps:
 - Continue to complete the Risk Assessment Tool to monitor the performance of the direct operated and contracted service provider organizations.
 - Removed the Michigan Employment First Initiative for outcomes based contracts with the vocational providers.
 - Added BABHA is ending most cost settled contracts.
 - Continue to assess positions as they become vacant to consolidate functions if at all feasible to reduce costs.

Personnel Qualifications and Training:

- Updated year performance evaluations were conducted.
- Action Step:
 - Continue to evaluate employees in accordance to the performance management system and identify areas of risk or deficiency and opportunity to address through training. Supervisors will continue to make use of reports available to them to monitor staff. Continue to monitor exclusions and debarment.

Media Relations and Social Media:

- Updated staff are prohibited from using social media for business related purposes w/o prior approval.
- Added the IS Department and Clinical Leadership manage social media platforms used for delivery of services through telehealth applications.
- Action Steps:
 - Continue training on privacy with regard to social media and monitoring of postings.

Security and Technology:

- Added the BABHA end of life phone system has been replaced.
- Action Steps:
 - Completed Microsoft licensing upgrades for better remote management of devices to provide better security.
 - Continue end user education on security threats utilizing phishing campaigns and creating and implementing individual trainings for repeat clickers.
 - Continue to monitor and make recommendations to SLT and the Board on systems that are becoming end of life.

Infection Control:

- Action Steps:
 - Continue the Health Care Practices Committee will monitor infections on a quarterly basis.
 - Continue the Nursing Manager will review annual data and designate a goal for the upcoming year based on the data of the previous year.
 - Continue to have the Nursing Manager collaborating with the CDC and MDHHS on emerging health issues and communicates to BABHA staff.

Review of Insurance:

- Added MMRMA added network security loss and extortion to the BABHA liability policy.
- Action Steps:
 - Continue to evaluate and renew the general liability coverage options through MMRMA, Workers Compensation coverage, Physician Malpractice coverage for the Medical Director and contractual Physician and Nurse Practitioner and crime bond coverage.

Management of Risk in the Contracted Service Provider Network:

- Deleted review of completion of a crisis plan from the BABHA quarterly reviews of contracted service providers.
- Action Steps:
 - Continue the Quality and Compliance Coordinator conducting quarterly performance improvement reviews of contract service providers as well as bi-annual MEV reviews.
 - Continue annual site reviews will be completed for designated contract service providers with an abbreviated review of the standards.
 - Added provide education and training to CLS providers and staff on compliance standards from MDHHS and ensure EVV is being used as required.
 - Added develop a monitoring process to ensure MDHHS compliance standards for EVV are being met.

Mitigation, Remediation and Monitoring of Effectiveness of Risk Management Plan:

- No changes

Safety Committee Statement of Purpose:

- Removed Wirt location.

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY

POLICIES AND PROCEDURES MANUAL

Chapter: 04	Care and Treatment Services		
Section: 05	Person Centered Planning		
Topic: 08	Home and Community Based Services (HCBS) Compliance		
Page: 1 of 1	Supersedes Date: Pol: Proc:	Approval Date: Pol: 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: 12/2/2025. 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 ensure compliance with Home and Community Based Services (HCBS) Program Rule federal and state regulations.

Purpose:

BABHA will ensure that internal services and contractual providers of HCBS, including residential and nonresidential home and community-based services are compliant with Federal HCBS Final Rule and Person Centered Planning.

Education Applies to:

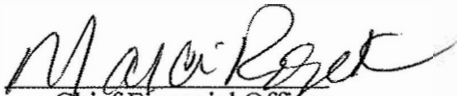
- ☒ All BABHA Staff
☐ Selected BABHA Staff, as follows:
☒ All Contracted Providers: ☐ Policy Only ☒ Policy and Procedure
☐ Selected Contracted Providers, as follows:
 ☐ Policy Only ☐ Policy and Procedure
☐ Other:

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	SLT	9/23/25	New	To comply with HCBS Final Rule.

**Bay-Arenac Behavioral Health
Financial Statements
For Period Ending 11/30/2025**

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	
1 ASSETS	Nov 30, 2025	Sept 30, 2025	
2 <u>Current Assets</u>			
3 Cash and cash equivalents	\$7,475,325.29	\$4,975,087.02	
4 Consumer and insurance receivables	194,156.41	272,154.89	
5 Due from other governmental units	3,408,154.93	6,315,079.67	
6 Contract and other receivables	327,967.42	204,140.19	
7 Interest receivable	0.00	0.00	
8 Prepaid items	548,650.81	765,972.93	
9 Total Current Assets	11,954,254.86	12,532,434.70	(3+4+5+6+7+8)
10 <u>Noncurrent Assets</u>			
11 <u>Cash and cash Equivalents - restricted</u>			
12 Restricted for compensated absences	1,537,711.31	1,534,594.77	
13 Restricted temporarily - other	96,444.85	96,790.49	
14 Cash and Cash Equivalents - restricted	1,634,156.16	1,631,385.26	(12+13)
15 <u>Capital Assets</u>			
16 Capital assets - land	424,500.00	424,500.00	
17 Capital assets - depreciable, net	6,187,938.44	6,176,859.27	
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	(613,824.99)	(613,824.99)	
21 Accumulated depreciation	(4,088,175.76)	(4,067,067.78)	
22 Capital Asset, net	4,183,257.16	4,193,285.97	(16+17+18+19+20+21)
23 Total Noncurrent Assets	5,817,413.32	5,824,671.23	(14+22)
24 TOTAL ASSETS	17,771,668.18	18,357,105.93	(9+23)
25 LIABILITIES			
26 <u>Current Liabilities</u>			
27 Accounts payable	0.00	0.00	
28 Accrued wages and payroll related liabilities	608,265.59	330,132.06	
29 Other accrued liabilities	3,713,600.47	4,448,612.56	
30 Due to other governmental units	191,453.11	218,086.00	
31 Deferred Revenue	3,948.13	3,948.13	
32 Current portion of long term debt	17,280.78	16,738.31	
33 Other current liabilities	-	-	
34 Total Current Liabilities	4,534,548.08	5,017,517.06	(27+28+29+30+31+32+33)
35 <u>Noncurrent Liabilities</u>			
36 Long term debt, net of current portion	209,989.46	213,396.67	
37 GASB 87 Noncurrent Lease Liability	1,502,277.10	1,502,277.10	
38 Compensated absences	1,259,419.88	1,336,800.52	
39 Total Noncurrent Liabilities	2,971,686.44	3,052,474.29	(36+37+38)
40 TOTAL LIABILITIES	7,506,234.52	8,069,991.35	(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	3,258,465.99	3,258,465.99	
45 Unrestricted fund balance	3,040,314.67	3,061,995.59	
46 Total Net Assets	\$10,265,433.66	\$10,287,114.58	(43+44+45) and (24-40)

Bay Arenac Behavioral Health
For the Month Ending November 30, 2025
Summary of All Units

Column Identifiers						
A	B	C	D	E	F	G
	November Actual	2026 YTD Actual	2026 YTD Budget	(C-D) Variance	(C / D) % to Budget	2026 Monthly Budget
Income Statement						
REVENUE						
Risk Contract Revenue						
Medicaid Specialty Supports & Services	4,371,979.03	8,751,223.48	9,579,936.00	(828,712.52)	91%	4,789,968.00
Medicaid Autism	1,379,014.79	2,507,792.62	1,934,481.50	573,311.12	130%	967,240.75
State Genl Fund Priority Population	135,504.00	271,009.00	271,009.00	0.00	100%	135,504.50
GF Shared Savings Lapse	0.00	0.00	0.00	0.00	0%	0.00
Total Risk Contract Revenue	5,886,497.82	11,530,025.10	11,785,426.50	(255,401.40)	98%	5,892,713.25 (3+4+5+6)
Program Service Revenue						
Medicaid, CWP FFS	0.00	0.00	0.00	0.00	0%	0.00
Other Fee For Service	25,222.34	60,793.75	65,022.33	(4,228.58)	93%	32,511.17
Total Program Service Revenue	25,222.34	60,793.75	65,022.33	(4,228.58)	93%	32,511.17 (9+10)
Other Revenue						
Grants and Earned Contracts	130,112.53	288,254.77	306,163.33	(17,908.56)	94%	153,081.67
SSI Reimbursements, 1st/3rd Party	5,402.50	10,805.00	12,304.00	(1,499.00)	88%	6,152.00
County Appropriation	65,587.83	131,175.66	131,175.75	(0.09)	100%	65,587.87
Interest Income - Working Capital	13,615.21	28,545.17	43,966.17	(15,421.00)	65%	21,983.08
Other Local Income	700.00	3,309.51	75,002.67	(71,693.16)	4%	37,501.33
Total Other Revenue	215,418.07	462,090.11	568,611.92	(106,621.81)	81%	284,305.96 (13+14+15+16+17)
TOTAL REVENUE	6,127,138.23	12,052,908.96	12,419,060.75	(366,151.79)	97%	6,209,530.37 (7+11+18)
EXPENSE						
SUPPORTS & SERVICES						
Provider Claims						
State Facility - Local portion	11,466.00	24,534.81	25,754.00	1,219.19	95%	12,877.00
Community Hospital	622,720.69	1,060,326.20	1,277,555.33	217,229.13	83%	638,777.67
Residential Services	1,467,115.46	2,696,006.76	2,454,014.83	(241,991.93)	110%	1,227,007.42
Community Supports	2,236,117.38	4,542,061.95	4,526,790.67	(15,271.28)	100%	2,263,395.33
Total Provider Claims	4,337,419.53	8,322,929.72	8,284,114.83	(38,814.89)	100%	4,142,057.42 (23+24+25+26)
Operating Expenses						
Salaries	1,101,407.48	2,315,042.25	2,469,636.00	154,593.75	94%	1,234,818.00
Fringe Benefits	387,211.08	765,855.35	811,820.83	45,965.48	94%	405,910.42
Consumer Related	1,191.25	8,941.25	4,125.33	(4,815.92)	217%	2,062.67
Program Operations	168,988.07	294,609.83	275,725.57	(18,884.26)	107%	137,862.79
Facility Cost	39,672.88	85,059.94	86,643.67	1,583.73	98%	43,321.83
Purchased Services	505.75	785.75	3,729.67	2,943.92	21%	1,864.83
Other Operating Expense	103,555.05	223,246.63	308,737.51	85,490.88	72%	154,368.75
Local Funds Contribution	17,906.00	35,812.00	35,811.17	(0.83)	100%	17,905.58
Interest Expense	578.22	1,199.18	1,281.67	82.49	94%	640.83
Depreciation	10,553.99	21,107.98	26,720.67	5,612.69	79%	13,360.33
Total Operating Expenses	1,831,569.77	3,751,660.16	4,024,232.08	272,571.92	93%	2,012,116.04 (29+30+31+32+33+34+35+36+37+38)
TOTAL EXPENSES	6,168,989.30	12,074,589.88	12,308,346.92	233,757.04	98%	6,154,173.46 (27+39)
NET SURPLUS/(DEFICIT)	(41,851.07)	(21,680.92)	110,713.83	(132,394.75)	-20%	55,356.92 (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): (\$1,776,754)						
Medicaid shortage: (\$457,299)						
Healthy Michigan (shortage): (\$312,343)						
Autism (shortage): (\$1,007,112)						
BASED ON APPROVED BUDGET:						
Net Medicaid shortage: (\$259,716)						
Medicaid (surplus): \$114,620						
Healthy Michigan (surplus): \$134,694						
Autism (shortage): (\$509,030)						

**BAY-ARENAC BEHAVIORAL HEALTH
RECONCILIATION OF FUND BALANCE
AS OF NOVEMBER 30, 2025**

	TOTALS
Fund Balance 09/30/2025	10,287,114.58
Net (loss)/income November 2025	(21,680.92)
Net Increase/(Decrease) Funds Restricted for Capital Purposes	<u>-</u>
Calculated Fund Balance 11/30/2025	10,265,433.66
Statement of Net Assets Fund Balance 11/30/2025	10,265,433.66
Difference	-

**BAY-ARENAC BEHAVIORAL HEALTH
RECONCILIATION OF UNRESTRICTED FUND BALANCE
AS OF NOVEMBER 30, 2025**

	<u>TOTALS</u>
Unrestricted Fund Balance 9/30/2025	6,320,461.58
Net (loss)/income November 2025	(21,680.92)
Increase/Decrease in net assets	<u>-</u>
Calculated Unrestricted Fund Balance 11/30/2025	6,298,780.66
Statement of Net Assets Unrestricted Fund Balance 11/30/2025	6,298,780.66
Difference	-

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

	Sept. 30, 2025 <u>Unrestricted Fund Balance</u>	Nov 30, 2025 <u>Permanently Restricted</u>	Nov 30, 2025 <u>Temporarily Restricted</u>	Nov 30, 2025 <u>Unrestricted/ Reserved</u>	Nov 30, 2025 <u>Total Fund Balance</u>
Unrestricted	3,061,996	-	-	3,040,315	3,040,315
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>3,258,466</u>	<u>-</u>	<u>-</u>	<u>3,258,466</u>	<u>3,258,466</u>
Balances	10,287,115	-	-	10,265,434	10,265,434

BAY-ARENAC BEHAVIORAL HEALTH
Cash Flow

	<u>Dec 25</u>	<u>Jan 26</u>	<u>Feb 26</u>	<u>Mar 26</u>	<u>Apr 26</u>	<u>May 26</u>	<u>Jun 26</u>	<u>Jul 26</u>	<u>Aug 26</u>	<u>Sep 26</u>	<u>Oct 26</u>	<u>Nov 26</u>
Estimated Funds:												
Beginning Inv. Balance	-	-	-	-	-	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-	-	-	-	-	-
Additions/(Subtractions)	-	-	-	-	-	-	-	-	-	-	-	-
Month End Inv. Balance	-	-	-	-	-	-	-	-	-	-	-	-
Beginning Cash Balance	8,431,919	7,481,116	5,669,171	5,496,841	4,619,369	3,625,754	2,178,424	1,300,952	307,338	1,860,008	982,536	(11,078)
Total Medicaid	4,990,288	4,990,288	4,990,288	4,990,288	4,990,288	4,990,288	4,990,288	4,990,288	4,990,288	4,990,288	4,990,288	4,990,288
Total General Fund	135,505	135,504	135,506	135,505	135,504	135,506	135,505	135,504	135,505	135,505	135,504	135,505
Estimated Misc. Receipts	205,900	89,759	89,759	205,900	89,759	205,900	89,759	205,900	89,759	205,900	89,759	128,473
Client Receipts	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	11,859	11,859	11,859	11,859	11,859	11,859	11,859	11,859	11,859	11,859	11,859	11,859
Total Estimated Cash	13,830,471	12,763,525	10,951,581	10,895,392	9,901,778	8,908,165	7,576,976	6,583,362	5,589,749	7,258,560	6,264,945	5,310,046
Total Estimated Available Funds	13,830,471	12,763,525	10,951,581	10,895,392	9,901,778	8,908,165	7,576,976	6,583,362	5,589,749	7,258,560	6,264,945	5,310,046
Estimated Expenditures:												
1st Payroll	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	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	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	205,000	550,000										
1st Friday Claims	767,381	767,381	767,381	767,381	767,381	767,381	767,381	767,381	767,381	767,381	767,381	767,381
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
2nd Friday Claims	1,382,266	1,382,266	1,382,266	1,382,266	1,382,266	1,382,266	1,382,266	1,382,266	1,382,266	1,382,266	1,382,266	1,382,266
Board Week Bay Batch	892,320	892,320	1,023,989	1,023,989	1,023,989	1,023,989	1,023,989	1,023,989	1,023,989	1,023,989	1,023,989	1,023,989
Board Week Claims	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	1,022,013	1,022,013	1,022,013	1,022,013	1,022,013	1,022,013	1,022,013	1,022,013	1,022,013	1,022,013	1,022,013	1,022,013
5th Friday Claims		400,000				400,000			400,000			400,000
Local FFP payment to MSHN			53,717			53,717			53,717			53,717
Transfer to State of MI												
Transfer from/(to) Reserve Account												
Settlement with MSHN												
Funds from MSHN			(875,000)						(3,000,000)			(3,000,000)
Transfer to (from) HRA												
Transfer to (from) Investment												
Transfer to (from) Capital Acct												
Total Estimated Expenditures	6,349,355	7,094,355	5,454,741	6,276,024	6,276,024	6,729,741	6,276,024	6,276,024	3,729,741	6,276,024	6,276,024	3,729,741
Estimated Month End Cash Balance	7,481,116	5,669,171	5,496,841	4,619,369	3,625,754	2,178,424	1,300,952	307,338	1,860,008	982,536	(11,078)	1,580,305

