

AGENDA

BAY ARENAC BEHAVIORAL HEALTH BOARD OF DIRECTORS FINANCE COMMITTEE MEETING

Wednesday, October 7, 2026 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	_____	_____	_____	Kathy Niemiec	_____	_____	_____	BABH: Marci Rozek, Chris Pinter, and Sara McRae
Sally Mrozinski, V Ch, Ex Off	_____	_____	_____	Pam Schumacher	_____	_____	_____	
Richard Byrne	_____	_____	_____	Pat McFarland, Ex Off	_____	_____	_____	
Patrick Conley	_____	_____	_____	Robert Pawlak, Ex Off	_____	_____	_____	
Christopher Girard	_____	_____	_____					Legend: M-Motion; S-Support; MA-Motion Adopted; AB-Abstained

	Agenda Item	Discussion	Motion/Action
1.	Call To Order & Roll Call		
2.	Public Input (Maximum of 5 Minutes)		
3.	Unfinished Business 3.1) None		
4.	New Business 4.1) Investment earnings reports for the period ending September 30, 2026 4.2) Mulholland Janitorial Services Bid Report 4.3) Finance October 2026 contract list 4.4) Property Update		4.1) Consideration of a motion to refer the investment earnings reports for the period ending September 30, 2026 to the full Board for information 4.2) No action necessary 4.3) Consideration of a motion to refer the Finance October 2026 contract list to the full Board for approval 4.4) No action necessary

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	4.5) Financial Position of Midstate Health Network (MSHN) & Comparison of 2026 and 2027 Rates 4.6) Strategic Initiatives & Dashboard Reports 4.7) Fiscal Year 2027 Budget Follow Up		4.5) No action necessary 4.6) No action necessary 4.7) No action necessary
5.	Adjournment	M -	S - pm MA

Bay-Arenac Behavioral Health Authority
Estimated Cash and Investment Balances September 30, 2026

Balance September 1, 2026	7,947,867.40
Balance September 30, 2026	6,974,914.64
Average Daily Balance	7,380,670.75
Estimated Actual/Accrued Interest September 2026	10,688.46
Effective Rate of Interest Earning September 2026	1.74%
Estimated Actual/Accrued Interest Fiscal Year to Date	177,907.43
Effective Rate of Interest Earning Fiscal Year to Date	2.58%

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

Cash Available - Operating Fund

	Rate	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Beg. Balance Operating Funds - Cash,													
Cash equivalents, Investments		5,966,633	5,274,202	8,431,919	6,776,354	5,376,236	4,732,550	8,105,441	7,785,704	6,060,159	5,143,018	9,001,500	7,450,608
Cash in		13,636,279	21,097,480	13,203,400	12,594,625	12,095,878	21,243,634	14,182,106	11,806,450	18,483,283	24,866,824	12,197,403	9,294,725
Cash out		(14,328,710)	(17,939,763)	(14,858,965)	(13,994,743)	(12,739,564)	(17,870,743)	(14,501,842)	(13,531,996)	(19,400,423)	(21,008,342)	(13,748,295)	(10,269,149)
Ending Balance Operating Fund		5,274,202	8,431,919	6,776,354	5,376,236	4,732,550	8,105,441	7,785,704	6,060,159	5,143,018	9,001,500	7,450,609	6,476,184
Investments													
Money Markets		5,274,202	8,431,919	6,776,354	5,376,236	4,732,550	8,105,441	7,785,704	6,060,159	5,143,018	9,001,500	7,450,609	6,476,184
90.00													
180.00													
180.00													
270.00													
Total Operating Cash, Cash equivalents, Invested		5,274,202	8,431,919	6,776,354	5,376,236	4,732,550	8,105,441	7,785,704	6,060,159	5,143,018	9,001,500	7,450,609	6,476,184
Average Rate of Return General Funds		3.06%	2.94%	3.14%	3.00%	2.91%	2.85%	2.81%	2.79%	2.74%	2.67%	2.61%	2.40%
Average		3.06%	2.81%	3.56%	2.56%	2.56%	2.58%	2.60%	2.57%	2.37%	2.43%	2.23%	1.70%
Average		5,274,202	6,853,061	6,698,662	6,464,678	6,118,252	6,449,450	6,780,648	6,567,821	6,409,509	6,823,653	6,714,619	6,681,267

