

AGENDA

BAY ARENAC BEHAVIORAL HEALTH BOARD OF DIRECTORS FINANCE COMMITTEE MEETING

Wednesday, December 10, 2025 at 5:00 pm

Room 225, Behavioral Health Center, 201 Mulholland Street, Bay City, MI 48708

Committee Members:	Present	Excused	Absent		Present	Excused	Absent	Others Present:
Tim Banaszak, Ch	_____	_____	_____	Pam Schumacher	_____	_____	_____	BABH: Marci Rozek, Jennifer Lasecki,
Sally Mrozinski, V Ch	_____	_____	_____	Christopher Girard, Ex Off	_____	_____	_____	Eric Strode, Chris Pinter, and Sara
Richard Byrne	_____	_____	_____	Pat McFarland, Ex Off	_____	_____	_____	McRae
Jerome Crete	_____	_____	_____	Robert Pawlak, Ex Off	_____	_____	_____	Legend: M-Motion; S-Support; MA-
Kathy Niemiec	_____	_____	_____					Motion Adopted; AB-Abstained

	Agenda Item	Discussion	Motion/Action
1.	Call To Order & Roll Call		
2.	Public Input (Maximum of 3 Minutes)		
3.	Unfinished Business		
4.	New Business 4.1) Investment Earnings Reports for Period Ending November 30, 2025 4.2) Madison Janitorial Services Bid Report 4.3) Finance December 2025 Contract List 4.4) Risk Management Plan		4.1) Consideration of motion to refer the investment earnings reports for the period ending November 30, 2025 to the full Board for information 4.2) No action necessary 4.3) Consideration of motion to refer the Finance December 2025 contract list to the full Board for approval 4.4) Consideration of a motion to approve the Risk Management Plan

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BOARD OF DIRECTORS

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	4.5) Potential Madison Building Expansion		4.5) No action necessary
	4.6) Autism Restructure Timeline		4.6) No action necessary
5.	Adjournment		

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	476,260	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	476,260	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
Report of Bid Opening
December 1, 2025**

I Description of Goods or Services Subject to the Request for Proposal: Janitorial services at the site located at 1010 North Madison Avenue, Bay City, Michigan

II Date of Bid Opening: December 1, 2025

III Itemization of Proposals Received:

Bidder Name	Year One	Year Two	Year Three
A2Z CLEANING	20,904.00	21,600.00	22,300.00
CLEAN TEAM	25,992.00	26,772.00	27,708.00

IV Recommendation: A2Z CLEANING

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	AZZ 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 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~~ 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 20265.

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	eContinue	

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 5 ⁶⁵ 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. Ongoing implementation of the 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
<p>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.</p>	<p>Quality Manager</p>	<p>Continue</p>	<p>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.</p>
<p>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.</p>	<p>Clinical Program Manager-IDD Services; Directors of Integrated Services, Program Managers, CLS Committee, Residential Referral Committee- Specialty Services</p>	<p>Continue<u>New</u></p>	<p>Ongoing through Sept 30, 2025- Training on the CLS Assessment has begun and will continue through FY 2026. Ending payment of vacancies will be implemented Oct. 1, 2025. Eliminating future duplicative CLS arrangements and transitioning Northbay consumers to providers will begin Oct. 1, 2025 and continue through FY 2026</p>
<p>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.</p>	<p>Directors of Integrated Services, Program Managers, Residential Referral Committee</p>	<p>Continue<u>Revised</u></p>	<p>Ongoing<u>September 2026</u></p>

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. Continued implementation of Electronic Event Verification system with all CLS providers selected with plans to begin transitioning providers early 2024.	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.
OPT Capacity issues: 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/ Revised	Ongoing
Community Inpatient for youth with ASD: 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	Continued New	It is projected hopeful that advocacy efforts will result in change during FY25 FY26 .
Arenac Co. SUD Services: BABHA will continue to collaborate with the SUD treatment and prevention providers, and other community stakeholders to support SUD services in Arenac County	Director of Integrated Services, Chief Executive Officer	Continued	Ongoing
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.	Director of Integrated Services: Children, Children's Leadership, Chief Financial Officer	New	Program restructure will be completed by the end of FY26, with continued monitoring post FY26.