Bay-Arenac Behavioral Health

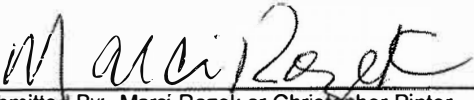
Cash Flow Forecasting For the Month of December

	<u>Bank Balance</u>	<u>Investment Balance</u>
Estimated Cash Balance December 1, 2025	8,431,919	-
Investment Purchased/Interest	-	-
Investments coming due during month	-	-
Estimated Cash Balance December 31, 2025	8,431,919	-
 Estimated Cash Inflow:		
Medicaid Funds:	4,990,288	
General Fund Dollars:	135,505	
Board Receipts:	205,900	
Client Receipts:	55,000	
Funds from Investment:	-	
Interest:	11,859	
Total Estimated Cash Inflow:	5,398,552	
 Estimated Cash Outflow:		
Payroll Dated: 12/05/25	(550,000)	
Payroll Dated: 12/19/25	(550,000)	
Board Per Diem Payroll: 12/19/25	(3,343)	
Payroll Dated (ETO Buy): 12/19/25	(205,000)	
 Claims Disbursements: 12/05/25	(767,381)	
Claims Disbursements: 12/12/25	(1,382,266)	
Claims Disbursements: 12/19/25	(975,000)	
A/P Disbursements: 12/19/25	(892,320)	
Mortgage Payment: 12/22/25	(2,032)	
Claims Disbursements: 12/26/25	(1,022,013)	
Claims Disbursements:	-	
Local FFP Payment:	-	
Transfer to Reserve Acct:	-	
HRA transfer:	-	
Transfer to(from) MSHN:	-	
Transfer to State of MI	-	
Purchased Investment	-	
Total Estimated Cash Outflow:	(6,349,355)	
 Estimated Cash Balance on December 31, 2025	7,481,116	-

Bay Arenac Behavioral Health
201 Mulholland, Bay City, MI 48708
Electronic Funds Transfers including Cash Transfers/Wires/ACHs
November 2026

<u>Funds Paid from/ Transferred from:</u>	<u>Funds Paid to/ Transferred to:</u>	<u>Amount</u>	<u>Date of Payment</u>	<u>Description</u>	<u>Authorized By</u>
Flagstar Bank	Flagstar Bank	19,602.97	11/5/2025	Credit Card Payment	Marci Rozek
Flagstar Bank	Flagstar Bank	560,000.00	11/5/2025	Transfer from MMKT Account to General Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	3,953.40	11/6/2025	Transfer from General Account to Flex Spending Account	Marci Rozek
Flagstar Bank	Flagstar Bank	140,000.00	11/6/2025	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	543,461.53	11/6/2025	Transfer from General Account to Payroll Account	Marci Rozek
Flagstar Bank	Flagstar Bank	674,223.47	11/6/2025	Transfer Gross Amt of Accts Payable to Payable Acct	Marci Rozek
Flagstar Bank	Flagstar Bank	10,000.00	11/10/2025	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	10,000.00	11/13/2025	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	1,674,684.22	11/13/2025	Transfer Gross Amt of Accts Payable to Payable Acct	Marci Rozek
Flagstar Bank	Flagstar Bank	905,000.00	11/14/2025	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	555,000.00	11/19/2025	Transfer from MMKT Account to General Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	560,000.00	11/20/2025	Transfer from General Account to Payroll Account	Marci Rozek
Flagstar Bank	Flagstar Bank	1,861,772.65	11/20/2025	Transfer Gross Amt of Accts Payable to Payable Acct	Marci Rozek
Flagstar Bank	Flagstar Bank	4,730,000.00	11/21/2025	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	3,953.40	11/24/2025	Transfer from General Account to Flex Spending Account	Marci Rozek
Flagstar Bank	Flagstar Bank	20,000.00	11/24/2025	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Huntington Nat'l Bank	2,031.96	11/24/2025	Transfer from General Acct for Mortgage payment	Marci Rozek
Flagstar Bank	Flagstar Bank	3,645,000.00	11/28/2025	Transfer from General Account to MMKT Account	Marci Rozek
Flagstar Bank	Flagstar Bank	1,007,867.24	11/28/2025	Transfer Gross Amt of Accts Payable to Payable Acct	Marci Rozek

Total Transfers: 16,926,550.84


 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
November 2026

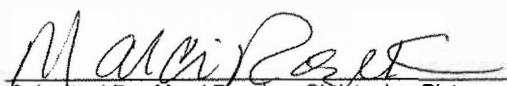
<u>Funds Paid from:</u>	<u>EFT #</u>	<u>Funds Paid to:</u>	<u>Amount</u>	<u>Date of Pmt</u>	<u>Authorized By</u>
Flagstar Bank	E9042	HAVENWYCK HOSPITAL	5,641.26	11/7/2025	Marci Rozek
Flagstar Bank	E9043	LIBERTY LIVING, INC.	33,304.83	11/7/2025	Marci Rozek
Flagstar Bank	E9044	Closer to Home, LLC	19,315.79	11/7/2025	Marci Rozek
Flagstar Bank	E9045	NORTH SHORES CENTER LLC	441.40	11/7/2025	Marci Rozek
Flagstar Bank	E9046	PHC OF MICHIGAN - HARBOR OAKS	27,280.00	11/7/2025	Marci Rozek
Flagstar Bank	E9047	MPA GROUP NFP, Ltd.	31,252.09	11/7/2025	Marci Rozek
Flagstar Bank	E9048	LIST PSYCHOLOGICAL SERVICES	5,797.24	11/7/2025	Marci Rozek
Flagstar Bank	E9049	SAGINAW PSYCHOLOGICAL SERVICES	33,915.82	11/7/2025	Marci Rozek
Flagstar Bank	E9050	PARAMOUNT REHABILITATION	4,041.68	11/7/2025	Marci Rozek
Flagstar Bank	E9051	ARENAC OPPORTUNITIES, INC	8,272.50	11/7/2025	Marci Rozek
Flagstar Bank	E9052	DO-ALL, INC.	6,001.70	11/7/2025	Marci Rozek
Flagstar Bank	E9053	TOUCHSTONE SERVICES, INC	8,147.25	11/7/2025	Marci Rozek
Flagstar Bank	E9054	Winningham, Linda Jo	866.00	11/7/2025	Marci Rozek
Flagstar Bank	E9055	Nutrition for Wellness	187.50	11/7/2025	Marci Rozek
Flagstar Bank	E9056	WILSON, STUART T. CPA, P.C.	73,582.82	11/7/2025	Marci Rozek
Flagstar Bank	E9057	CAREBUILDERS AT HOME, LLC	30,488.88	11/7/2025	Marci Rozek
Flagstar Bank	E9058	AUTISM SYSTEMS LLC	6,445.00	11/7/2025	Marci Rozek
Flagstar Bank	E9059	CENTRIA HEALTHCARE LLC	394.52	11/7/2025	Marci Rozek
Flagstar Bank	E9060	Flourish Services, LLL	50,200.86	11/7/2025	Marci Rozek
Flagstar Bank	E9061	GAME CHANGER PEDIATRIC THERAPY	29,516.74	11/7/2025	Marci Rozek
Flagstar Bank	E9062	Spectrum Autism Center	30,516.00	11/7/2025	Marci Rozek
Flagstar Bank	E9063	ENCOMPASS THERAPY CENTER LLC	120,649.70	11/7/2025	Marci Rozek
Flagstar Bank	E9064	MERCY PLUS HEALTHCARE SERVICES LLC	43,683.37	11/7/2025	Marci Rozek
Flagstar Bank	E9065	NOBLE PATHWAY PEDIATRIC THERAPY	7,995.00	11/7/2025	Marci Rozek
Flagstar Bank	E9066	HEALING WITH HEART	200.00	11/7/2025	Marci Rozek
Flagstar Bank	E9067	APS EMPLOYMENT SERVICES, INC	5,235.70	11/7/2025	Marci Rozek
Flagstar Bank	E9068	PARAMOUNT CHILDRENS THERAPY CENTER IN	20,218.50	11/7/2025	Marci Rozek
Flagstar Bank	E9069	Clean Team, Inc.	538.00	11/7/2025	Marci Rozek
Flagstar Bank	E9070	EYE MED	2,131.89	11/7/2025	Marci Rozek
Flagstar Bank	E9071	SHRED EXPERTS LLC	356.00	11/7/2025	Marci Rozek
Flagstar Bank	E9072	AUGRES CARE CENTER, INC	3,842.14	11/14/2025	Marci Rozek
Flagstar Bank	E9073	HAVENWYCK HOSPITAL	35,727.98	11/14/2025	Marci Rozek
Flagstar Bank	E9074	HOPE NETWORK BEHAVIORAL HEALTH	39,147.99	11/14/2025	Marci Rozek
Flagstar Bank	E9075	Hope Network Southeast	130,244.95	11/14/2025	Marci Rozek
Flagstar Bank	E9076	BEACON SPECIALIZED LIVING SVS	9,610.00	11/14/2025	Marci Rozek
Flagstar Bank	E9077	Fitzhugh House, LLC	11,724.93	11/14/2025	Marci Rozek
Flagstar Bank	E9078	Bay Human Services, Inc.	244,390.57	11/14/2025	Marci Rozek
Flagstar Bank	E9079	MICHIGAN COMMUNITY SERVICES IN	223,057.50	11/14/2025	Marci Rozek
Flagstar Bank	E9080	CENTRAL STATE COMM. SERVICES	23,262.51	11/14/2025	Marci Rozek
Flagstar Bank	E9081	VALLEY RESIDENTIAL SERVICES	122,514.17	11/14/2025	Marci Rozek
Flagstar Bank	E9082	LIBERTY LIVING, INC.	33,169.23	11/14/2025	Marci Rozek
Flagstar Bank	E9083	SUPERIOR CARE OF MICHIGAN LLC	8,574.60	11/14/2025	Marci Rozek
Flagstar Bank	E9084	HEALTHSOURCE	90,536.40	11/14/2025	Marci Rozek
Flagstar Bank	E9085	PHC OF MICHIGAN - HARBOR OAKS	7,040.00	11/14/2025	Marci Rozek
Flagstar Bank	E9086	MPA GROUP NFP, Ltd.	26,414.00	11/14/2025	Marci Rozek
Flagstar Bank	E9087	LIST PSYCHOLOGICAL SERVICES	1,844.87	11/14/2025	Marci Rozek
Flagstar Bank	E9088	SAGINAW PSYCHOLOGICAL SERVICES	28,092.94	11/14/2025	Marci Rozek
Flagstar Bank	E9089	PARAMOUNT REHABILITATION	4,518.16	11/14/2025	Marci Rozek
Flagstar Bank	E9090	ARENAC OPPORTUNITIES, INC	7,435.50	11/14/2025	Marci Rozek
Flagstar Bank	E9091	DO-ALL, INC.	7,286.41	11/14/2025	Marci Rozek
Flagstar Bank	E9092	New Dimensions	16,563.82	11/14/2025	Marci Rozek
Flagstar Bank	E9093	TOUCHSTONE SERVICES, INC	9,186.51	11/14/2025	Marci Rozek
Flagstar Bank	E9094	Winningham, Linda Jo	1,156.00	11/14/2025	Marci Rozek
Flagstar Bank	E9095	Nutrition for Wellness	595.00	11/14/2025	Marci Rozek
Flagstar Bank	E9096	WILSON, STUART T. CPA, P.C.	57,204.08	11/14/2025	Marci Rozek
Flagstar Bank	E9097	CAREBUILDERS AT HOME, LLC	16,869.15	11/14/2025	Marci Rozek
Flagstar Bank	E9098	AUTISM SYSTEMS LLC	4,602.00	11/14/2025	Marci Rozek
Flagstar Bank	E9099	CENTRIA HEALTHCARE LLC	33,444.00	11/14/2025	Marci Rozek
Flagstar Bank	E9100	GAME CHANGER PEDIATRIC THERAPY	46,526.60	11/14/2025	Marci Rozek
Flagstar Bank	E9101	Spectrum Autism Center	26,283.00	11/14/2025	Marci Rozek
Flagstar Bank	E9102	ENCOMPASS THERAPY CENTER LLC	3,628.50	11/14/2025	Marci Rozek
Flagstar Bank	E9103	MERCY PLUS HEALTHCARE SERVICES LLC	46,915.80	11/14/2025	Marci Rozek
Flagstar Bank	E9104	Positive Behavior Supports Corporation	3,002.50	11/14/2025	Marci Rozek
Flagstar Bank	E9105	WESTWOOD SPECIALIZED RESIDENTIAL	35,890.56	11/14/2025	Marci Rozek
Flagstar Bank	E9106	MAXIM HEALTHCARE SEVICES, INC.	15,427.20	11/14/2025	Marci Rozek
Flagstar Bank	E9107	APS EMPLOYMENT SERVICES, INC	5,063.00	11/14/2025	Marci Rozek