Cash Available - Other Restricted Funds

	Rate	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Beg. Balance-Other Restricted Funds -													
Cash, Cash equivalents, Investments		481,232	482,860	484,348	485,821	487,265	488,574	490,026	491,436	492,896	494,314	495,732	497,257
Cash in		1,628	1,488	1,473	1,444	1,308	1,452	1,410	1,461	1,418	1,418	1,525	1,474
Cash out													
Ending Balance Other Restricted Funds		482,860	484,348	485,821	487,265	488,574	490,026	491,436	492,896	494,314	495,732	497,257	498,731
Investments													
Money Market		482,860	484,348	485,821	487,265	488,574	490,026	491,436	492,896	494,314	495,732	497,257	498,731
91.00	0.70%												
91.00	1.10%												
91.00	1.15%												
91.00	1.35%												
Total Other Restricted Funds		482,860	484,348	485,821	487,265	488,574	490,026	491,436	492,896	494,314	495,732	497,257	498,731
Average Rate of Return Other Restricted Funds		4.11%	4.11%	3.93%	3.85%	3.78%	3.73%	3.70%	3.67%	3.65%	3.59%	3.24%	3.16%
Average		4.11%	4.11%	3.58%	3.58%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	1.02%	1.26%
Average		482,860	483,604	484,343	485,074	488,574	486,482	487,190	487,903	488,616	932,285	892,737	859,903
Total - Bal excludes payroll related cash accounts		5,757,062	8,916,267	7,262,175	5,863,501	5,221,124	8,595,467	8,277,140	6,553,055	5,637,332	9,497,232	7,947,866	6,974,915
Total Average Rate of Return		3.55%	3.33%	3.53%	3.15%	3.08%	3.04%	3.00%	2.99%	2.97%	2.73%	2.66%	2.58%

**Bay Arenac Behavioral Health
Report of Bid Opening
October 5, 2026**

I Description of Goods or Services Subject to the Request for Proposal: Janitorial services at the site located at 201 Mulholland Street, Bay City, Michigan

II Date of Bid Opening: October 5, 2026

III Itemization of Proposals Received:

Bidder Name	Address	Year One	Year Two	Year Three
STATHAKIS	FARMINGTON HILLS, MI	17,347.32	17,347.32	17,347.32
A2Z CLEANING	BAY CITY, MI, 48706	16,800.00	17,400.00	18,000.00
PROFESSIONAL BUILDING SERVICES	SAUGATUCK, MI	27,300.00	27,300.00	27,300.00
CARAVAN FACILITIES MANAGEMENT LLC	SAGINAW, MI 48602	49,802.64	51,087.12	52,393.08
SPARKLEPRO LLC	FORT WORTH, TEXAS	102,420.00	102,420.00	102,420.00

IV Recommendation: STATHAKIS. This company currently serves Bay City and Saginaw, MI