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~~^{since} 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 vaccinated 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
<p>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.</p>	<p>Contracts Manager</p>	<p>Continue</p>	<p>Ongoing</p>
<p>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</p>	<p>Chief Financial Officer</p>	<p>Continue</p>	<p>Ongoing</p>

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 2023~~3~~4 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	ContinueNew	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, Accounting 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 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 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, Accounting 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 Continuation	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 (QAPIP), 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)
- Nursing Manager
- Clinic Service Program Manager – Arenac Center
- Arenac Center Safety Rep.
- Madison Safety Reps (2).
- ~~Washington (First Level) Site Safety Rep.~~
- North Bay Safety Rep.
- ~~Washington (Lower Level) Site Safety Rep.~~
- Mulholland 2nd Floor Safety Rep.
- Mulholland 3rd Floor Safety Rep.
- Madison Secretary
- (ad hoc) Manager Residential Program and Safety Rep.
- (ad hoc) Human Resources Director
- (ad hoc) Supervisor, North Bay
- (ad hoc) Accounting Manager
- 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.

FUTURE FACILITIES EXPANSION PLANNING

A Comparative Analysis for the Facilities
Committee

OBJECTIVE

- ▶ Present options for office spaces and parking solutions for future expansion.
- ▶ Evaluate pros and cons based on space, cost, and accessibility.

CURRENT BUILDING SITUATION

•Mulholland:

- Total Square Footage: 20,149 sqft

- 2nd Floor:

- 6,064 sqft total
- 4,213 sqft BABH occupied
- 1,851 sqft shared with McLaren
- Workspaces: 25 offices and workspaces

- 3rd Floor:

- 14,085 sqft total
- Workspaces: 45 offices and team rooms

•Madison:

- Total Square Footage: 12,144 sqft

- Workspaces: 41 offices, 3 meeting/training rooms

•North Bay:

- Total Square Footage: 17,404 sqft

- Workspaces: 12 Classrooms 3 offices, 29 cubes in 3 separate rooms

STAFFING NUMBERS BY LOCATION

- **Mulholland:**

- Total Staff:

- 2nd Floor:

- 21 Finance and HR staff

- 3rd Floor:

- 68 Client Service Specialists , ES and ACT Staff

- **Madison:**

- Total Staff:

- 47 Clinical Staff

- **North Bay:**

- Total Staff:

- 48 Direct Care, Client Services and IS Staff

SHARED SPACES AND PARKING OPTIONS

•Mulholland:

- Total Shared Hospital Spaces: 100 plus
- Agency Vehicles Assigned: 13 (ACT-ES-MI Adult)

•Madison

- Front Lot for Consumers:
 - Total: 82 spaces, Handicap: 4 spaces
- Staff Parking Rear Lot:
 - Total: 41 spaces, Handicap: 1 space
 - 2 Agency vehicles assigned: Children's

•North Bay:

- Total: 59 spaces, Handicap: 2 spaces
- 16 agency vehicles assigned : Direct Care and DD
- 4 Lift Vans in Heated Garage

STRATEGIC OPTIONS

▶ Negotiate New Terms and Renew Lease of the Mulholland Offices

▶ Pros:

- ▶ **Maintain Current Locations:** Avoids the complexity and disruption of relocating.
- ▶ **Potentially Lower Rental Rates:** Market conditions may favor negotiations for better rates.
- ▶ **Relationship with Landlord:** Established relationships can lead to more favorable terms.
- ▶ **Flexibility in Lease Terms:** Opportunity to negotiate clauses that allow for future growth or downsizing.

▶ Cons:

- ▶ **Limited flexibility and growth potential.**
- ▶ **May not address space inadequacies.**
- ▶ **Potential higher lease rates due to older locked in rates**

STRATEGIC OPTIONS CONT.

▶ New Construction or Add-On to the Madison and/or North Bay

▶ Pros:

- ▶ **Tailored Design:** Create a space that perfectly fits the organization's workflow and culture.
- ▶ **Long-Term Investment:** Ownership can lead to appreciation in property value over time.
- ▶ **Sustainability Opportunities:** Incorporate green building designs and energy-efficient systems.
- ▶ **Attract Talent:** A new, modern facility can enhance the organization's image and attract top talent.