Flagstar Bank	E9108	MONTCLAIR SPECIALIZED RESIDENTIAL LLC	35,890.56	11/14/2025	Marci Rozek
Flagstar Bank	E9109	PARAMOUNT CHILDRENS THERAPY CENTER IN	18,888.00	11/14/2025	Marci Rozek
Flagstar Bank	E9110	MID-STATE HEALTH NETWORK	53,717.00	11/14/2025	Marci Rozek
Flagstar Bank	E9111	ENTERPRISE FM TRUST	7,312.76	11/14/2025	Marci Rozek
Flagstar Bank	E9112	GORDON FOOD SERVICE	74.42	11/14/2025	Marci Rozek
Flagstar Bank	E9113	SAGINAW PSYCHOLOGICAL SERVICES	341.00	11/21/2025	Marci Rozek
Flagstar Bank	E9114	ARENAC OPPORTUNITIES, INC	2,672.63	11/21/2025	Marci Rozek
Flagstar Bank	E9115	DO-ALL, INC.	30,395.93	11/21/2025	Marci Rozek
Flagstar Bank	E9116	New Dimensions	6,177.47	11/21/2025	Marci Rozek
Flagstar Bank	E9117	BAY CITY CRU	98,458.00	11/21/2025	Marci Rozek
Flagstar Bank	E9118	A2Z CLEANING & RESTORATION INC.	3,092.00	11/21/2025	Marci Rozek
Flagstar Bank	E9119	Applied Innovation	164.08	11/21/2025	Marci Rozek
Flagstar Bank	E9120	Bromberg & Associates, LLC	50.00	11/21/2025	Marci Rozek
Flagstar Bank	E9121	Clean Team, Inc.	1,950.00	11/21/2025	Marci Rozek
Flagstar Bank	E9122	DELPHIA CONSULTING, LLC	1,440.00	11/21/2025	Marci Rozek
Flagstar Bank	E9123	ERGOMED PRODUCTS, INC.	387.00	11/21/2025	Marci Rozek
Flagstar Bank	E9124	FLEX ADMINISTRATORS INC	421.30	11/21/2025	Marci Rozek
Flagstar Bank	E9125	GoTo Technologies USA, Inc.	110.64	11/21/2025	Marci Rozek
Flagstar Bank	E9126	HAMPTON AUTO REPAIR	1,087.20	11/21/2025	Marci Rozek
Flagstar Bank	E9127	HOSPITAL PSYCHIATRY PLLC	42,000.00	11/21/2025	Marci Rozek
Flagstar Bank	E9128	Iris Telehealth Medical Group, PA	77,462.00	11/21/2025	Marci Rozek
Flagstar Bank	E9129	J.E. JOHNSON CONTRACTING, INC.	850.00	11/21/2025	Marci Rozek
Flagstar Bank	E9130	KING COMMUNICATIONS	211.80	11/21/2025	Marci Rozek
Flagstar Bank	E9131	LIBERTY LIVING, INC.	2,161.00	11/21/2025	Marci Rozek
Flagstar Bank	E9132	MICHIGAN MEDICAL AND REHABILITATION SUPP	596.28	11/21/2025	Marci Rozek
Flagstar Bank	E9133	MOVVA, USHA	17,300.00	11/21/2025	Marci Rozek
Flagstar Bank	E9134	NETSOURCE ONE, INC.	4,568.13	11/21/2025	Marci Rozek
Flagstar Bank	E9135	New Dimensions, Inc.	1,075.00	11/21/2025	Marci Rozek
Flagstar Bank	E9136	PETER CHANG ENTERPRISES, INC.	23,350.13	11/21/2025	Marci Rozek
Flagstar Bank	E9137	PRO-SCAPE, INC.	210.24	11/21/2025	Marci Rozek
Flagstar Bank	E9138	SHRED EXPERTS LLC	674.50	11/21/2025	Marci Rozek
Flagstar Bank	E9139	STATE OF MICHIGAN DEPT OF COMM HEALTH A	7,728.89	11/21/2025	Marci Rozek
Flagstar Bank	E9140	TELNET WORLDWIDE, INC.	1,753.12	11/21/2025	Marci Rozek
Flagstar Bank	E9141	UNITED PARCEL SERVICE	32.93	11/21/2025	Marci Rozek
Flagstar Bank	E9142	V.O.I.C.E., INC.	651.80	11/21/2025	Marci Rozek
Flagstar Bank	E9143	Waystar Health - ZirMed, Inc.	221.95	11/21/2025	Marci Rozek
Flagstar Bank	E9144	Back, Irina	137.20	11/21/2025	Marci Rozek
Flagstar Bank	E9145	BICKEL, MEREDITH	108.50	11/21/2025	Marci Rozek
Flagstar Bank	E9146	BYRNE, RICHARD	204.40	11/21/2025	Marci Rozek
Flagstar Bank	E9147	Deshano, Jennifer	136.50	11/21/2025	Marci Rozek
Flagstar Bank	E9148	FARLEY, TRACEY	121.38	11/21/2025	Marci Rozek
Flagstar Bank	E9149	FOLSOM, AMY K	54.60	11/21/2025	Marci Rozek
Flagstar Bank	E9150	VIAN, SUSAN	342.73	11/21/2025	Marci Rozek
Flagstar Bank	E9151	HECHT, KERENSA	57.40	11/21/2025	Marci Rozek
Flagstar Bank	E9152	HEWTTY, MARIA	214.06	11/21/2025	Marci Rozek
Flagstar Bank	E9153	HEWTTY, EDDIE	15.00	11/21/2025	Marci Rozek
Flagstar Bank	E9154	HOLSINGER, SARAH	50.00	11/21/2025	Marci Rozek
Flagstar Bank	E9155	KING, SHELLEY	246.30	11/21/2025	Marci Rozek
Flagstar Bank	E9156	LUPCKE, TRACI	65.80	11/21/2025	Marci Rozek
Flagstar Bank	E9157	Niemiec, Kathleen	327.20	11/21/2025	Marci Rozek
Flagstar Bank	E9158	NIX, HEATHER	21.70	11/21/2025	Marci Rozek
Flagstar Bank	E9159	O'BRIEN, CAROLE	286.30	11/21/2025	Marci Rozek
Flagstar Bank	E9160	Rechsteiner, Elise	18.20	11/21/2025	Marci Rozek
Flagstar Bank	E9161	RICKER, AMY	251.30	11/21/2025	Marci Rozek
Flagstar Bank	E9162	AMBER, ROYCE	20.41	11/21/2025	Marci Rozek
Flagstar Bank	E9163	KOKALY, KAITLYN	120.00	11/21/2025	Marci Rozek
Flagstar Bank	E9164	Schneider, Maryssa	407.61	11/21/2025	Marci Rozek
Flagstar Bank	E9165	Schumacher, Pamela	38.64	11/21/2025	Marci Rozek
Flagstar Bank	E9166	STONE, JENNIFER	196.00	11/21/2025	Marci Rozek
Flagstar Bank	E9167	Tenney, Ben	137.20	11/21/2025	Marci Rozek
Flagstar Bank	E9168	VanWert, Laurie	101.90	11/21/2025	Marci Rozek
Flagstar Bank	E9169	VASCONCELOS, FLAVIA	388.43	11/21/2025	Marci Rozek
Flagstar Bank	E9170	WATSON, MELODY	274.40	11/21/2025	Marci Rozek
Flagstar Bank	E9171	WELLS, JORDAN	369.60	11/21/2025	Marci Rozek
Flagstar Bank	E9172	Fitzhugh House, LLC	11,336.49	11/21/2025	Marci Rozek
Flagstar Bank	E9173	Bay Human Services, Inc.	141,300.52	11/21/2025	Marci Rozek
Flagstar Bank	E9174	MICHIGAN COMMUNITY SERVICES IN	65,978.05	11/21/2025	Marci Rozek
Flagstar Bank	E9175	LIBERTY LIVING, INC.	33,468.19	11/21/2025	Marci Rozek
Flagstar Bank	E9176	HEALTHSOURCE	61,316.18	11/21/2025	Marci Rozek
Flagstar Bank	E9177	MPA GROUP NFP, Ltd.	39,827.56	11/21/2025	Marci Rozek
Flagstar Bank	E9178	LIST PSYCHOLOGICAL SERVICES	2,012.11	11/21/2025	Marci Rozek
Flagstar Bank	E9179	SAGINAW PSYCHOLOGICAL SERVICES	24,073.33	11/21/2025	Marci Rozek
Flagstar Bank	E9180	PARAMOUNT REHABILITATION	10,760.40	11/21/2025	Marci Rozek
Flagstar Bank	E9181	ARENAC OPPORTUNITIES, INC	7,860.00	11/21/2025	Marci Rozek
Flagstar Bank	E9182	DO-ALL, INC.	6,009.82	11/21/2025	Marci Rozek
Flagstar Bank	E9183	New Dimensions	9,817.26	11/21/2025	Marci Rozek

Flagstar Bank	E9184	TOUCHSTONE SERVICES, INC	9,192.50	11/21/2025	Marci Rozek
Flagstar Bank	E9185	Winningham, Linda Jo	591.00	11/21/2025	Marci Rozek
Flagstar Bank	E9186	Nutrition for Wellness	484.50	11/21/2025	Marci Rozek
Flagstar Bank	E9187	WILSON, STUART T. CPA, P.C.	93,310.59	11/21/2025	Marci Rozek
Flagstar Bank	E9188	CAREBUILDERS AT HOME, LLC	16,041.83	11/21/2025	Marci Rozek
Flagstar Bank	E9189	CENTRIA HEALTHCARE LLC	43,999.50	11/21/2025	Marci Rozek
Flagstar Bank	E9190	PERSONAL ASSISTANCE OPTIONS INC	9,061.25	11/21/2025	Marci Rozek
Flagstar Bank	E9191	Flourish Services, LLL	110,494.10	11/21/2025	Marci Rozek
Flagstar Bank	E9192	GAME CHANGER PEDIATRIC THERAPY	42,973.97	11/21/2025	Marci Rozek
Flagstar Bank	E9193	Spectrum Autism Center	22,555.50	11/21/2025	Marci Rozek
Flagstar Bank	E9194	ENCOMPASS THERAPY CENTER LLC	117,750.80	11/21/2025	Marci Rozek
Flagstar Bank	E9195	MERCY PLUS HEALTHCARE SERVICES LLC	20,785.30	11/21/2025	Marci Rozek
Flagstar Bank	E9196	HEALING WITH HEART	200.00	11/21/2025	Marci Rozek
Flagstar Bank	E9197	MAXIM HEALTHCARE SEVICES, INC.	675.84	11/21/2025	Marci Rozek
Flagstar Bank	E9198	APS EMPLOYMENT SERVICES, INC	4,953.28	11/21/2025	Marci Rozek
Flagstar Bank	E9199	Insight	740.80	11/21/2025	Marci Rozek
Flagstar Bank	E9200	Staples	3,480.35	11/21/2025	Marci Rozek
Flagstar Bank	E9201	CMH FOR CENTRAL MICHIGAN	668.40	11/28/2025	Marci Rozek
Flagstar Bank	E9202	HOPE NETWORK BEHAVIORAL HEALTH	21.75	11/28/2025	Marci Rozek
Flagstar Bank	E9203	BEACON SPECIALIZED LIVING SVS	390.00	11/28/2025	Marci Rozek
Flagstar Bank	E9204	Bay Human Services, Inc.	105,077.32	11/28/2025	Marci Rozek
Flagstar Bank	E9205	VALLEY RESIDENTIAL SERVICES	987.50	11/28/2025	Marci Rozek
Flagstar Bank	E9206	LIBERTY LIVING, INC.	33,317.62	11/28/2025	Marci Rozek
Flagstar Bank	E9207	HEALTHSOURCE	8,726.40	11/28/2025	Marci Rozek
Flagstar Bank	E9208	PHC OF MICHIGAN - HARBOR OAKS	7,040.00	11/28/2025	Marci Rozek
Flagstar Bank	E9209	MPA GROUP NFP, Ltd.	41,046.85	11/28/2025	Marci Rozek
Flagstar Bank	E9210	LIST PSYCHOLOGICAL SERVICES	468.51	11/28/2025	Marci Rozek
Flagstar Bank	E9211	SAGINAW PSYCHOLOGICAL SERVICES	29,880.28	11/28/2025	Marci Rozek
Flagstar Bank	E9212	ARENAC OPPORTUNITIES, INC	7,683.00	11/28/2025	Marci Rozek
Flagstar Bank	E9213	DO-ALL, INC.	5,617.70	11/28/2025	Marci Rozek
Flagstar Bank	E9214	New Dimensions	103.94	11/28/2025	Marci Rozek
Flagstar Bank	E9215	Nutrition for Wellness	916.00	11/28/2025	Marci Rozek
Flagstar Bank	E9216	WILSON, STUART T. CPA, P.C.	143,596.57	11/28/2025	Marci Rozek
Flagstar Bank	E9217	CAREBUILDERS AT HOME, LLC	5,476.29	11/28/2025	Marci Rozek
Flagstar Bank	E9218	CENTRIA HEALTHCARE LLC	60,714.00	11/28/2025	Marci Rozek
Flagstar Bank	E9219	PERSONAL ASSISTANCE OPTIONS INC	10,656.03	11/28/2025	Marci Rozek
Flagstar Bank	E9220	Flourish Services, LLL	40,430.94	11/28/2025	Marci Rozek
Flagstar Bank	E9221	GAME CHANGER PEDIATRIC THERAPY	45,587.08	11/28/2025	Marci Rozek
Flagstar Bank	E9222	Spectrum Autism Center	25,177.50	11/28/2025	Marci Rozek
Flagstar Bank	E9223	ENCOMPASS THERAPY CENTER LLC	115,076.25	11/28/2025	Marci Rozek
Flagstar Bank	E9224	MERCY PLUS HEALTHCARE SERVICES LLC	3,411.06	11/28/2025	Marci Rozek
Flagstar Bank	E9225	Positive Behavior Supports Corporation	5,630.66	11/28/2025	Marci Rozek
Flagstar Bank	E9226	AUTISM AND NEURODIVERSITY SERVICES LLC	640.00	11/28/2025	Marci Rozek
Flagstar Bank	E9227	APS EMPLOYMENT SERVICES, INC	4,143.68	11/28/2025	Marci Rozek
Flagstar Bank	E9228	PARAMOUNT CHILDRENS THERAPY CENTER IN	36,951.00	11/28/2025	Marci Rozek
Flagstar Bank	E9229	MID-STATE HEALTH NETWORK	23,358.38	11/28/2025	Marci Rozek
Flagstar Bank	E9230	NETSOURCE ONE, INC.	31,428.11	11/28/2025	Marci Rozek
Flagstar Bank	E9231	WEX BANK	4,573.25	11/28/2025	Marci Rozek

Total Withdrawals:

4,145,448.22



Submitted By: Marci Rozek or Christopher Pinter

Chief Financial Officer or Chief Executive Officer

December 15, 2025

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

The following is a summary of disbursements as presented

Administration and Services for Behavioral Health

11/21/25 Checks Sequence: #102073-102129, ACH E9113-E9171

Employee travel, conference	\$ 5,787.07
Purchase Order Invoices	\$ 4,721.15
Invoices for Routine Maintenance, purchase requisitions, & recurring	\$ 671,650.75

SUBTOTAL - Monthly Batch **\$ 682,158.97**

ITEMS FOR REVIEW:

EFT transfer - Credit Card 12/05/2025 **\$ 8,432.99**

Weekly Special Checks:

11/28/2025 Checks 102145-102151, E9229-E9231	\$ 97,540.72
12/05/2025 Checks 102158-102163, E9256-E9259	\$ 60,939.09
12/12/2025 Checks 102170-102176, E9299	\$ 17,971.15

SUBTOTAL - Special Checks **\$ 176,450.96**

Health Care payments

11/21/25 Checks 102130-102138, ACH Pmts E9172-E9199	\$ 1,180,225.08
11/28/25 Checks 102139-102144, ACH Pmts E9201-E9228	\$ 825,914.90
12/05/25 Checks 102152-102157, ACH Pmts E9232-E9255	\$ 763,524.00
12/12/25 Checks 102165-102169, ACH Pmts E9260-E9298	\$ 1,910,991.12

SUBTOTAL - Health Care Payments **\$ 4,680,655.10**

TOTAL DISBURSEMENTS **\$ 5,547,698.02**

Prepared by:



Reviewed by:



The Ensuring Excellence in Mental Health Act

NATIONAL
COUNCIL
for Mental
Wellbeing

BOTTOM LINE



Certified Community Behavioral Health Clinics (CCBHCs) are proven to improve access to high-quality mental health and substance use care. Making it possible for more communities to establish a CCBHC will ensure more people can access lifesaving care, including crisis care, when and where they need it.