Bay-Arenac Behavioral Health Finance Council Board Meeting Summary of Proposed Contracts October 7, 2026							Page 1 of 2
			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	Havenwyck Hospital, Inc. Inpatient Psychiatric Services Partial Hospitalization Services	\$940.21/day \$447.20/day	\$959.01/day \$456.14/day	10/1/26 - 9/30/27	Y	N
2	M	McLaren Healthcare Corporation Flint Partial Hospitalization Program	\$0	\$532/day	10/1/26 - 9/30/27	Y	N
3	R	Harbor Oaks Hospital Inpatient Psychiatric Services Specialized Inpatient Pediatric Unit	\$880/day \$1,400/day	\$890/day Same	10/1/26 - 9/30/27	Y	N
4	M	APS Employment Services Enhanced CLS and Overnight Health and Safety 1:1 staffing rate	\$7.36/unit	\$7.73/unit	10/1/26 - 9/30/27	Y	N
5	M	Rose Hill Center, Inc. (Holly, MI) Type A Residential Services for a second BABHA individual at Baker House Medication Reviews Psychiatric Evaluation	\$822/day \$98/encounter \$186/encounter	Same	10/1/26 - 9/30/27	Y	N
6	M	Saginaw Psychological Services, Inc. SED Children's Case Management ABA Case Management	\$46.87/unit \$85/unit	\$49.21/unit Same	10/1/26 - 9/30/27	Y	N
7	M	Flatrock Manor, Inc. (Flint, MI) CLS services for one BABHA individual	\$5.65/unit and \$12.24/unit for 24 hour enhanced staffing	\$5.71/unit and \$12.36/unit for 24 hour enhanced staffing	10/1/26 - 9/30/27	Y	N
8	M	Mercy Plus Healthcare Services LLC Evaluation of speech sound production w/eval of language	\$88/event	Same	10/1/26 - 9/30/27	Y	N
9	M	New Dimensions Indirect CLS service reimbursement	\$7.25/unit	\$7.61/unit	10/1/26 - 9/30/27	Y	N
10	N	Children's Therapy Corner Single Case Agreement for one BABHA individual ABA Behavioral Identification Assessment Behavior Follow-Up Assessment ABA Treatment ABA Treatment, Group Aba Clinical Observation & Direction ABA Family Training Adaptive Behavior Treatment Social Skills Group Speech and Language, Individual Speech & Language Evaluation of Speech Fluency Speech & Language Evaluation of Speech Sound Production Speech and Language Evaluation of Speech Sound Production w/Eval of Language Comprehension & Expression Speech & Language - Behavioral & Qualitative Analysis of Voice & Resonance OT/PT, Strength - Individual PT Evaluation - Low PT Evaluation - Moderate PT Evaluation - High PT Re-Evaluation OT/PT - Individual OT Evaluation - Low OT Evaluation - Moderate OT Evaluation - High OT Re-Evaluation Family Skills Training	\$0	\$30/unit \$30/unit \$16.50/unit \$4.89/unit \$30/unit \$30/unit \$8.57/unit \$111.71/event \$182.89/event \$189.89/event \$191.25/event \$108.75/event \$30.31/unit \$200.77/event \$200.77/event \$200.77/event \$68.75/event \$31.06/unit \$185.39/event \$189.76/event \$195.39/event \$151.25/event \$120/event	10/1/26 - 9/30/27	Y	N
11	M/R	Touchstone Services, Inc. Clubhouse Services - performance based fee for service contract renewal for FY26	Up to 60,000 units billed - \$6.75/unit 60,001 - 65,000 billable units - \$7/unit 65,001 - 70,000+ billable units - \$7.25/unit	\$7/unit	10/1/26 - 9/30/27	Y	N
Admin/Other Services							
12	R	DOXY.ME Telemedicine Provider Patient Software service for telehealth visits	\$7,257.60/year	Same	9/11/26 - 9/10/27	Y	N
13	R	BlueHost Upgrade to website hosting plan to 50 GB	\$131.40/year	\$239.88/year	10/5/26 - 5/8/28	N/A	N/A
14	N	Sage Software HRMS Benefits Messenger - One Time BCN Set-Up Fee	\$0	\$2,046	10/1/26 - 9/30/27	Y	N
SECTION II. SERVICES PROVIDED BY THE BOARD (REVENUE CONTRACTS)							
15	N	Power BI Licenses for Primary Care Providers Power BI Licenses for Primary Care Staff (List, MPA & Saginaw Psychological)	\$0	\$15/month per user off. 2/28/27 and annually thereafter	10/1/26 - 2/28/27; Auto- Renews for 1-year terms	Y	N
16	N	Stathakis Janitorial service for Mulholland	\$0	\$17,347.32/year	11/1/26 - 10/31/29	Y	New Provider
SECTION III. STATE OF MICHIGAN GRANT CONTRACTS							
SECTION IV. MISC PURCHASES REQUIRING BOARD APPROVAL							

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

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

Footnotes:

Summary Analysis Based on 2026 Projection FSR
Original Projection & Revised Projection Based on \$14M Add'l Revenue