▶ Cons:

- ▶ **High initial costs and extended timelines.**
- ▶ **Potential zoning and construction challenges.**
- ▶ **Relocation Costs**

STRATEGIC OPTIONS CONT.

▶ Purchase Existing Property in the City to Replace Mulholland and/or North Bay

▶ Pros:

- ▶ **Immediate Asset Acquisition:** Buying property adds to the organization's balance sheet.
- ▶ **Potential for Revenue Generation:** Opportunity to lease unused space to other organizations.
- ▶ **Community Integration:** Owning property can enhance the organization's presence and community ties.
- ▶ **Customization Potential:** Ability to renovate and adapt the space to meet future needs.

▶ Cons:

- ▶ **Upfront capital investment and ongoing maintenance costs.**
- ▶ **Potential market risks or property depreciation.**
- ▶ **Relocation Costs**

STRATEGIC OPTIONS CONT.

▶ Lease New Space in Bay City to Replace Mulholland and/or North Bay

▶ Pros:

- ▶ **Flexibility in Location:** Opportunity to position the organization in strategic locations closer to clients or talent.
- ▶ **Lower Maintenance Responsibilities:** Landlords typically handle major repairs and maintenance.
- ▶ **Shorter Commitment:** Easier to relocate or adjust as business needs change.
- ▶ **Potential for Temporary Needs:** Ideal for short-term projects or expansions without long-term obligations.

▶ Cons:

- ▶ **Ongoing rental costs without equity building.**
- ▶ **Availability may be limited based on market conditions.**
- ▶ **Relocation Costs**

STRATEGIC OPTIONS CONT.

▶ Relocate Mulholland Operations to Madison and North Bay

▶ Pros:

- ▶ **Optimize Current Resources:** Efficient use of existing space can reduce costs and improve operational efficiency.
- ▶ **Streamlined Operations:** Consolidation can enhance communication and collaboration among teams.
- ▶ **Cost Savings:** Reduces overhead costs associated with leasing multiple locations.
- ▶ **Faster Adjustment to Changing Needs:** Can quickly adapt space usage based on organizational growth or reduction.

▶ Cons:

- ▶ **Disruption to staff and potential impact on morale.**
- ▶ **Disruption to services provided to consumers.**
- ▶ **May require renovations or adjustments to accommodate staff.**
- ▶ **Relocation Costs**



•Total Square Footage: 12,144 square feet

•Workspaces: 41 offices, 3 meeting/training rooms

• Front Lot for Consumers:
• Total: 82 spaces, Handicap: 4 spaces

• Employee Parking Rear Lot:
Total: 41 spaces, Handicap: 1 space
2 Agency vehicles assigned: Children's

CURRENT MADISON BUILDING & PARKING

POTENTIAL FUTURE MADISON BUILDING & PARKING

SINGLE STORY ADD-ON (IN FRONT)