THE ASK



Cosponsor and support passage of the Ensuring Excellence in Mental Health Act.

Passing this will build upon previous bipartisan congressional action and create the infrastructure required to sustain and expand access to CCBHCs nationwide. CCBHCs have enjoyed strong bipartisan support throughout multiple presidential administrations and congresses over the past decade. Most recently, level funding for CCBHC expansion grants was included in budget proposals for FY26.

WHY WE NEED THIS LEGISLATION

CCBHCs were established by Congress in 2014 and launched through a demonstration program in 2017, later expanded by two states in 2020. The 2022 Bipartisan Safer Communities Act expanded the demonstration program to add 10 new states every two years until 2032. Let's continue to build upon this momentum and set this innovative model up for the future to help more communities access high-quality mental health and substance use care.

The Ensuring Excellence in Mental Health Act would:

- **Establish CCBHCs under the Medicare program.** Establishing CCBHCs in Medicare will allow them comparable status and designated payment as other safety net health care providers. While CCBHCs serve Medicare beneficiaries, establishing designated payment for CCBHCs under Medicare will also improve workforce sustainability and foster the same outcome quality measures as demonstrated under CCBHCs in Medicaid.
- **Solidify PPS for CCBHCS in Medicaid.** The Consolidated Appropriations Act, 2024 (H.R.4366) codified a permanent CCBHC option for states under the Medicaid program. To ensure continued support for the CCBHC Medicaid option, now we need to codify the Prospective Payment System that goes along with this Medicaid definition so clinics can continue to perpetuate their successful outcomes.

- **Authorize CCBHC-Expansion grants** at a level that allows all current grantees to continue their efforts and ensures availability of technical assistance to help the grantee clinics succeed.
- **Create opportunities to better integrate physical and behavioral health care** by giving CCBHCs the option to offer additional primary care services within their Prospective Payment System (PPS).
- **Further enhance the strong accountability measures for CCBHCs** by establishing a national data infrastructure and repository, like the Federally Qualified Health Center Uniform Data System, that would expand the Substance Abuse and Mental Health Services Administration and Congress' ability to track program progress and outcomes.

CCBHCs are making a difference — Ensuring Excellence in Mental Health Act ensures they'll be able to continue doing so. Today, more than 500 CCBHCs across 48 states and territories (covering 40% of all U.S. counties) serve an estimated 3 million people nationwide. Key findings from across the U.S. include:¹

- **Improved access to services.** CCBHCs report a 33% increase in the number of individuals served.
 - 60% of CCBHCs report the number of individuals engaged in medication-assisted treatment (MAT) for opioid use disorder has increased since becoming a CCBHC.
 - Over 80% of CCBHCs have expanded programs to reach veterans and people experiencing homelessness.
- **Timely connection to care.** More than 80% of CCBHCs see clients for routine needs within 10 days of the initial call or referral, in contrast to the national average of 48 days.
 - CCBHCs decreased emergency room visits by 55%, reduced mental health care hospitalization by 55% and decreased homelessness measured in the previous 30 days by 31%.
- **Strengthened behavioral health workforce.** Through the PPS, CCBHCs have reported increased hiring, adding a median of 22 new positions per clinic.

<https://www.thenationalcouncil.org/program/ccbhc-success-center/ccbhc-overview/ccbhc-data-impact/>

“Actually, That’s Your Responsibility”: In State Mental Health Proposal, Counties See a Trap

The Oregon Health Authority, seeking to change the terms of a key partnership with county governments, continues to meet fierce resistance.

By [Andrew Schwartz](#)

November 19, 2025 4:55PM PST



Multnomah County’s Behavioral Health Resource Center. (Aaron Mesh)

Well over a year and a half into an effort to revamp the state’s “backbone” system for funding and delivering behavioral health care, counties are still balking at the Oregon Health Authority’s pitch.

Under Oregon’s fragmented mental health care system, the disputed arrangements, known as County Financial Assistance Agreements, have for decades been the primary way the OHA partners with counties to fund and organize services like case management, substance use disorder treatment, and problem-gambling programs—particularly when those services are not eligible for Medicaid dollars.

The state, which is seeking to finalize revamped agreements in a matter of weeks, describes its plan this way: It would make it easier for counties to shape their plans around regional needs. It would provide them more funding stability. And it would set “clear expectations for counties to ensure transparency around funding, data, and outcomes.”

Multnomah County Commissioner Meghan Moyer is among those who see the new proposal very differently.

In an interview, she listed two core objections: One is the removal of a contract provision that shields counties from liability if they don't meet certain terms of the contract as a result of inadequate funding. "That is the single biggest issue," Moyer says. "We're not willing to take on that liability for something that is still fundamentally a state function that we are taking on for them."

The OHA counters that the contract has language clarifying that counties will not have to rely on non-state funds to fund the required services, thus ensuring that no "service that OHA is requiring is unfunded."

But officials like Moyer are skeptical. And she has a second objection: The state wants counties to shift their behavioral health care focus almost entirely toward "aid and assist" patients—people who have been charged with a crime but deemed incapable of aiding in their own defense, and who the state is under serious pressure to process faster. (It's subject to a court order that exacts near-constant fines.)

The state wants every county to "make that their number one priority," Moyer says. "And it's like, 'Well, actually, that's your responsibility.'"

The model for County Financial Assistance Agreements was developed long ago, amid a different health landscape, OHA spokeswoman Kim Lippert said in an email. Over time, she said, laws, funding streams, regulations and community needs have evolved.

For that reason, she said, the OHA and the Association of Oregon Community Mental Health Program launched a joint rewrite in April 2024 to "modernize the framework and clarify expectations."

The revamped agreement, which the OHA is rushing to put into effect by Jan. 1, clarifies shared roles and strengthens partnerships, Lippert said, adding that the revisions "ensure that every dollar spent supports meaningful results while keeping counties central to the delivery of community-based care."

But county frustrations have been festering for a while now. As *The Lund Report* has documented, in June the state announced it would [push the signing deadline back](#) six months to the end of the year, when a harder deadline kicks in.

And more recently the state has been imposing—and then, out of necessity, adjusting—more immediate-term deadlines as counties refuse to sign. Documents obtained by via a public records request show OHA Behavioral Health Director Ebony Clark twice, since Oct. 28, moving back deadlines for counties to "notify us of your intent" as to whether they would sign the contract.

Moyer has been unimpressed with the moving dates, which she said are completely arbitrary. "They're posturing in a way that I don't understand because they're in contempt of federal court," she said, referring to the legal albatross regarding getting the "aid and assist" prisoners into care.

“They’re not in a position to be telling other people to fix their problem,” Moyer says. “Like what would happen if Multnomah County didn’t sign it? What would they do? We put local dollars—significant local dollars—into our behavioral health system. Who is going to come in and be our local mental health provider for all of Multnomah County? I don’t think there is even anybody capable of doing that. So their threatening posture is not productive.”

The state’s proposed contract lists a priority system for the services provided by a “coordinated crisis system.” Top goes to the aid and assist population, as well as others held under terms of the legal system, such as those who have been found guilty of a crime exempt for insanity, or are being help under civil commitment.

Second priority would also go to people who have had brushes with the law or courts.

The debate is not whether such populations ought to receive care. At issue is civil liability, and the question of where limited resources ought to be deployed.

Multnomah County Commission Chair Jessica Vega Pederson said in a statement that “Multnomah County is aligned with the state on our overall goal: serve people through a well-coordinated behavioral healthcare system that meets individuals where they are at and efficiently uses resources to provide the best care possible. We are negotiating to accomplish that shared goal but also need to ensure that the needs of all counties, and specifically for me, Multnomah County, are addressed in this contract.”

Multnomah County is far from the only jurisdiction that says it is not prepared to accept OHA’s terms. At a meeting last week, for example, Yamhill County commissioner Mary Starrett celebrated a recent Association of Oregon Counties event in which, she said, members came together over the contract debate, not as a matter of right or left, but right or wrong.

“This is such a textbook example of unfunded mandates,” she said, arguing that the state was trying to put its own court-mandated obligations on the backs of counties. It is impossible to comply with the proposed contract without more money, she said.

Starrett reflected on a saying, “He who’s got the gold makes the rules.’ And that’s OHA. And we’re saying ‘That might be fine. But we provide the services.’”

https://www.wweek.com/news/health/2025/11/19/actually-thats-your-responsibility-in-state-mental-health-proposal-counties-see-a-trap/#msdynmkt_trackingcontext=d75357b8-ee10-4c44-835c-fb816ac10000

Sara McRae

Subject: FW: Court of Claims Hearing

From: Chris Pinter <cpinter@babha.org>

Sent: Thursday, December 11, 2025 8:37 AM

To: Robert Pawlak <bopav@aol.com>; Patrick McFarland <pjmcfarland52@gmail.com>; Chris Girard <cgirard1@msn.com>; Sally Mrozinski <smrozinski@arenacountymi.gov>; Richard Byrne <redhorse2121@yahoo.com>; Tim Banaszak Secondary (<banaszakt@baycountymi.gov> <banaszakt@baycountymi.gov>; Jerome Crete <jtcrete@yahoo.com>; Kathy Niemiec <niemieck@baycountymi.gov>; Patrick Conley <conleypat@gmail.com>; Carole O'Brien <caroleo3@sbcglobal.net>; Pamela Schumacher <pschumacher82@gmail.com>; Shelley King <kingsct3@yahoo.com>

Subject: Fw: Court of Claims Hearing

This is a good summary of the MSHN court of Claims action against MDHHS. As noted below, it's unlikely the Judge will force the State to give up the RFP, but we might receive more time to address its threat to the CMHSP system. In either case, time is on our side and longer delays leave us room for a legislative solution.

Chris

Sent from my Verizon, Samsung Galaxy smartphone

Get [Outlook for Android](#)

From: Monique Francis <MFrancis@cmham.org>

Sent: Thursday, December 11, 2025 8:16:13 AM

To: Monique Francis <MFrancis@cmham.org>

Cc: Robert Sheehan <RSheehan@cmham.org>; Alan Bolter <ABolter@cmham.org>

Subject: Court of Claims Hearing

WARNING: This message has originated from an **External Source**, please use caution when opening attachments or clicking links.

CMHA Board of Directors, CMHSP Directors, and PIHP Directors:

As you know, the Court of Claims concluded oral arguments yesterday afternoon. Although Judge Yates did not issue an opinion from the bench, his questions suggested that he has several concerns regarding the RFP and its alignment with the Mental Health Code. He questioned both parties during closing arguments about issues related to delegation of functions—including contracting authority—braided funding needed to carry out statutory administrative responsibilities, the administration and delivery of substance use disorder services, and processes involving involuntary commitment and inpatient hospitalization.

Judge Yates mentioned potential remedies several times and indicated that he would prefer to allow the state, through DTMB and MDHHS, to identify and work through an appropriate remedy versus mandating the state pull the RFP by his order. It is not clear what that may look like; the state could pull the RFP and write a new one or attempt to fix the current RFP to make it fit within the current structure of Michigan law.

Judge Yates is expected to issue an opinion late next week at the earliest. We will pass along additional information as it becomes available.

Alan Bolter

Associate Director

Community Mental Health Association of Michigan

507 S. Grand Ave, Lansing MI 48933

(517) 374-6848 Main

(616) 340-7711 Cell



PUBLIC NOTICE

Board of Directors 2026 Meeting Schedule

All Regular Board Meetings are scheduled for the third Thursday of each month at 5:00 pm in Room 225 at the Behavioral Health Center, 201 Mulholland Street, Bay City, MI 48708, except for the August and February Board Meetings, which are held at the Arenac Center, 1000 W. Cedar, Standish, MI 48658

January 15, 2026

July 16, 2026

February 19, 2026
(At Arenac Center)

August 20, 2026
(At Arenac Center)

March 19, 2026

September 17, 2026

April 16, 2026

October 15, 2026

May 21, 2026

November 19, 2026

June 18, 2026

December 17, 2026

This notice was posted on December 18, 2025 in accordance with the Opens Meeting Act, 1976, PA 267, MCL 15.265, as amended.

Bay Arenac Behavioral Health will provide necessary and reasonable auxiliary aids and services to individuals with disabilities upon prior notice to the Board Office. Individuals with disabilities requiring aids or services should call the Michigan Relay service at 711.

Please call the Bay Arenac Behavioral Health Board Office at 989-895-2348 for additional information or if you have questions.

PUBLIC NOTICE

Board of Directors 2026 Board Committee Meeting Schedule

All Board Committee Meeting are scheduled for 5:00 pm in Room 225 at the Behavioral Health Center, 201 Mulholland Street, Bay City, MI 48708

Personnel & Compensation Committee
January 1, 2026 - Canceled
April 2, 2026
July 2, 2026
October 1, 2026

Corporate Compliance Committee
February 4, 2026
May 7, 2026
August 6, 2026
November 5, 2026

Facilities & Safety Committee
March 5, 2026
June 4, 2026
September 3, 2026
December 3, 2026

Recipient Rights Advisory & Appeals Committee
January 5, 2026
February 9, 2026
March 9, 2026
April 6, 2026
May 11, 2026
June 8, 2026
July 6, 2026
August 10, 2026
September 7, 2026
October 5, 2026
November 9, 2026
December 7, 2026

Finance Committee
January 7, 2026
February 11, 2026
March 11, 2026
April 8, 2026
May 13, 2026
June 10, 2026
July 8, 2026
August 12, 2026
September 9, 2026
October 7, 2026
November 11, 2026
December 9, 2026

Program Committee
January 8, 2026
February 12, 2026
March 12, 2026
April 9, 2026
May 14, 2026
June 11, 2026
July 9, 2026
August 13, 2026
September 10, 2026
October 8, 2026
November 12, 2026
December 10, 2026

Audit Committee
January 12, 2026
February 16, 2026 - Canceled
March 16, 2026
April 13, 2026
May 18, 2026
June 15, 2026
July 13, 2026
August 17, 2026
September 14, 2026
October 12, 2026
November 16, 2026
December 14, 2026

Nomination Committee
TBD in February through April as needed

Bylaws Committee
TBD in 2nd quarter of calendar year as needed

Bay Arenac Behavioral Health will provide necessary and reasonable auxiliary aids and services to individuals with disabilities upon prior notice. Individuals with disabilities requiring aids or services should call the Michigan Relay service at 711.