	<u>Original Projection</u>	<u>Revised Projection</u>
Anticipated Medicaid Savings Contribution	40,456,478	43,977,759
Anticipated HMP Savings Contribution	-	-
Total	40,456,478	43,977,759
Maximum Savings at 7.5%	60,684,718	61,730,787
Maximum ISF at 7.5%	60,684,718	61,730,787
Band 1 (Savings at 5%)	40,456,478	41,153,857
Band 2 Savings (Shared with MDHHS)	-	5,647,804
Total MSHN Savings	40,456,478	46,801,661
Band 2 MDHHS Lapse	-	-
Band 3 MDHHS Lapse	-	-
Total MDHHS Lapse	-	-

Band 2 Savings (50/50 MSHN and MDHHS) - Calculated as Maximum Savings less Band 1 MSHN Savings	-	2,823,902
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Distribution of Funds

Medicaid Savings	40,456,478	43,977,759
HMP Savings	-	-
DHHS Lapse	-	-
Total	40,456,478	43,977,759
Medicaid ISF	49,366,130	54,844,794
HMP ISF	5,459,631	6,885,992
Total	54,825,761	61,730,787

Savings as Percent of Total Revenue

Medicaid Savings	5.0%	5.3%
HMP Savings	0.0%	0.0%
Total	5.0%	5.3%

ISF as Percent of Total Revenue

Medicaid ISF	6.1%	6.7%
HMP ISF	0.7%	0.8%
Total	6.8%	7.5%

Mid-State Health Network

FY2027 Revenue Projection with FY2026 Rates (Capitation Rates Dated September 30, 2025)

	Medicaid	HSW	Autism	CWP	SEDW	HMP	Total
Bay Arenac	36,930,069.48	12,352,008.60	8,904,638.75	235,553.76	45,134.64	4,014,183.62	62,481,588.85
CEI	103,562,125.32	30,507,259.44	26,994,084.89	549,625.44	353,554.68	15,559,476.39	177,526,126.16
Central Michigan	74,979,111.36	45,134,529.12	17,261,882.10	510,366.48	173,016.12	8,685,911.48	146,744,816.66
Gratiot	10,984,036.32	7,073,012.28	2,813,082.11	39,258.96	7,522.44	1,186,301.56	22,103,213.67
Huron	7,605,231.00	2,132,891.04	1,267,570.96	-	-	787,894.81	11,793,587.81
The Right Door	13,610,559.00	3,532,642.20	2,800,424.29	157,035.84	37,612.20	1,536,483.56	21,674,757.09
LifeWays	56,843,148.96	19,522,268.16	16,184,712.21	353,330.64	330,987.36	5,994,454.25	99,228,901.58
Montcalm	17,923,488.36	3,803,632.80	3,844,577.23	117,776.88	105,314.16	1,924,890.23	27,719,679.66
Newaygo	14,760,787.08	4,025,238.60	2,672,774.40	39,258.96	30,089.76	1,604,672.21	23,132,821.01
Saginaw	71,104,448.64	13,477,035.84	15,781,551.96	392,589.60	210,628.32	7,840,154.03	108,806,408.39
Shiawassee	16,874,563.20	4,791,140.28	3,962,311.23	39,258.96	37,612.20	2,110,362.64	27,815,248.51
Tuscola	15,038,735.64	6,566,204.64	3,142,837.22	-	7,522.44	1,624,719.22	26,380,019.16
MSHN SUD	17,321,937.48	-	-	-	-	27,607,416.14	44,929,353.62
Total	457,538,241.84	152,917,863.00	105,630,447.35	2,434,055.52	1,338,994.32	80,476,920.14	800,336,522.17

Revenue Budget Projection Increase / (Decrease)