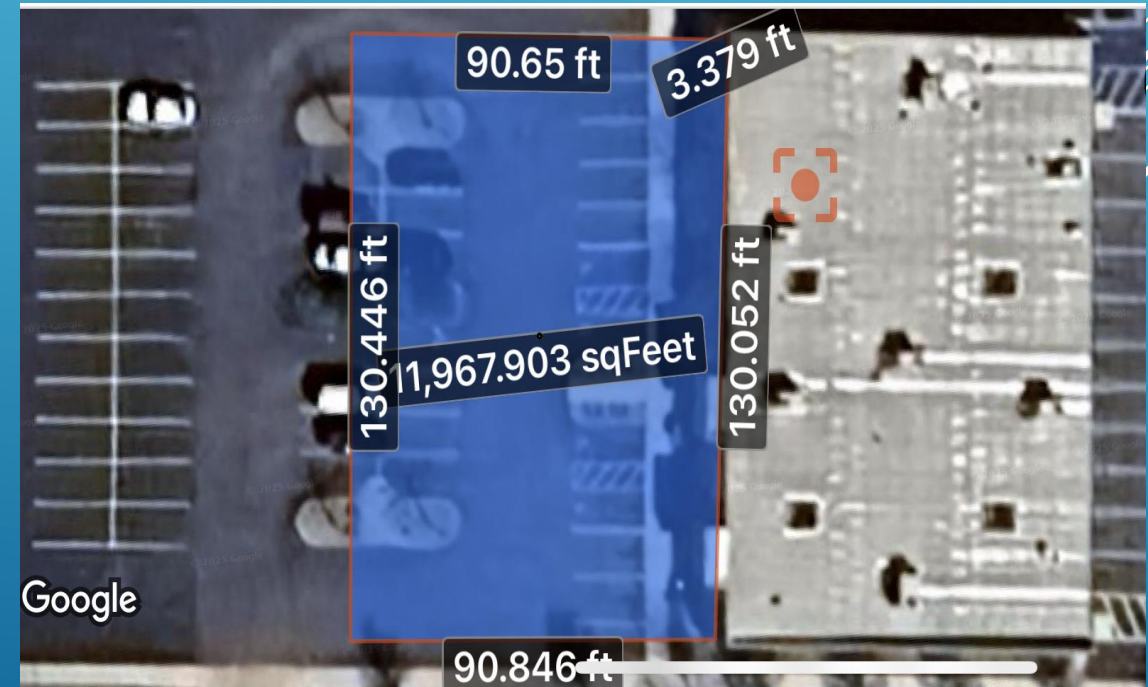


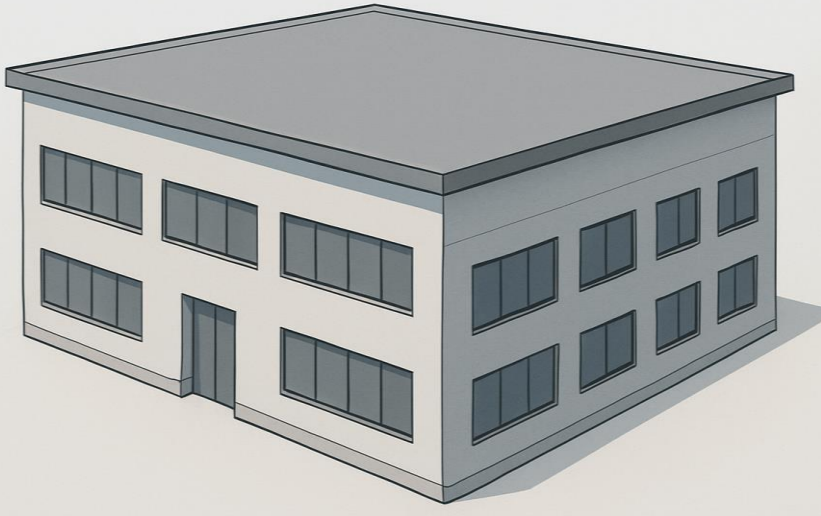
- Total Square Footage: Approximately 24,300 square feet

- Workspaces: 90 offices, 3 meeting/training rooms

- Front Lot for Consumers and Staff:
 - Total: 60 spaces, Handicap: 4 spaces

- Staff Parking Rear Lot:
 - Total: 41 spaces, Handicap: 1 space
 - 2 Agency vehicles assigned: Children's





POTENTIAL FUTURE MADISON BUILDING & PARKING

TWO STORY ADD-ON (IN FRONT)