This notice was posted on December 18, 2025 in accordance with the Open Meeting Act, 1976, PA 267, MCL 15.265, as amended. Please call the Bay Arenac Behavioral Health Board Office at 989-895-2348 for additional information or if you have questions.



Board of Directors 2026 Monthly Meeting Schedule

Meeting	Date/Schedule	Time
Board of Directors Meeting	3rd Thursday	5:00 PM
Personnel & Compensation Committee	1st Thursday; Quarterly Beginning in January	5:00 PM
Corporate Compliance Committee	1st Thursday; Quarterly Beginning in February	5:00 PM
Facilities & Safety Committee	1st Thursday; Quarterly Beginning in March	5:00 PM
Recipient Rights Advisory & Appeals Committee	Monday after 1st Thursday & As Needed for Appeal	5:00 PM
Finance Committee	Wednesday after 1st Thursday	5:00 PM
Program Committee	2nd Thursday	5:00 PM
Audit Committee	Monday after 2nd Thursday	5:00 PM
Nomination Committee	March, April, & As Needed	TBD
Bylaws Committee	2nd Quarter of Calendar Year As Needed	TBD

January 2026

BABHA Board of Directors

January 2026						
Su	Mo	Tu	We	Th	Fr	Sa
4	5	6	7	1	2	3
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February 2026						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Dec 28	29	30	31	Jan 1, 26 New Year's Day/BABH Offices Closed	2	3
4	5 5:00pm Recipient Rights Advisory & Appeals 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 Martin Luther King, Jr. Day/BABH Offices Closed	20	21	22	23	24
25	26	27	28	29	30	31



Community Mental Health Association of Michigan

Annual Winter Conference



IGNITE
Action!

February 2, 2026 • Pre-Conference

Page 56 of 59

February 3-4, 2026 • Main Conference

Radisson Plaza Hotel
Kalamazoo, Michigan

CMHA's New Registration & Training Platform

We are excited to share that CMHA will be launching a new registration and training platform, along with a refreshed CMHA website in December. As part of this upgrade, you will soon have access to a member portal, where you can register for trainings and access your CE certificates and training history all in one place—a major enhancement to your learning experience.

Beginning **January 1, 2026**, CMHA will also require **payment at the time of registration** for all trainings, conferences, events, and recipient rights book orders. This change will streamline processing, reduce delays, and allow for more timely refunds.

Please note that this improvement may result in a slight delay in some registration openings as we finalize the new system. We appreciate your patience during this transition and encourage you to visit CMHAM.org for updates. Thank you for your understanding and support. More details will be shared in the coming weeks. Stay tuned!

Conference Registration

REGISTRATION FEES (per person)

The Main Conference registration fee provides you with a program packet, admission to all keynote sessions, all workshops, 2 breakfasts, 2 lunches, and all breaks.

	Member Early Bird	Member After 1/16/26	Non-Member Early Bird	Non-Member After 1/16/26
Full Conference	\$445	\$485	\$530	\$575
One Day Tuesday	\$350	\$390	\$415	\$460
One Day Wednesday	\$305	\$345	\$365	\$410

SCHOLARSHIPS AVAILABLE

A limited number of scholarships are available to individuals who receive services and their families.

Conference scholarships will cover conference registration fees only.

Consumers who serve as CMH board members are not eligible.

Deadline to request scholarship: Friday, January 16, 2026.

To request a scholarship form, contact Sarah Botruff at sbotruff@cmham.org or 517-237-3143

EARLY BIRD DEADLINE: FRIDAY, JANUARY 16, 2026

CONFERENCE REGISTRATION DEADLINE: 5:00PM ON TUESDAY, JANUARY 27, 2026

PAYMENT AND CANCELLATION INFORMATION

- Payment **MUST** be received at the time of registration.
- No checks or ACH will be accepted.
- No exceptions to this policy.
- No shows will not receive a refund.

Cancellation Policy: If you do not cancel and do not attend, you will not receive a refund. Substitutions are permitted based on availability. Cancellations must be received in writing at least 14 days prior to the training for a full refund less the cancellation fee.

- Main Conference or One Day Conference: \$50 cancellation fee
- Pre-Conference Institute: \$10 cancellation fee

To cancel or request a substitution, please notify sbotruff@cmham.org.

Hotel Information

Radisson Plaza Hotel & Suites, 100 W. Michigan Ave., Kalamazoo, MI 49007

2026 Room Rates: Standard Room: \$179 plus taxes (Single/Double)
Suites: \$219 (Single/Double)

Parking: Discounted rate for self-parking: \$12 per night/car for all attendees.

Hotel Check In: 4 p.m. **Hotel Check Out:** Noon

To Make Your Reservations at the Radisson Plaza Hotel:

Phone Reservations: (269) 343-3333

- Reservations team is available M-F 8 a.m. - 5 p.m. EST.
- For discounted rates, guests need to mention "CMHA Winter Conference."

[Book Your Hotel Reservation Online](#)

Deadline for Reduced Rate:

Booking online: Deadline of 11:59 p.m. EST the day BEFORE 1/9/26 or until the room block fills.

Phone reservations: Deadline of 5:00 p.m. EST on the day OF 1/9/26 or until the room block fills.

Cancellation Policies:

- If you find it necessary to cancel or change plans, please inform the hotel 24 hours prior to check-in time to avoid one night's room and tax charged to your credit card. If the reservation was booked as an advance purchase, non-cancel, or non-refundable, then full penalty applies.
- Reservations can be modified or canceled by calling in-house reservations team at (269) 343-3333.
- If a reservation is canceled after this time, it will be subject to a late-cancellation fee (one night's guestroom rate + taxes). If there is a credit card on file, this fee will be routed to the credit card.
- If a guest does not arrive for their reservation, it will be subject to a no-show fee (one night's guestroom rate + taxes). If there is a credit card on file, this fee will be routed to the credit card.
- If a guest does not arrive for their reservation and check-in for the first night, their reservation will be CANCELED. The hotel can reinstate the reservation as able and requested (based on hotel availability).

Conference Details and Registration Coming Soon!

February 2026

BABHA Board

of Directors

February 2026							March 2026						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	22	23	24	25	26	27	28
							29	30	31				

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 1	2	3	4	5:00pm Corporate Compliance Committee	6	7
8	5:00pm Recipient Rights Advisory & Appeals Committee	10	5:00pm Finance Committee	5:00pm Program Committee	13	14
15	President's Day/BABH Offices Closed	17	18	5:00pm REGULAR BOARD MEETING	20	21
22	23	24	25	26	27	28



Risk Management Plan 20254-20265

Approved by SLT: 12/9/25

Reviewed by Finance Committee: 12/10/25

Anticipated Full Board Approval Date: 12/18/25

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Overview

This document sets forth the Risk Management Plan for Bay-Arenac Behavioral Health Authority (BABHA). Risk Management is defined as the ability to identify, assess, prevent, monitor, and remediate risk for the organization. The goal of the plan is to manage risk and reduce the severity of a loss if one were to occur, while accomplishing our mission and core objectives in providing quality behavioral health care to the people of Bay and Arenac Counties.

It is the policy of BABHA to ensure there are diligent actions to identify, assess, prevent, monitor, and remediate risk for the organization. BABHA will engage in a coordinated set of activities designed to control threats to its people, property, incomes, goodwill, and ability to accomplish goals.

Risk Management Practices

BABHA's risk management practices include the following steps:

- Identification of loss exposures
- Evaluation and analysis of loss exposures
- Identification of how to rectify identified exposures
- Implementation of actions to reduce risk
- Monitoring of actions to reduce risk
- Reporting results of actions taken to reduce risks
- Inclusion of risk reduction in performance improvement activities
- Review of the organization's insurance package including:
 - Review for adequacy on an annual basis
 - Protection of assets
 - Review of property, liability, and other coverage, as appropriate

Identification of Risk

BABHA maintains various committees and councils in which risk is identified on an ongoing basis. These committees and councils are multidisciplinary groups of individuals who are continually assessing the activities within our organization and potential loss exposures. These committees and councils include, but are not limited to: Safety Committee, Performance Improvement Council, Strategic Leadership Team, Agency Leadership, Corporate Compliance Committee, Ethics Committee, and the Healthcare Practices Committee. In addition, BABHA complies with all applicable Federal, State, and regulatory agency laws, standards, rules, and regulations.

Areas of Risk Identified

- Business Environment
- Medical and Clinical Practices
- Service Needs
- Environmental and Safety
- Legal, Regulatory and Ethical
- Financial
- Personnel Qualifications and Training
- Security and Technology
- Infection Control

- Media Relations/Social Media
- Review of Insurance
- Management of Risk in the Contracted Service Provider Network

Analysis of Risk Areas (Potential Loss Exposures)¹

Business Environment

The Agency Leadership engages in strategic planning on a regular basis and incorporates the assessment of risks in the business environment through its core strategies and environmental scans. When conducting environmental scans, BABHA reviews both threats and weaknesses of the organization. This includes conditions internal and external to BABHA that may hinder achievement of core objectives if not decreased or eliminated. Strategies for responding are specific initiatives which may include policy and/or procedure changes, additional planning activities, staff training, program closure or development, emergency preparedness revisions, physical plant development, modernization or purchase of equipment, etc.

- See the [BABHA Strategic Plan](#)

Review of Past Year Actions to Mitigate Business Risk:

BABHA ~~has~~ implemented significant changes to service operations in ~~since~~ March of 2020 due to the international COVID-19 pandemic. Staff shortages and ability to retain employees ~~has~~ become increasingly difficult during this period due to the infection control measures necessary to mitigate spread of the virus. The deployment of additional technology to support social distancing and implementation of continued remote work environments has been incorporated into post-pandemic efforts ~~has been necessary~~ to maximize efficiency and retainment of existing staff. Policies and procedures have been expanded from virtual ~~work~~ arrangements by exception to a more widely implemented remote work environment. Tools have been created to assist managers in providing supervision and managing the work force. One example is a Leadership dashboard and Pheonix electronic health record that assists the Managers in real time to evaluation one of the staff's activity.

After a temporary break to respond to th-e COVID pandemic between 2020-2024, the An intense healthcare integration policy dialogue resumed ~~has continued~~ at the state level in since early 2012~~56~~. Private and commercial health care interests continue to use the guise of “healthcare integration” to advocate for a transition from a state-county safety net mental health system in Michigan to a managed care insurance model. These efforts have continued despite consistent public opposition to this approach, particularly from persons, families and advocates during the last 25 years. These approaches are promised on the concept that private health care interests, far removed from any local constituent-based protections and only marginally overseen in Lansing, will produce cost savings and outcomes far better than existing safety net systems that are legally and politically already integrated into the communities served. ~~have been in place for more than 50 years.~~ In fact, several international studies including the Legatum Institute, the Commonwealth Fund and the

¹ CARF: 1. Aspire to Excellence; G Risk Management; 1.a.

Peterson-Kaiser Family Foundation consistently rank the commercial health care model in the United States as underperforming in patient outcomes as compared to other high-income nations despite having the highest per capita health care expense. [This situation has recently been exacerbated by federal policy changes going into effect in FY2027 intended to reduce investment in the Medicaid program and shift more financial responsibilities to the individual state governments.](#)~~As an alternative, both federal and state officials have been encouraging the implementation of integrated models such as Certified Community Behavioral Health Clinics and Person-centered Health Homes that integrate services at the point of contact.~~ BABHA will continue to work with our stakeholders including consumers, families, community partners, ~~and~~ county governments [and the state legislature](#) to advocate for system changes that build on the existing safety net and protect the important constituent-based democratic processes for our citizens.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
BABHA will continue to monitor health policy discussions at the federal and state levels and actively pursue opportunities to implement an integrated CCBHC model in Bay and Arenac Counties built on the constituent-based state and county community mental health system.	~~Chris Pinter~~ CEO	Revised Completed	BABHA submitted a letter of interest in the Certified Community Behavioral health Clinic (CCBHC) model last Spring but -the State of Michigan subsequently included a prohibition against adding any more sites in FY2026. ~~The BABHA Board has asked Administration to evaluate the CCBHC model in other counties and make a formal recommendation to the Board by FY25Q1.~~
~~Implement tools to enhance Leadership to monitor and evaluate staff activity in a remote work environment. Evaluate long term staff equipment and physical plant needs.~~	~~Chris Pinter~~ CEO	New	~~BABHA will continue to monitor staff activity and productivity through the monthly Leadership Meeting. BABHA is evaluating long term space needs and will make a recommendation to the Board by June 2025.~~
~~BABHA will a~~ Advocate for adequate funding to support our fulfillment of the statutory requirements of the public Mental Health system.	~~Chris Pinter~~ CEO	Revised New	BABHA will continue to monitor state policy and appropriation changes negatively impacting the consumers and families served in the community revenue and expense trends and communicate these funding issues with the legislature, MDHHS and County Commissions throughout 2026 ~~5~~ .

Medical and Clinical Practices

The Healthcare Practices Committee (HPC) provides a comprehensive and coordinated approach to ensuring high quality of clinical services in an environment that is safe and conducive to the wellbeing of persons served, employees, and the community, and to meet or exceed established standards of care. Specific functions and duties of the committee focus on clinical and medical practices, including the following:

- Medical Record/Peer Review Processes conducted at each site providing services for individuals.

- Persons served taking 3 psychotropic medications in the same class are also reviewed by the Behavior Treatment Review Committee and is a component of the prescriber peer record review, the results of which are received by the Healthcare Practices Committee.
- Review of all data related to medication management, infection control and adverse events.
- Recommendations to the appropriate leadership team(s) that will ultimately improve the medication management process, infection control process, and/or clinical care.
- Along with the BABHA Medical Director, review all applications for clinical privileges, whether initial or a renewal.

- See the BABHA Medical Staff Plan
- See the BABHA Policy and Procedure Manual Chapter 6 Medication Management, Section 1 Operational

Review of Past Year Actions to Mitigate Medical Risk:

Monitoring of all adverse events through data collected through the incident reporting system. Data analyzed through sub reports of infection control, medication errors, morbidity & mortality reports, and controlled substances reports. Each report identified system improvements and actions taken to prevent recurrence. Each incident report was reviewed to ensure appropriate follow up and preventative actions on an individual basis. Root Cause Analyses were completed as deemed appropriate by the Quality Manager and Clinic Practice Manager to determine if any specific or casual factors impacted the outcomes of the incident being reviewed. Some of the action steps concluded were training and education to supervisors about increasing coordination, awareness of an increase in lethality when other means are removed, and thorough and complete documentation.~~accurate completion of incident reports, utilizing natural supports during treatment, and education regarding thorough documentation.~~

Incident rates for opiate and other forms of addiction have risen over the past few years in Arenac and Bay Counties. Opiate overdose remains a high risk for local populations served by BABHA. The BABHA Healthcare Practices Committee has added monitoring of controlled substances practices to its clinical practices oversight responsibilities to assist medical staff and leadership with monitoring use of medications with addictive qualities. In compliance with state regulatory requirements, prescribers are now checking the Michigan Automated Prescribing System (MAPS) for controlled substances before prescribing. Dr. Moarrone, Addictionologist and Medical Examiner, has been attending the HCPC monthly and provided updates on trends related to substance use and deaths in Bay and Arenac Counties.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
Root Cause Analyses will be conducted of identified risk situations as deemed appropriate to determine necessary action steps for process and system improvements.	Quality Manager and Clinic Program Manager	Continue	Ongoing as deemed necessary
Quarterly sub reports related to infection control, medication errors, morbidity and mortality, controlled substances prescribed, and critical incidences will be reviewed by the Healthcare Practices Committee to analyze and determine any appropriate action steps	Quality Manger	Continue	Throughout 2025 on a quarterly basis

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
for process and system improvements.			
Local Addictionologist is participating in monthly Healthcare Practices Committee meeting to provide valuable input into Root Cause Analysis, Deaths, and other Critical Incidents requiring review.	Clinic Program Manager	~~e~~ Continue	

The BABHA Primary Network Operations/Quality Management Committee (PNOQMC) monitors events and reviews data that relates to areas of clinical risk for consumer populations and seeks to make system improvements to mitigate and remediate the risks identified. BABHA maintains a network-wide incident reporting system to identify opportunities for remediation and mitigation of risk.