	Medicaid	HSW	Autism	CWP	SEDW	HMP	Total	Percent Change
Bay Arenac	(919,304.76)	288,459.72	2,197,727.43	(29,303.28)	16,421.76	360,092.51	1,914,093.38	3.06%
CEI	(2,418,678.36)	712,440.00	6,765,917.49	(68,374.32)	128,637.12	1,392,880.40	6,512,822.33	3.67%
Central Michigan	(1,788,900.36)	1,054,032.12	4,312,113.89	(63,490.44)	62,950.08	779,127.79	4,355,833.08	2.97%
Gratiot	(271,407.24)	165,177.72	702,623.10	(4,883.88)	2,736.96	106,617.11	700,863.77	3.17%
Huron	(212,317.32)	49,809.96	313,738.68	-	-	70,829.05	222,060.37	1.88%
The Right Door	(305,425.44)	82,498.44	703,138.26	(19,535.52)	13,684.80	138,102.07	612,462.61	2.83%
LifeWays	(1,327,684.56)	455,906.28	4,053,240.47	(43,954.92)	120,426.24	537,573.52	3,795,507.03	3.83%
Montcalm	(400,607.28)	88,827.84	960,183.95	(14,651.64)	38,317.44	172,837.83	844,908.14	3.05%
Newaygo	(352,122.12)	94,003.56	673,622.33	(4,883.88)	10,947.84	143,897.47	565,465.20	2.44%
Saginaw	(1,662,655.44)	314,733.60	3,901,018.26	(48,838.80)	76,634.88	701,701.01	3,282,593.51	3.02%
Shiawassee	(387,349.80)	111,888.36	994,734.41	(4,883.88)	13,684.80	189,321.48	917,395.37	3.30%
Tuscola	(353,596.44)	153,342.36	780,965.02	-	2,736.96	145,915.70	729,363.60	2.76%
MSHN SUD	(2,116,386.00)	-	-	-	-	519,507.79	(1,596,878.21)	-3.55%
Total	(12,516,435.12)	3,571,119.96	26,359,023.29	(302,800.56)	487,178.88	5,258,403.73	22,856,490.18	2.86%
Percent Change	-2.74%	2.34%	24.95%	-12.44%	36.38%	6.53%	2.86%	

NOTES RELATED TO 2027 MSHN BUDGET:

2027 Estimated Revenue based on final rates is \$22.8M more than what was presented to the MSHN Board

7 CMHSPs provided 2027 budget figures. For the other 5 CMHSPs, 2026 projections were used

Medicaid Savings to be used in 2027: \$43.3M

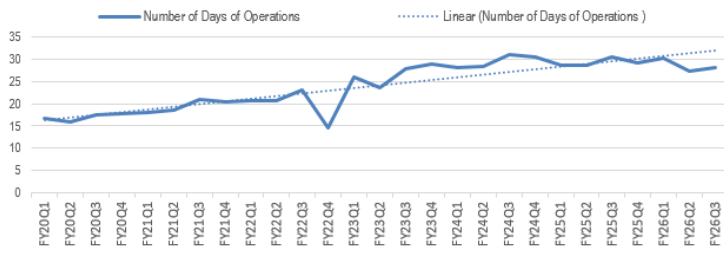
ISF available for use in 2027 \$61.7M

Indicators for Finance Committee

Number of Days of Operations

Updated 7/30/2026

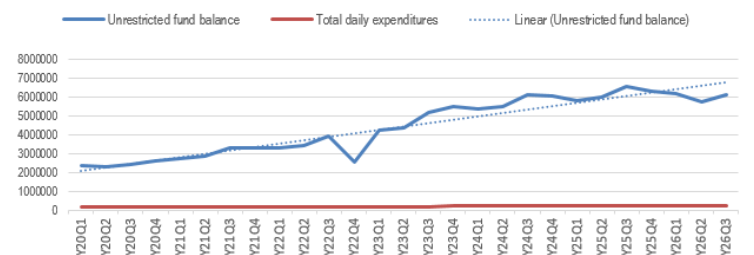
Through FY26Q3



Unrestricted fund balance

Updated 7/30/2026

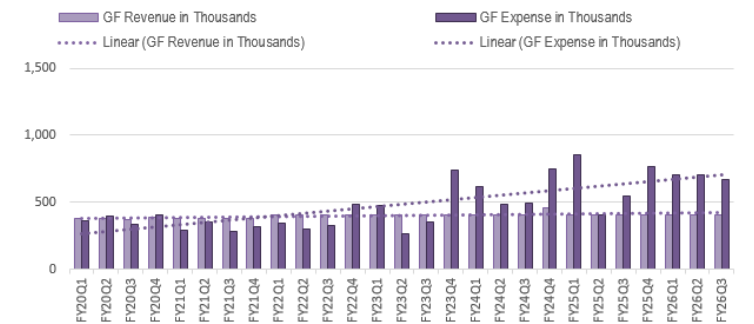
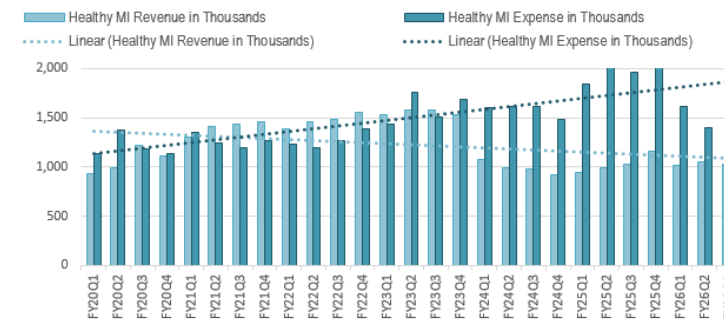
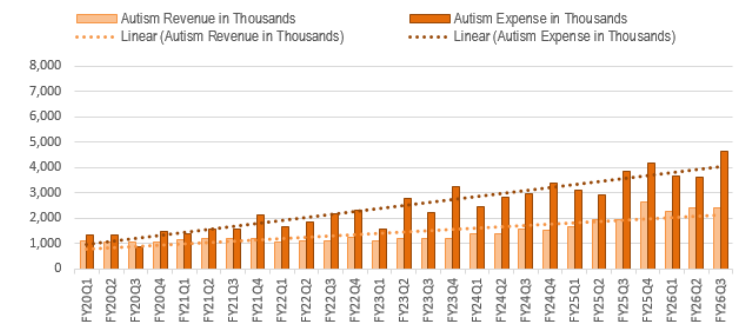
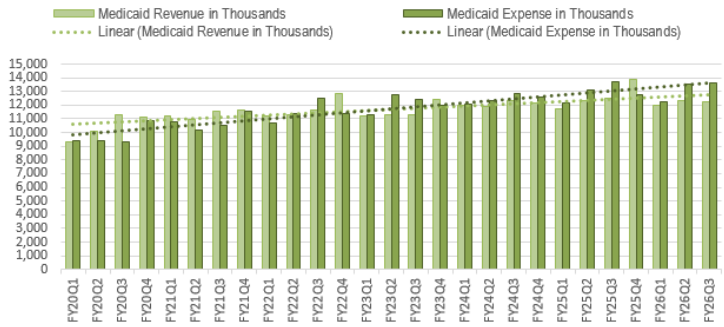
Through FY26Q3



Revenue vs Funds Expended by Fund Source Per Quarter in Thousands (Medicaid, Autism, Healthy MI, GF) - Cumulative

Updated 7/30/2026

Through FY26Q3



BABH - Software Costs

<u>Vendor</u>	<u>Description</u>	<u>FY26 Annual</u>
Aatrix	eFile service integration with payroll product	1,610
Adobe	Software used to create, edit, and manage PDF files.	1,199
B&B Fee Allocation	Software developer toolkit used to build business applications	849
Blue Host - Storage	Website hosting	130
Delphia	Sage HRMS and payroll software and support	1,440
Docusign	Electronic Signatures	2,760
Doxy.Me Clinic	Telehealth platform for secure video appts	7,258
GoDaddy Domain	Domain registrar and name management system	616
Insight	Hardware and software licensing	2,601
Intuit T Sheets - Horizon	Punch In/Out for Timesheets	2,798
Medwoxx	Document Retention Platform	5,433
Microsoft Azure	Cloud computing and data center	123
NetSource One	Cloud Computing Contract	421,663
Omnilert Notification License	Mass Notification System	2,901
PCE	EHR System	280,058
Sage 100 Software	General Ledger Software	8,080
Sage Benefits Messenger	Benefit Feed to Insurance Companies	5,683
Sage Sftwre HRMS	HR/Payroll Software	13,676
Sage Sftwre Fixed Assets	Fixed Asset Software	3,934
Sage Sftwre Time Star	Timesheet Module	5,717
Yeo & Yeo Technology	Remote Support	2,464
Zoom Video Communications	Ability to conduct meetings remotely	8,821
TOTAL		779,816