- Total Square Footage: Approximately 36,500 square feet

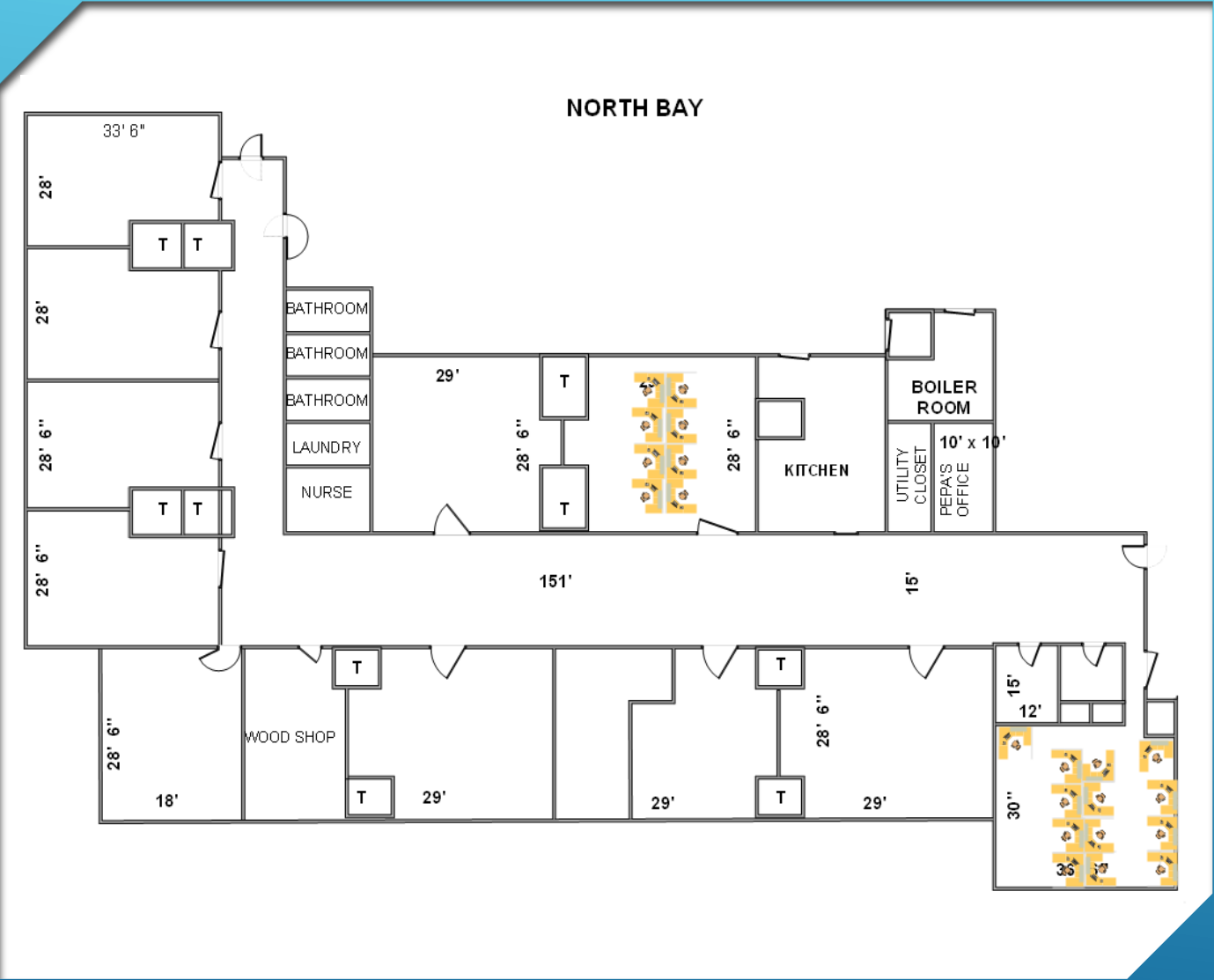
- Workspaces: 120 offices, 6 meeting/training rooms

- Front Lot for Consumers and Staff:
 - Total: 60 spaces, Handicap: 4 spaces

- Staff Parking Rear Lot:
 - Total: 41 spaces, Handicap: 1 space
 - 2 Agency vehicles assigned: Children's