Monitoring activities of the PNOQMC include:

- ~~Quarterly review of Priority Performance Measures when the report is received from MSHN~~
- Quarterly review of Michigan Mission Based Performance Indicator System (MMBPIS)

- See the BABHA Quality Assessment and Performance Improvement Program Plan
- See the BABHA Policy and Procedure Manual Chapter 2 Continuous Quality Improvement, Section 1 Data Continuity and Section 3 Monitoring

Review of Past Year Actions to Mitigate Clinical Risk:

The Primary Network Operations and Quality Management Committee (PNOQMC) delegates the responsibility of reviewing and acting on data for adverse events related to risk events such as, but not limited to, emergency physical interventions and adverse clinical events to designated committees. Identification of system issues are discussed with appropriate committees and groups/programs to determine deficits and preventive measures. ~~The Priority Performance Measures report is provided by MSHN and is distributed quarterly. The PNOQMC has reviewed the results and trends.~~

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
~~Priority Performance Measures are reviewed quarterly when the report is received, paying close attention to identified performance improvement projects and any other specific measures that are targeted by the Healthcare Integration Steering Committee or other internal committees.~~	Quality Manager	Continue	Throughout 2025 quarterly
Michigan Mission Based Performance Indicator System (MMBPIS) reports will be reviewed quarterly to discuss access to care and potential specific and/or casual barriers.	Quality Manager	Continue	Throughout 202 ~~6~~ 5 quarterly

Service Needs

BABHA conducts an annual Needs Assessment to monitor for unmet or partially met service needs within the community. This process is guided by MDHHS requirements. ~~Community Focus Groups~~Input from community groups and/or surveys are ~~used~~held to gather perspectives from local providers and stakeholders. BABHA also obtains input from the Consumer Councils, Provider Network Operations/Quality Management Committee (PNOQMC), the Health Care Practices Committee, and the Leadership meeting on potential risk, needs, and areas of improvement for adults with mental illness, individuals with co-occurring substance use disorders, children with serious emotional disturbance and adults/children with developmental and/or intellectual disabilities. In addition, evidence-based practices are implemented throughout clinical treatment practices to reduce potential risk.

Due to a significant shortage of behavioral health workers in Michigan, there has been a shortage of adequate capacity within the BABH Provider Network for various programs. BABHA has worked with the provider network to increase the availability of funding (via MSHN) to support recruitment and retention efforts of the providers. Services identified as being at risk of capacity issues include: Specialized Residential services and Community Living Supports (CLS), Outpatient Therapy (OPT), and community inpatient hospitalization for children/youth diagnosed with severe autism spectrum disorder (ASD). Services for individuals in Arenac County with co-occurring mental illness and substance use disorder (SUD) that were previously at risk due to provider and behavioral health work force shortage have improved and will continue to be monitored.

Specialized Residential and Community Living Supports: Home and Community Based rule implementation, transition to 1915 (i), reduction in State Hospital beds, the pandemic and shortages of staff, and the difficulty getting people into the hospital has created a crisis for the Specialized Residential and Community Living Supports (CLS) services. Local providers are unable to hire enough qualified staff to care for individuals, especially those who have behavioral issues. Over the last couple of years~~year~~, there have been four~~three~~ specialized residential homes where the provider has ended their contract due to not being able to provide adequate services with the funding that is provided. All of these factors have created a situation where appropriate level of care options are limited. Local providers are reluctant to care for individuals with significant behavioral challenges, resulting in many out of county placements for high need individuals which often have long waiting lists. ~~It is anticipated that the minimum wage increase for Direct Care Workers (DCW) slated for 2/21/25 will significantly impact providers ability to retain and hire staff. Placement of individuals out of county and the reluctance to accept higher need individuals has also created longer length vacancies in the specialized residential provider network. Since BABHA has historically paid for vacancies, there isn't a financial incentive to fill vacant beds.~~

The CLS Assessment tool has had revisions to better evaluate the CLS need for those individuals with behavioral or safety needs. Lack of adequate levels of CLS staffing has created some individuals to go without staffing for significant periods of time. There have been three CLS providers who have ended their contracts with BABHA due to not being able to adequately staff and operate within the rates that are paid. Fortunately, three new CLS providers have begun providing CLS services. Utilizing North Bay and Horizon Home staff for more emergent needs and when individuals go without staffing has been utilized when necessary~~is being explored as an alternative to address that issue~~. The complexity of filling vocational providers availability based on the needs of the consumer has proved challenging. It is increasingly difficult to determine what are appropriate social/recreational parameters. For those individuals with low hours of CLS, finding and matching staff has proven difficult. Those with higher hours are easier to find adequate staff. Referrals to providers to maximize the ability to find staff is difficult. As a result, there has been a significant increase in self-determination cases. Self-Determination and self-directed CLS services are a high-risk service for fraud and

abuse. MDHHS has new Technical Requirements that include a change in how the budgets are determined providing the individual a maximum amount of money the individual can use for services.

MDHHS has implemented a soft launch of the ~~is developing an~~ Electronic Visit Verification (EVV) system to better monitor the activity of workers and the provision of CLS services. ~~MDHHS has new Technical Requirements that include a change in how the budgets are determined providing the individual a maximum amount of money the individual can use for services.~~

Outpatient Therapy (OPT) capacity: During the past year, BABH has experienced significant provider network shortages of capacity specific to fully licensed outpatient therapists, which is needed to provide and bill therapy services to any primary insurances (Medicare, private insurance). BABH is working with the current provider network to secure additional fully licensed therapy capacity. BABHA may have to seek additional therapy capacity from external sources. ~~y-services. Many providers faced staffing turnover concurrently with onboarding new hires, at a time when referrals for OPT services were at an all-time high. This created an overall decrease in network capacity for OPT services.~~

Community Inpatient for children/youth with ASD: With the decrease in State Hospital bed availability, it is evident that there is a lack of qualified inpatient providers to support the treatment and support needs of children and youth diagnosed with severe autism. Even with the offered authorization of 1:1 or 2:1 staffing, many inpatient mental health units decline the admission of said youth. This has resulted in children/youth, who meet criteria for community inpatient services, experiencing extended stays in the local Emergency Department (ED) of the local hospital, which increased the risk to the child/youth, the parent/care giver, and the ED staff.

Arenac County SUD Services: In the past, BABHA has expressed concerns regarding the lack of SUD services in Arenac County to Mid-State Health Network (MSHN), who manages the SUD provider network. BABHA collaborated with its community partner Recovery Pathways and Ten16 to enhance the SUD service availability in Arenac County at the Arenac Center. In addition, there was a lack of SUD prevention in Arenac County, as the prevention provider was resistant to collaborating with Arenac County agencies, municipalities, and providers.

New FY26 -Applied Behavioral Analysis (ABA) treatment: The prevalence of child diagnosed with Autism Spectrum Disorder and meeting medical necessity criteria for ABA services has increased substantially during the past few years and that trend continues to increase each year. The BABHA Medicaid budget for ABA services has not been sufficient to meet the demands for this service.

- See the BABHA Community Needs Assessment

Review of Past Year Actions to Mitigate Service Risk:

Specialized Residential/CLS: BABHA representatives participate in MDHHS and MSHN meetings addressing HCBS rules and BTRC, 1915 (i) implementation and requirements. BABHA and the Network Providers have been addressing the DCW shortages by advocating at a state level for increase in wages, providing crisis intervention when needed, debriefing after a death, and providing a Quality-of-Life Mentor and other additional supports for the staff and consumers. At least quarterly meetings with all Specialized Residential and CLS providers have occurred to provide support, encourage continued recruitment of staff and to address

barriers that they are experiencing. Development of BABHA Transition and Crisis Team has been deployed many times. Policy was completed and approved and has been put in place several times this year for emergent case consultation and North Bay and Horizon Home staff have been a valuable resource to fill in when needed. filled in for emergent situations. Community Living Support Services are being evaluated to assure that the services are being authorized based on medical necessity. The BABHA CLS Committee continues to review, approve, authorize and monitors the CLS requests. The CLS Assessment was revised to be more accurate and to account for behavioral issues. A presentation on CLS services and how to fill out the Assessment has been developed and training has begun for Case Management teams and will continue through this next year. North Bay has moved to a community based CLS provider and has been providing services to individuals in their homes as well as provide community integration opportunities. The vocational providers have increased their primarily community based CLS services. BABHA Self Determination Coordinator and Supports Broker implemented spot checks comparing billing and progress notes to assure the CLS services meet the Medicaid requirements. CLS services have increased from FY 2024-2025 by \$3.3 million. Cost containment strategies for both CLS and Specialized Residential services must be implemented in FY 2026 to assure that these services are provided to the most in need.

Outpatient Therapy (OPT): During ~~FY24FY25~~, ~~BABH increased monitoring OPT capacity from monthly to weekly, which substantiated the capacity issues.~~ BABHA has continued to offer implemented the use of OPT groups, facilitated by BABH clinical staff willing to work beyond their normal 40-hour work week. ~~Simultaneously, In addition, BABHA has continued a contracted with a telehealth provider for 1 fully licensed FTE therapist. This has assisted with the capacity issue, but the issue continues into FY26. BABH hired 2 internal therapists, which increased capacity for new referrals and gave the network OPT providers a chance to onboard new therapist to assume established caseloads without being overwhelmed with new referrals. BABH also hired 2 master's level clinicians and established Same Day Access assessments for new referrals. This process included providing initial assessments for a portion of the new referrals going to the provider network, which allowed providers additional time to adequately onboard the new therapist. The steps implemented by BABH have resulted in stabilization of the Outpatient Therapy services.~~ BABH will continue to monitor capacity referrals and the status of the provider network capacity monthly, with additional capacity discussions at the monthly Provider Network Operations and Quality Management Committee (PNOQMC).

Community inpatient for children/youth with severe ASD: During the past year, BABH has established continued single case agreements with a well-established ABA provider to provide enhanced CLS services to children/youth who are at risk of needed out-of-home placement (i.e.: inpatient hospitalization, treatment residential placement) due to significant symptoms and behavioral issues associated with severe autism. The enhanced CLS services include CLS staff who have knowledge and experience working with children diagnosed with autism, and who have been trained in crisis intervention and escalation skills. The enhanced CLS services may be provided in the home or as an additional support for extended stays in the ED. BABH has and will continue to advocate for additional inpatient and residential treatment capacity for child/youth diagnosed with ASD with MDHHS and Mid-State Health Network (MSHN).

Arenac County SUD Services: ~~BABHA has expressed concerns regarding the lack of SUD services in Arenac County to Mid-State Health Network (MSHN), who manages the SUD provider network. Collaboration with Recovery Pathways and Peer 360 to enhance the SUD service availability in Arenac County has been successful in providing Medication Assisted Treatment and Peer Recovery services at the Arenac Center. Ten 16 is another SUD agency that is working with the Arenac Center to expand SUD services to that area. Four of the therapists at the Arenac Center are in the process of obtaining an Addiction Credential and continue to attend trainings to assure competency in this area.~~ BABH continues to collaboration with MSHN (SUD payor for

public funds), Recovery Pathways, and Ten16 for SUD services in Arenac County. In addition, BABHA provided consultative support to the Arenac County Court as they developed and implemented a Drug/Recovery Court in Arenac County. BABHA also advocated with MSHN regarding SUD prevention services in Arenac County. MSHN has contracted prevention services to Ten16, who is very engaged as a community partner in Arenac County.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
The community needs assessment will be completed every two years to ensure that progress is made, and areas of need are identified. All areas have been incorporated into the Strategic plan for action and are monitored through updates to the board and addressed through committees and workgroups as appropriate.	Quality Manager	Continue	The Community Needs Assessment is completed every two years at the end of the calendar year and due to Michigan Department of Health and Human Services at the end of March. The information gathered from the assessment are incorporated into the Strategic plan.
~~BABHA will implement cost containment strategies for CLS and Specialized Residential services to assure that the most in need are adequately supported. This includes consistent assessment and approvals of CLS services, ending duplicate CLS services, ending the practice of paying of vacant beds and transitioning Northbay consumers to provider CLS services where possible. BABHA will continue to participate in MDHHS and MSHN workgroups related to HCBS Rule implementation, 1915 (i) implementation, Conflict Free Planning and Access workgroups to stay informed of initiatives that will impact service provision and develop processes to assure compliance.~~	~~Clinical Program Manager-IDD Services; Directors of Integrated Services, Program Managers, CLS Committee, Residential Referral Committee-Specialty Services~~	~~Continue~~ <u>New</u>	~~Ongoing through Sept 30, 2025-~~ <u>Training on the CLS Assessment has begun and will continue through FY 2026.</u> <u>Ending payment of vacancies will be implemented Oct. 1, 2025.</u> <u>Eliminating future duplicative CLS arrangements and transitioning Northbay consumers to providers will begin Oct. 1, 2025 and continue through FY 2026</u>
~~BABHA will work collaboratively with Specialized Residential and CLS providers to strengthen the workforce. Strategic Plan Initiatives will include potential consolidation of vacancies and exploring options to move high cost out of county placements back locally. potential expansion of specialized residential settings that handle individuals with behavioral challenges. Work will be done with CLS providers to continue to encourage adequate hiring of staff.~~	~~Directors of Integrated Services, Program Managers, Residential Referral Committee~~	~~Continue~~ <u>Revised</u>	~~Ongoing~~ <u>September 2026</u>

