



**Board Meeting Minutes**

**January 9, 2026**

**SWMBH, 5250 Lovers Lane, Suite 200, Portage, MI 49002**

**9:30 am-11:30 am**

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**Members Present:** Tom Schmelzer, Michael Seals, Tina Leary, Carol Naccarato, Kayla Wisnieski

**Members Present via MS Teams:** Allen Edlefson, Lorraine Lindsey

**Members Absent:** Sherii Sherban, Joyce Locke

**Guests Present:** Mila Todd, Interim CEO, SWMBH; Garyl Guidry, Chief Financial Officer, SWMBH; Alena Lacey, Chief Clinical Officer, SWMBH; Ella Philander, Executive Project Manager, SWMBH; Michelle Jacobs, Senior Operations Specialist & Rights Advisor, SWMBH; Cameron Bullock, Pivotal; Ric Compton, Riverwood; Michael Mallory, Woodlands; Jeff Patton, ISK; Marsha Bassett, Barry County; Sue Germann, Pines BH; Jeannie Goodrich, Summit Pointe; Debbie Hess, Van Buren CMH; Jon Houtz, SWMBH Board Alternate; Marsha Bassett, Branch County Commissioner

**Guests Present via MS Teams:**

None

**Welcome Guests**

Tom Schmelzer called the meeting to order at 9:30am and introductions were made.

**Public Comment**

None

**Agenda Review and Adoption**

No quorum was present.

**Financial Interest Disclosure (FID) Handling**

None

**Consent Agenda**

No quorum was present.

**2026 Year to Date Financial Statements; Cash Flow Analysis; Mid-Year Revenue Rate Assumptions and Revised SWMBH Budget/Projections**

Garyl Guidry gave an update on Fiscal Year 2025 financials as follows:

- SWBMH and CMHs are processing the final Fiscal Year 2025 financials with a due date of 2/28/26

- Amendment #5 was received this week. Higher dollar amount than anticipated with an estimate of an additional \$3 million which will reduce the projected \$16 million deficit
- Internal conversations with MDHHS continues regarding utilization of FY26 surplus to offset FY25 deficit

Garyl Guidry presented Period 2 financial statements as documented and noted:

- December eligibles are down which will affect revenue
- Period 2 surplus is \$4.8 million with an annualized projection of \$29 million in surplus
- ACR is 11%
- One CMH submitted an estimated financial statement
- Could see more changes in Period 3 financial statements

Discussion followed.

### **Variance Revenue Report**

Garyl Guidry reported as documented noting December eligibles

### **Operations Committee Update**

No update given as the Committee did not meet in December.

### **CMH Board Updates**

**Barry**-discussion of reduction in eligibles. Recipient Rights training. Struggles and strategies regarding medical assistance in rural settings.

**Berrien**- none

**Branch**-no Board meeting in December. Recipient Rights report is being presented at the January Board meeting.

**Calhoun**-none

**Cass**-none

**Kalamazoo**-none

**St. Joseph**-no Board meeting in December. Clubhouse accreditation was completed.

**Van Buren**- none

### **Required Approvals**

None scheduled

### **Ends Metrics Updates**

#### **Owner Engagement Survey**

Mila Todd reported as documented. Discussion followed with an agreement by Board members on process to disseminate, complete and finalize Owner Engagement Survey between SWMBH Board and CMH Boards.

### **Board Actions to be Considered**

None scheduled

### **Board Policy Review**

None scheduled

### **Executive Limitations Review**

None scheduled

### **Board Education**

#### **Fiscal Year 2025 Medicaid Services Verification Report**

Mila Todd reported as documented. Discussion followed.

#### **Program Integrity Compliance Report**

Mila Todd reported as documented. Discussion followed.

### **Corporate Compliance Plan revisions**

Mila Todd noted the required OIG revisions to the Corporate Compliance Plan which the Board approved in October of 2025.

### **Communication and Counsel to the Board**

#### **PIHP Procurement**

Mila Todd reported as follows:

*The Court issued an Order yesterday afternoon, which a printed copy has been provided for ease of reference. In short, the Court found that **“the RFP, as drafted, impermissibly conflicts with Michigan law in numerous respects, especially insofar as the RFP restricts CMHSPs from entering into financial contracts for the purpose of funding CMHSPs’ managed-care functions.”** The Judge alluded to in his comments during Closing Arguments, he did NOT direct the State how it must fix the deficiencies. Rather, the Order indicates that Defendants (MDHHS and DTMB) must determine how to address the conflicts between Michigan law and the RFP.*

*This is the outcome we asked for during the December hearing and is, in short, a “win”. This is a marathon however, not a sprint, and now we will wait to find out how the State will proceed in addressing the deficiencies noted by the Court. I anticipate it will take **at least** a week for the State to review and process the Order, likely longer. The Court retained jurisdiction to handle any issues depending on how the State chooses to move forward.*

### **February Board Policy Direct Inspection**

None scheduled

### **Public Comment**

None

### **Adjournment**

Meeting adjourned at 10:23am