CURRENT NORTH BAY BUILDING & PARKING



- Total Square Footage: 17,404 square feet

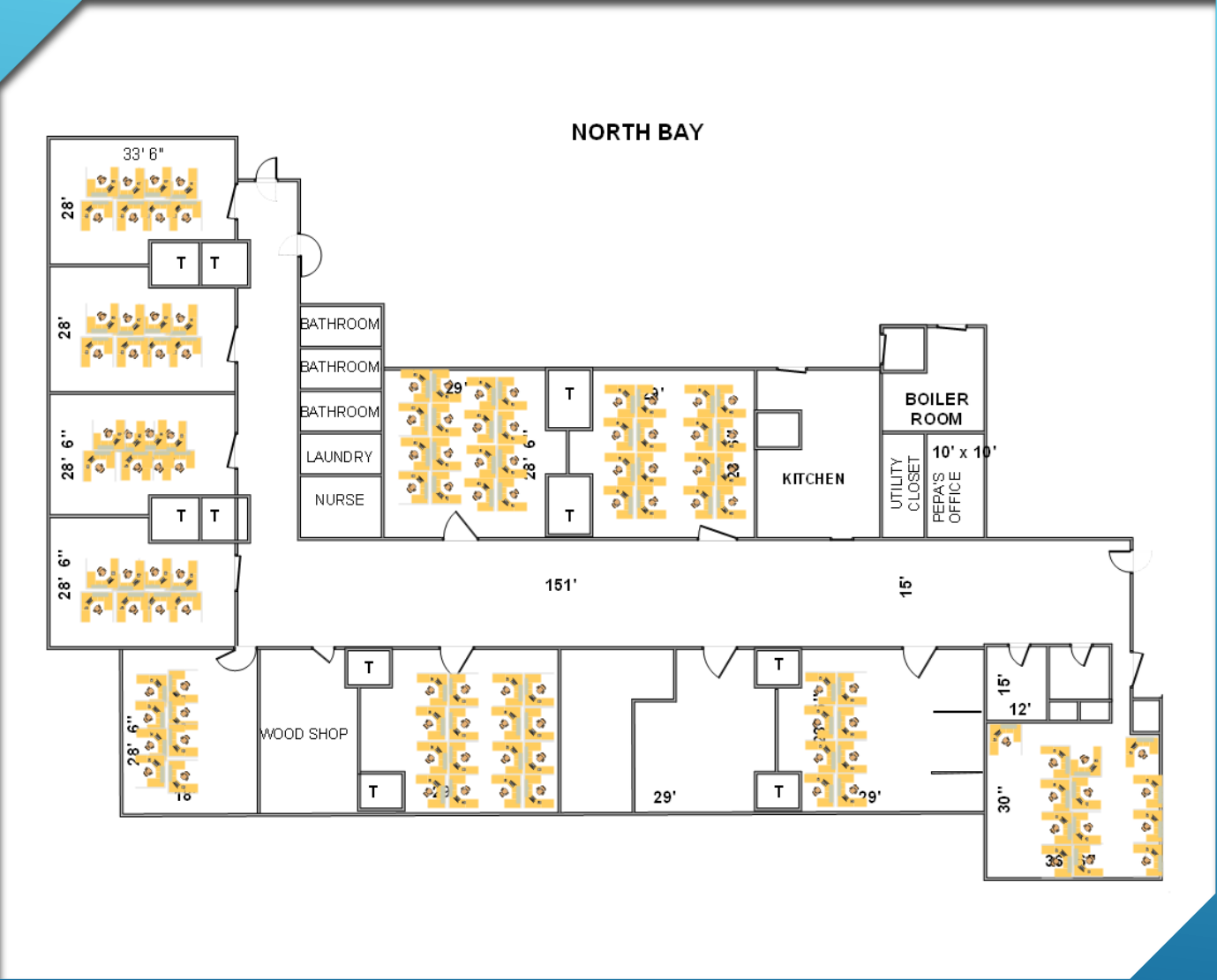
- Workspaces: 12 Classrooms 3 offices, 29 cubes in 3 separate rooms

- Total Parking: 59 spaces, Handicap: 2 spaces

- 16 agency vehicles assigned : Direct Care and DD

- 4 Lift Vans in Heated Garage

POTENTIAL FUTURE NORTH BAY BUILDING & PARKING



- Total Square Footage: 17,404 square feet
 - Workspaces: 120 + 3 offices
 - Total Parking: 59 spaces (will need plan for additional spots), Handicap: 2 spaces
 - 16 agency vehicles assigned : Direct Care and DD
 - 4 Lift Vans in Heated Garage



QUESTIONS

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.