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
BABHA will continue to implement the current Action Plan to address the potential for fraud and abuse risks for Self-Determination arrangements. <u>Continued implementation of Electronic Event Verification system with all CLS providers selected with plans to begin transitioning providers early 2024.</u>	Self Determination Coordinator; Director of Integrated Services	Continue	~~Implementation of the EVV began 10/1/24. Monitoring of the system to continue through 9/30/25 Ongoing.~~
<u>OPT Capacity issues:</u> BABHA will monitor program capacity levels throughout the provider network. ~~BABHA will also continue to notify the provider network of regional and state opportunities that support staff recruitment and retention.~~ BABHA will increase fully licensed therapy capacity by at least 1 FTE during FY26. They may be in conjunction with current contacts or by expanding the provider network.	Directors of Integrated Services, ~~Arenac Program Manager,~~ Chief Financial Officer	Continue/ <u>Revised</u>	Ongoing
<u>Community Inpatient for youth with ASD:</u> BABH will continue to advocate for additional inpatient and residential treatment capacity for child/youth diagnosed with ASD with MDHHS and Mid-State Health Network (MSHN).	Directors of Integrated Services, Chief Executive Officer	<u>Continued</u> ~~New~~	It is ~~projected hopeful~~ that advocacy efforts will result in change during ~~FY25~~ <u>FY26</u> .
<u>Arenac Co. SUD Services:</u> BABHA will continue to collaborate with the SUD treatment and prevention providers, and other community stakeholders to support SUD services in Arenac County	<u>Director of Integrated Services,</u> <u>Chief Executive Officer</u>	<u>Continued</u>	<u>Ongoing</u>
<u>BABHA will implement cost containment strategies for ABA services to assure that the most in need are adequately supported. This will include revisions to the program structure and provider network via a procurement process.</u>	<u>Director of Integrated Services:</u> <u>Children, Children's Leadership, Chief Financial Officer</u>	<u>New</u>	<u>Program restructure will be completed by the end of FY26, with continued monitoring post FY26.</u>

Environment and Safety

The Safety Committee serves as a part of an integrated patient safety program at BABHA. Its purpose is to reduce or eliminate potential or actual risk and improve care through the identification, analysis, evaluation, and remediation of risks to persons served, visitors, volunteers, and employees. Specific functions and duties of the committee include, but are not limited to:

- Ensuring compliance with regulatory and accrediting body requirements related to environment of care, infection control, emergency preparedness, and risk management
- Supporting the safe delivery of care within reasonable limits
- Ensure proper disinfecting of office space and vehicles for staff, those served and visitors
- Receiving/reviewing reports on safety and environmental concerns and making recommendations for changes in practice as appropriate
- Facilitating the timely identification of and making objective recommendations regarding risks to reduce or prevent the potential(s) for injuries
- Exercising internal controls to reduce risks associated with injury
- Overseeing the development and ongoing assessment of the Environment of Care policies and procedures, including completing required reviews and making recommendations for revisions, as deemed necessary
- Conducting an annual community-based “all hazards” vulnerability analysis (HVA) to identify risk areas for inclusion in the BABHA Emergency Preparedness Plan

- See the BABHA Policy and Procedure Manual Chapter 5, Environment of Care
- See the BABHA Emergency Preparedness Plan

Review of Past Year Actions to Mitigate Environmental Risk:

Typically, the annual property inspection report from liability insurance carrier, MMRMA, is reviewed to ensure all leased and owned property/buildings met safety guidelines and standards as well as the Facility Manager’s annual Site Safety Inspection Report for compliance. The inspections conducted by the BABHA Facility Manager were completed on all properties/building during 202~~5~~⁴. A property valuation was last conducted by CBIZ Valuation Group, LLC in May 2021 and those valuations incorporated into our policy renewal.

The Safety Committee quarterly reviewed consumer incident reports and building issues as they related to environmental concerns and the safety program performance measures. An HVA is now required every two years and was conducted in the third quarter of FY24. Completion of the HVA occurs in consultation with the Bay County Emergency Management Coordinator and the Central Michigan District Health Department contact for Arenac County. This activity will subsequently be completed by Site Safety Representatives and Supervisors at each building.

The agency-wide Emergency Preparedness Plan (EPP) based on federal regulations regarding HVA, emergency policies/procedures, communication plans and training/testing requirements was revised and approved by the Board in June 2025~~March 2023~~. This report includes information that BABHA activated the agency EPP at the beginning of the pandemic, ~~which has remained active for the last 36 months~~, the BABHA all hazard assessments ~~will be~~^{were} updated ~~since once~~ the emergency declarations have been revoked and Mutual Aid Agreements ~~were~~^{are being} updated.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
Outside of the required annual inspection process, Facility Manager assesses sites for safety hazards or potential areas of risk and addresses as needed.	Facility Manager	Continue	Ongoing

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
The Facility Manager will work with the Safety Committee and SLT to review and revise the BABHA EPP for purpose of an updated HVA every two years.	Facility Manager	Continue	~~EPP Due June 2025~~ HVA's due June 2026
The BABHA EPP will include agency participation in both a full-scale community exercise and facility-based table exercises for key service locations to continue ongoing training for all staff.	Facility Manager	Continue	Participation in full-scale community and facility-based table exercises will occur in 2026
Coordinate and conduct an ALICE (Alert-Lockdown-Inform-Counter-Evacuate) safety training on security measures that can be taken in the event of an active shooter. The BABHA Facility Manager has become an active shooter trainer for purposes of conducting these staff trainings tailored to each facility.	Facility Manager	~~Completed~~ Continue	~~Completed Trainings Q1 of FY2025~~ During FY25.
Continue to expand information available to 911 operators through Rave Smart 911 to include maps of each BABHA facility and emergency contact personnel at each of those locations.	Facility Manager	~~Completed~~ Continue	~~Completed 2025~~ During FY25

Legal and Regulatory

The Corporate Compliance Committee conducts risk assessments to identify and mitigate the risk of Medicaid, Medicare and other state and federal healthcare program related fraud and/or abuse. The Committee closely tracks federal and state legislation, as well as federal Medicare/Medicaid and state Medicaid policy, to ensure BABHA is responsive to changes in the regulatory environment. Members of the Committee perform routine monitoring of key risk areas related to participation in federal and state health care programs, which are outlined in the BABHA Corporate Compliance Plan. BABHA conducts triennial Department of Justice Evaluations of the BABHA Corporate Compliance Program to ensure BABHA's Corporate Compliance program is designed well, is being implemented effectively, and works in practice.

Current focal areas include ensuring rendering service providers meet the qualifications set by the state for delivery of Medicaid funded behavioral health services, and complying with increasingly complex Medicaid waivers (used by the state to fund behavioral health services).

Medicaid waiver program requirements are increasingly aligned with traditional utilization management principles, versus the person centered and recovery philosophies which have driven behavioral health services for many years. This evolution is increasing BABHA's risk of audit findings (and therefore potential recoupment of overpayment) due to non-compliance with increasingly inflexible mandatory service delivery parameters.

BABHA performs exclusion and debarment checks monthly to mitigate the risk of an excluded individual being involved in whole or in part, either directly or indirectly in the delivery of federal and state funded health care services. Contracted clinical service providers are also asked to complete such checks. Emerging risk areas related to provider qualifications are ensuring compliance with population specific designations which are required of rendering providers for certain Medicaid service codes and maintaining evidence of direct care

staff training in each individual's plans of service. Higher staff turnover due to the current job market is making compliance challenging for BABHA and contracted providers.

BABHA continues to perform its own verification of service claims, in addition to those required of the PIHP by Federal regulations, to reduce the risk of invalid claims causing an overpayment of Medicaid or Medicare funds. Priority in sampling claims is given to service encounters rendered by atypical providers (i.e., not licensed medical personnel) and those service areas where the nature of the Medicaid service delivery format limits BABHA's locus of control, such as self-determination arrangements (where the person served acts as the employer of some of their service providers) and Community Living Support services being provided by a Provider agency in individuals homes. MSHN implemented a new reporting system, Healthnicity, for issues regarding quarterly EOB and prepayment data collection as well as potential fraud and abuse investigation activities for OIG reporting requirements.

The State of Michigan implemented a provider enrollment system for typical health care providers, to increase its controls over provider qualifications. A system is also planned for atypical health care providers, but implementation by MDHHS has been delayed. However, under a Federal mandate, the State has begun to implement electronic event verification system statewide which will require direct service professionals and similar personnel to log-in and track service delivery information.

- See the BABHA Corporate Compliance Plan
- See the BABHA Policy and Procedure Manual Chapter 13 Corporate Compliance; Section 2 Administrative and Operational Practices

Review of Past Year Actions to Mitigate Regulatory Risk:

BABHA expanded staff capacity to perform service event verification. The Policy and procedures for Medicaid Event Verification has been revised to reflect the increase in audits for providers. BABHA continues to provide oversight of provider qualifications through expanded credentialing processes for higher risk providers, such as Autism service providers. BABHA continues to review personnel records during site reviews of contracted service providers. Routine training of providers in documentation requirements has been added. A Supervisors training was developed to teach their role in program integrity and corporate compliance. Individual training was conducted with two new Program Managers. ABA providers were trained on the requirements for video and security cameras to ensure their practices adhered to Home and Community Based Services rules, privacy, and consent requirements.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
Increase verification of rendering provider population designations	-Director of Health Care Accountability, Quality Manager	Continue	Ongoing
Increase monitoring of compliance with plan of service training requirements; continue to advocate for moderation of requirements at state and regional enforcement levels	-Director of Health Care Accountability, Quality Manager	Continue	Ongoing
Increase education on Fraud, Abuse and Waste to	<u>Director of Health Care</u>	<u>NewContinue</u>	Beginning

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
Supervisors and consumers and in response to any substantiated Fraud and Abuse cases.	Accountability		10/1/24 and Ongoing
Development of policies and procedures for the safe, transparent, and ethical use of Artificial Intelligence.	Director of Health Care Accountability	New	01/01/2026 and ongoing

Ethical

BABHA operates an Ethics Committee, which is a sub-group of the Corporate Compliance Committee. The Ethics Committee offers critical analysis and recommendations for courses of action in response to ethical risks/ challenges faced by employees in their day-to-day work. The Committee is available to all staff for consultation. BABHA maintains a manual for staff that provides guidance for dealing with ethical concerns including conflicts of interest, called the [BABHA Operating Philosophy and Ethical Guidelines](#).

- See the [BABHA Operating Philosophy and Ethical Guidelines](#)

Review of Past Year Actions to Mitigate Ethics Risk:

The Ethics Committee reviewed ethical dilemmas brought to the committee by BABHA staff. Several concerns were addressed, including the ~~COVID-19 and the vaccine~~[documentation change requests in order to meet billing/program standards, discussions regarding staff providing support to other departments during staff shortages when it is with a population that they have limited experience with](#), and continued discussion regarding expectations related to professional boundaries, ~~family members with medical licensure writing prescriptions for minor children residing in licensed settings, and informing consumers of medical diagnosis.~~ Professional boundaries is an ongoing ethical issues and will remain on the Ethics Committee agenda for continued discussion.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
The Ethics Committee will continue to meet as scheduled 2 x per year and as ethical concerns arise. In addition, BABHA will continue to provide annual ethics training during Staff Development Days and in response to ethical dilemmas. The Ethics Committee will proactively solicit topics for discussion prior to each scheduled meeting. Policies and procedures will be developed and/or revised based on the outcome of Ethics Committee meetings, as appropriate	Human Resources Director	Continue	Training will occur each year and on an as-needed basis. Requests for ethical topics for discussion will be made in May and November each year.

Financial

The Finance Department provides the Agency's budget on a regular basis with monthly budget reports to managers responsible for the agency's various programs and departments. External compliance audits are conducted on an annual basis. BABHA is part of routine actuarial assessments through its affiliation with a capitated Medicaid Pre-Paid Health Plan covering a 21-county region. The assessments are performed to ensure long term financial obligations can be met. BABHA financial statements are reviewed monthly by the Board of Directors.

- See the [BABHA Annual Operating Budget](#)
- See BABHA monthly [Financial Statements](#)
- See the BABHA Policy and Procedure Manual [Chapter 8 Fiscal Management](#)

Review of Past Year Actions to Mitigate Financial Risk:

BABHA submitted an Original Budget to the Board of Directors in September 202~~43~~, prior to the start of the fiscal year. Subsequently a final amendment was submitted for approval. The agency's FY 2~~43~~ Financial Audit was conducted, and the final report presented to the Board for adoption ~~on~~ⁱⁿ March 202~~54~~. The Annual Compliance Audit was completed with ~~the final report preliminary results~~ presented to the Board on ~~July 17, 2025~~^{March 2024}.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
BABHA continues to complete the Risk Assessment tool that was developed in FY17 which is a means to formally monitor the performance of the agency's network of specialty behavioral health direct operated and contracted service provider organizations through the review of performance data and site reviews. This Risk Assessment tool returns a risk score for each provider and for BABHA of high, moderate, or low and is associated with four outcomes related to ongoing monitoring activities. Scoring of the Risk Assessment was updated during FY22 by adding an additional outcome to more accurately represent performance. When contracts are proposed for renewal to the Board of Directors, the most recent risk assessment is presented.	Contracts Manager	Continue	Ongoing
The agency continually assesses contracts as they come up for renewal to determine current need and any potential to restructure the contract for costing savings. ~~During the pandemic BABHA entered into cost settled contracts to ensure the financial viability and sustainability of Providers. With 2026 contract renewals these reverted back to fee-for-service agreements. In response to the Michigan Employment First Initiative assistance was sought and provided by MDHHS to restructure rates in vocational contracts to be outcomes based. A significant amount of progress has been made through this assistance which has resulted in revised contracts. BABHA has begun working with an MDHHS consultant to review these outcome based services and payment model. The consultant will provide feedback on this service model and whether the rates are~~	Chief Financial Officer	Continue	Ongoing

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
~~competitive-~~			
The agency assesses positions as they become vacant to determine whether consolidation of functions is possible or feasible.	Chief Financial Officer	Continue	Ongoing

Personnel Qualifications and Training

Personnel participate in the BABHA performance management system, which evaluates job performance and competency. This process also identifies areas for growth and areas where additional training/education is needed, to reduce the risk of error due to incompetency. The Employee Handbook, along with the BABHA's Operating Philosophy and Ethical Guidelines, describes employee performance expectations to ensure at least minimum quality standards are met. Annual and new employee training requirements to mitigate risk are defined in the Agency Training Plan and policies governing minimum training requirements.

- See the [BABHA Agency Training Plan](#)
- See the BABHA Policy and Procedure Manual [Chapter 7 Human Resources](#), Section 1 Administration of Personnel Management and Section 3 Education

Review of Past Year Actions to Mitigate Personnel Risk:

The Employee Handbook is reviewed on an annual basis and updated as needed to address areas that may place BABHA at risk such as conflict of interest, use of agency equipment/technology, workplace safety, standards of conduct, etc. All staff acknowledge training related to updates to the Handbook.

Performance evaluations were conducted on BABHA staff during 202~~34~~³⁵ and at 3 and 6-month intervals for new hires. Performance Improvement Plans (PIPs) were developed as warranted, to address areas of deficiency.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
BABHA will continue to evaluate employees in accordance with the performance management system and identify areas of risk or deficiency and the opportunity to address through internal or external training. Supervisors will make use of reports available to them through Phoenix and will document supervision using supervision logs. HR staff will continue to monitor exclusion databases monthly to ensure that staff are not excluded from providing services to people supported by BABHA.	Human Resources Director	Continue	All actions noted above are ongoing. Evaluations and training will be completed within designated timeframes as identified. Completion after required due dates will be addressed on an individual level.

Media Relations and Social Media²

Contact with the media by BABHA personnel requires prior approval of management to ensure that any communication with local or national media is consistent with the agency's mission, values, core strategies and reduces the likelihood of any potential adverse effect on BABHA business operations, the Board of Directors or the Bay and Arenac Communities.

BABHA personnel are ~~prohibited not discouraged~~ from using social media ~~for in their personal lives, but a~~ business-related ~~purposes social media presence must be without~~ pre-approval~~ed~~ by the appropriate SLT member. Employees are prohibited from posting information attributable to BABHA without permission and must include a disclaimer dis-associating BABHA from their communications if a political opinion is expressed.

BABHA privacy policies are restrictive regarding any release of protected health information without the authorization of the person served, although social media is not always specifically addressed. Information regarding persons served must be protected consistent with regulatory requirements and BABHA policies and procedures regarding disclosure of protected health information, including in situations involving any form of social or other media.

BABHA has a limited social media presence as a business and centralized management of these venues is ~~is~~ managed by the IT Department in collaboration with clinical leadership. This includes social media platforms used for delivery of services through telehealth applications. This included revisions to BABHA social media profiles to reduce the likelihood of negative, non-constructive messaging to be linked to the organization.

- See the BABHA Operating Philosophy and Ethical Guidelines
- See the BABHA Employee Handbook; Social Media

Review of Past Year Actions to Mitigate Media Relations and Social Media Risk:

Training on the risks of privacy breaches related to social media has been conducted with employees at hire and annually. -The IS Department has received requests to post various informational materials on the website and the Facebook page. There have been alerts set up to notify BABHA when there are posts being displayed so that better monitoring can be done.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
Continue with Training on Privacy with regard to social media and monitoring of postings.	Director of Health Care Accountability, IS Manager.	~~New~~ <u>Continue</u>	Ongoing

Security and Technology

BABHA developed a disaster recovery plan and system configuration that provides core computing functions in the event of a disaster. Security provisions, including Unified Threat Management Systems (UTMS), firewalls, and anti-virus software, are in place, which actively monitor for security/privacy lapses and breach

² CARF; 1. Aspire to Excellence; G. Risk Management; 3.

attempts. An annual security risk assessment is completed, and remediation performed to address areas of weakness identified in the organization's technology. Multi-factor authentication is used when accessing our private cloud computing resources, public cloud computing resources, and our Electronic Health Record.

- See the [BABHA Information Management Strategic and Operational Plan](#)
- See the BABHA Policy and Procedure Manual [Chapter 9 Information Management](#)

Review of Past Year Actions to Mitigate Security Risk:

Unified Threat Management firewalls were implemented at all 5 of our locations. These firewalls monitor internal network traffic between sites for malicious activity while also providing protection for our local cable internet connections. The firewalls also provide redundant network connections between all our locations via SD-WAN technology that allows for multiple networks to be used simultaneously. Multi-factor authentication is used when accessing our private cloud computing resources, public cloud computing resources, and our Electronic Health Record. Multiple phishing tests have been implemented and training conducted for those that click on the phishing email. Both individual and group trainings have occurred because of these phishing tests. A phishing alert button has been installed so that staff can quickly alert the Help Desk if they suspect an email is compromised. The IS Manager conducted a Disaster Recovery Training for all Leadership staff. [The EOL phone system has been replaced.](#)

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
~~Microsoft licensing upgrades for better remote management of devices to provided better security.~~	IS Manager	~~New~~ Complete	~~2/2025~~
Continue end user education on security threats utilizing phishing campaigns and creating and implementing individual training for repeat clickers.	IS Manager	~~New~~ Continue	Ongoing
Monitor and make recommendations to SLT and the Board on systems that are becoming end of life. ~~The phone system will be end of life 12/2025.~~	IS Manager	~~Continue~~ New	~~12/2025~~ Ongoing

Infection Control

The Infection Control and Prevention program incorporates the accepted principles of surveillance, prevention, identification, and control through an agency wide interdisciplinary collaborative initiative that utilizes a standardized approach for the identification of adverse events, tracking outcomes, and implementing evidence-based interventions. Subsequently, episodic and epidemic/pandemic patterns of nosocomial and community acquired infections will be proactively minimized and prevented, and the organization will respond to an influx, or the risk of an influx, of infectious individuals as part of its emergency management activities.

- See the [BABHA Infection Control Plan](#)
- See the BABHA Policy and Procedure Manual [Chapter 14 Infection Control](#)
- [See BABHA Risk Management Plan](#)

Review of Past Year Actions to Mitigate Infection Risk:

BABHA monitors infections in the specialized residential group home settings through infection control reports monthly. The data is compiled on a quarterly basis and is reviewed by the Healthcare Practices Committee. BABHA community-based nurses serve as a resource to give recommendations and education to group home staff to help decrease the incidence of infection. The Community Based Nurses provided each Specialized Residential Home educational information regarding early identification of the warning signs of sepsis in 2020. The information in this binder is updated and reviewed annually and signs and symptoms of sepsis is covered during at least one staff meeting annually. The Community Based Nurses also monitor and encourage individuals residing in Specialized AFC homes to obtain recommended vaccinations to prevent infection.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
The Healthcare Practices Committee will monitor infections on a quarterly basis through data collected from Specialized Residential Homes through the infection control reporting process.	Nursing Manager	Continue	Ongoing
The Nursing Manager will review annual data and designate a goal for the upcoming year based on the previous years' data.	Nursing Manager	Continue	Ongoing
The Nursing Manager receives Health Advisories from the CDC and MDHHS regarding emerging health issues and provides necessary communication to BABHA staff in a timely manner.	Nursing Manager	Continue	Ongoing

Review of Insurance³

BABHA retains comprehensive insurance coverage available to local governments as a member of the MI Municipal Risk Management Authority (MMRMA). This includes specific coverage for general liability, motor vehicle physical damage, property protection and crime. There are also ancillary coverages included per occurrence related to network/information security, media injury, network security loss, data breach mitigation (including certain types of ransomwares), business interruption loss, PCI assessments, social engineering loss, reward coverage, extortion loss, and telecommunications fraud. BABHA reviews these coverages on an annual basis with the assistance of the Alera Lighthouse Group as our insurance broker. Most of the coverage limits range up to \$15 million.

BABHA has Worker's Compensation coverage through the Accident Fund with limits established at \$1 million for each accident, employee and/or disease. BABHA also secures specific physician malpractice insurance for our Medical Director, Roderick Smith through Admiral (medical director responsibilities) up to \$1 million per event/\$3 million in aggregate and through The Doctors Company (medical malpractice) up to \$1 million per event/\$4 million in aggregate. The coverages for Worker's Compensation and the medical director are also reviewed on an annual basis.

³ CARF: 1. Aspire to Excellence; G. Risk Management: 2.a-c.

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
BABHA will evaluate and renew the general liability coverage options available through MMRMA	<u>Chief Financial Officer,</u> <u>Accounting</u> <u>Manager</u> ~~Marci Rozek, Karl~~ ~~White~~	Continue	This review will be completed for a July, 202 ~~6~~ <u>5</u> renewal date.
BABHA will evaluate and renew Worker's Compensation coverage	<u>Human Resources</u> <u>Director</u> ~~Jennifer Lasceski~~	Continue	This review will be completed by December, 202 ~~4~~ <u>5</u> .
BABHA will evaluate and renew Physician Malpractice coverage for the Medical Director and Malpractice cover age for the agency's contractual Physician and Nurse Practitioner	<u>Human Resources</u> <u>Director</u> ~~Jennifer Lasceski~~	Continue	These reviews will be completed in February and August, 202 ~~5~~ <u>6</u> .
BABHA will evaluate and renew crime bond coverage available to protect BABHA assets.	<u>Chief Financial Officer,</u> <u>Accounting</u> <u>Manager</u> ~~Marci Rozek, Karl~~ ~~White~~	Continue	This review will be completed for a February 202 ~~6~~ <u>5</u> renewal date.

Management of Risk in the Contracted Service Provider Network⁴

BABHA seeks CARF accreditation for direct operated programs only. BABHA contracts with outpatient treatment and case management/service coordination providers, however, they seek their own accreditation. BABHA does have a formal process for completing annual site reviews of these contract service providers. These annual site reviews assess performance in relation to the scope and requirements of their contracts, ensure the providers follow applicable policies and procedures, review qualifications of personnel including training, background checks, and exclusion/debarment checks, evaluate primary source verification to complete Medicaid Event Verifications.

In addition to the annual site review process, BABHA conducts quarterly reviews of the contracted service providers for performance activities and bi-annual reviews of documentation/billing. These reviews consist of MEV and quality type activities including, but not limited to, evidence of healthcare coordination, and the Individual Plan of Service being given to the consumer within 15 business days, ~~and the completion of a crisis plan.~~ The results are communicated to the provider who then completes a corrective action plan for the findings identified.

BABHA also completes Organizational Credentialing for contracted clinical service providers which assigns a risk rating for each organization based upon the past two years of performance in a variety of risk domains, including financial, fraud/abuse, recipient rights protections, quality and prevention of adverse clinical events, among others. These ratings are used by the Board of Directors when determining whether to renew contractual agreements.

⁴ CARF: 1. Aspire to Excellence; G. Risk Management: 4. a-d.

Review of Past Year Actions to Mitigate Security Risk:

~~Due to the COVID-19 pandemic, the annual site reviews for the contracted services providers were placed on hold, but were resumed in May 2022 with an abbreviated review of the standards. BABHA will continue to explore how to move forward with a review process for providers in a way that does not impose disruption to services and administrative burdens. For FY22, quarterly reviews (MEV and performance improvement activities) were completed for the contracted service providers.~~

~~Over the past year, common trends that were seen during the MEV reviews were incorrect start/stop times, incorrect modifiers, or interim plans being completed back-to-back. These trends have typically resulted in recoupment of the service or a correction in the billing. The common quality issues identified were progress notes with missing goals, lack of medical necessity, no evidence of coordination with the primary care physician, and the pre-plan and plan of service being completed on the same day without an explanation. The contract service providers were made aware of the findings and completed corrective action plans to mitigate the risk.~~

Planned Action(s) to Mitigate Risk	Assigned To	Status (New; Continuation; Completed)	Planned Completion Date
The Quality and Compliance Coordinator will conduct quarterly performance improvement reviews of contract service providers as well as bi-annual MEV reviews.	Quality Manager and Quality and Compliance Coordinators	Continuation	Ongoing
Annual site reviews will be completed for designated contract service providers with an abbreviated review of the standards.	Quality Manager and Quality and Compliance Coordinators	~~New~~ <u>Continuation</u>	Ongoing
<u>Provide education and training to CLS providers and staff on compliance standards set forth by MDHHS and ensure EVV is being used as required.</u>	<u>Director of Integrated Health Care, Quality Manager, Compliance Coordinators</u>	<u>New</u>	<u>Will be implemented during FY26 and be ongoing</u>
<u>Develop a monitoring process to ensure MDHHS compliance standards for EVV are being met.</u>	<u>Director of Integrated Health Care, Quality Manager, Compliance Coordinators</u>	<u>New</u>	<u>Will be implemented in FY26 and be ongoing</u>

Mitigation, Remediation and Monitoring of Effectiveness of Risk Management Plan⁵

The risk management activities of BABHA are supported by the BABHA Strategic Plan, Emergency Preparedness Plan, Training Plan, Corporate Compliance Plan, Infection Control Plan, Medical Staff Plan, Quality Assessment and Performance Improvement Plan (QAPI), Information Management Strategic and Operational Plan, Annual Needs Assessment and other strategic documents such as security and fraud/abuse

⁵ CARF: 1. Aspire to Excellence: G. Risk Management: 1.b., 1-2.

risk assessments. Each plan identifies priority areas, action steps or recommendations which serve to mitigate and remediate organizational risk and improve the agency's performance.

When the plans and assessments are updated, progress toward actioning these recommendations is assessed. The Corporate Compliance Plan, Strategic Plan, QAPIP and the Infection Control Plan also include regular reporting of data and other status information to relevant organizational committees.

Senior Leadership Team incorporates risk management action items into its standing agenda for monitoring over the course of the year. BABHA generates a Leadership Dashboard and Power BI reports through which key risk and performance indicators are monitored by agency leadership.

The Risk Management Plan is updated annually by senior leadership and key staff and more frequently if needed. The Plan is reviewed and approved by the BABHA Board of Directors.

Attachments

References

1. BABHA Agency Action Plans
 - Strategic Plan
 - Medical Staff Plan
 - Quality Assessment and Performance Improvement Program Plan
 - Corporate Compliance Plan
 - Emergency Preparedness Plan
 - Agency Training Plan
 - Information Management Strategic and Operational Plan
 - Infection Control Plan
2. BABHA Financial Statements
3. BABHA Needs Assessment
4. BABHA Employee Handbook
5. BABHA Operating Philosophy and Ethical Guidelines
6. BABHA Policy and Procedure Manual

Safety Committee Statement of Purpose

The Safety Committee (formerly Risk Management) was established in July 1998 in response to federal, state and accreditation requirements. The purpose of the committee is to reduce or eliminate potential or actual risk and improve the quality of care through the identification, analysis, evaluation and remediation of risks to persons served, visitors, volunteers and employees.

The committee oversees the development and compliance level of the Environment of Care policies and procedures and emergency preparedness and response plans to ensure that the environment in which we work is maintained adequately and that protections from potential hazards are in place. In addition, the committee monitors state and federal regulatory standards and accreditation standards to ensure that the agency meets the minimum requirements of applicable rules and regulations.

The committee also reviews and monitors performance on various safety related components of the environment. They include:

- Environmental Concerns related to employee and consumer infections
- Environmental Concerns related to consumer incident reports
- Completion of Environment of Care Training
- Employee Accidents, Incidents and Illnesses reported
- Safety and Facility Inspections (BABHA sites and group homes)
- Group Home Evacuation Difficulty Scores
- Emergency drills (fire, tornado, bomb)
- Oversight of the community based HVA

When trends or patterns in this data are recognized, the committee is responsible for making recommendations to management to resolve safety issues. The priority is to ensure a safe environment for all staff and customers of BABHA.

The membership consists of a multidisciplinary group and includes representation from Strategic Leadership (ad hoc), Clinical Leadership, Specialized Residential Program (ad hoc), Finance Department, Medical Practices, Environment of Care, Infection Control, Program Coordinators, Clinical staff and Site Safety Representatives.

The current members of the Safety Committee are:

- | | |
|--|--|
| ➤ Facility Manager (also Safety Coordinator and Committee Chair) | ➤ Mulholland 2nd Floor Safety Rep. |
| ➤ Nursing Manager | ➤ Mulholland 3 rd Floor Safety Rep. |
| ➤ Clinic Service Program Manager – Arenac Center | ➤ Madison Secretary |
| ➤ Arenac Center Safety Rep. | ➤ (ad hoc) Manager Residential Program and Safety Rep. |
| ➤ Madison Safety Reps (2). | ➤ (ad hoc) Human Resources Director |
| ➤ ~~Washington (First Level) Site Safety Rep.~~ | ➤ (ad hoc) Supervisor, North Bay |
| ➤ North Bay Safety Rep. | ➤ (ad hoc) Accounting Manager |
| ➤ ~~Washington (Lower Level) Site Safety Rep.~~ | ➤ Clinic Practice Manager |

The Safety Committee meets quarterly in the months of February, May, August and November on the 1st Wednesday from 8:30 - 10:00 a.m. Any staff member who has a safety concern can contact a committee member and request evaluation and consideration by the Safety Committee. We welcome ideas, suggestions and participation from all stakeholders.