

Southwest Michigan

BEHAVIORAL HEALTH

Board Meeting Minutes

November 14, 2025

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

9:30 am-11:30 am

Members Present: Sherii Sherban, Tom Schmelzer, Allen Edlefsen, Michael Seals, Lorraine Lindsey, Tina Leary, Carol Naccarato; Joyce Locke

Members Absent: None

Guests Present: Mila Todd, Interim CEO, SWMBH; Garyl Guidry, Chief Financial Officer, SWMBH; Natalie Spivak, Chief Information Officer, SWMBH; Alena Lacey, Chief Clinical Officer, SWMBH; Alison Strasser, Interim Compliance Officer, SWMBH; Michelle Jacobs, Senior Operations Specialist & Rights Advisor, SWMBH; Gail Patterson-Gladney, SWMBH Board Alternate; Cameron Bullock, Pivotal; Debbie Hess, Van Buren County CMH; Ric Compton, Riverwood; Michael Mallory, Woodlands; Richard Thiemkey, Barry CMH; Jeff Patton, ISK; Marsha Bassett, Barry County

Welcome Guests

Sherii Sherban called the meeting to order at 9:35am and introductions were made.

Public Comment

None

Agenda Review and Adoption

Motion Michael Seals moved to approve the agenda as presented.
Second Lorraine Lindsey
Motion Carried

Financial Interest Disclosure (FID) Handling

None

Consent Agenda

Motion Joyce Locke moved to approve October 10, 2025, Board Meeting minutes, October 8, and October 22, 2025, Operations Committee Meeting minutes, and October 3, 2025, Board Finance Committee Meeting minutes as presented.
Second Carol Naccarato
Motion Carried

2025 Year to Date Financial Statements; Cash Flow Analysis; Mid-Year Revenue Rate Assumptions and Revised SWMBH Budget/Projections

Garyl Guidry presented Period 12 financial statements as documented and noted:

- All eligibles have declined
- Year to Date revenue of \$343 million, \$1.3 million short of what was forecasted. Could recapture some funds.
- Amendment 6 should occur, waiting on DHHS to make it formal
- Earned Sick Time Act and Minimum Wage should add \$2.3 - \$2.5 million by 12/31/25
- Period 12 PIHP has a projected deficit of \$13.3 million
- Period 12 CCBHC has a surplus of \$2.5 million
- Cost settlements for each CMH with CCBHC broken out reviewed
- CMHs can carry SWMBH receivable in 2026 with the exception of Woodlands
- March of 2026 Woodlands will need their Fiscal Year 2025 settlement
- PIHP and CMH continue researching and working on reductions in Managed Care Administration costs
- Regional Assets and Liability Workgroup developed a SWMBH net position of \$8.5 million and working to remove CCBHC from net position
- FSR was due on 11/10/25 and SWMBH will reported a negative ISF
- Medicaid and Healthy Michigan capitations includes the FY25 PBIP revenue accrual of \$2.5 million
- New report – Revenue and Variance shows an unfavorable \$1.49 million dollar variance for Fiscal Year 2026 Period 1. Reasons are: Decline in eligibles, HSW being paid at 2025 rate until March of 2026 and payment data is not fully complete
- Communication and discussions with DHHS continue regarding:
 - Review differences in GASB10 (Governmental Accounting Standards for Board Statement) titled “Accounting and financial reporting for risk financing and related insurance issues” with MDHHS contract on general accepted accounting principles to utilize Fiscal Year 2026 surplus to offset Fiscal Year 2025 deficit
 - Quote received from Roslund Prestage to review
 - Reviewing options for resolving the FY25 deficit with MDHHS
 - Milliman’s rates were built on static eligibles

Discussion followed.

Operations Committee Update

Cameron Bullock presented as documented in a handout that was distributed. Discussion followed.

Required Approvals

None scheduled

Ends Metrics Updates

None scheduled

Board Actions to be Considered

2026 Board Policy Calendar

Sherii Sherban Reviewed the 2026 Board Policy Calendar. Discussion followed. SWMBH to verify all Policy effective dates of June 2025.

Motion Lorraine Lindsey moved to approve the 2026 Board Policy Calendar as presented with effective policy dates of June 2025.
Second Tom Schmelzer
Motion Carried

3.4 Policy Annual Board Planning Cycle and 3.8 Policy Cost of Governance

Sherii Sherban reported as documented. Discussion followed.

Motion Michael Seals moved to revise the date to June in Policy 3.8 to make it consistent with Policy 3.4
Second Carol Naccarato
Motion Carried

Policy 3.4.3.1 and Policy 3.4.3.2

Discussion of due dates, content and information regarding items listed in Policy 3.4.3.1 and Policy 3.4.3.2.

Motion Lorraine Lindsey moved that a standing agenda item be added titled CMH updates starting in December and a draft CMH Board survey will be brought to the Board at the January meeting.
Second Michael Seals
Motion Carried

Board Policy Revisions

Sherii Sherban reported as documented.

Motion Tom Schemlzer moved to approve the red line Board Policy changes as presented.
Second Lorraine Lindsey
Motion Carried

Board Chair appointment to the Board Finance Committee

Sherii Sherban appointed Allen Edlefson to the Board Finance Committee.

Motion Tom Schmelzer moved to approve the addition of Allen Edlefson to the Board Finance Committee.
Second Michael Seals
Motion Carried

Board Policy Review

None scheduled

Executive Limitations Review

None scheduled

Board Education

Compliance Role and Function

Alison Strasser reported as documented. Discussion followed.

Communication and Counsel to the Board
Fiscal Year 2025 CMHSP Site Visit Review Results

Mila Todd reported as documented. Discussion followed.

Fiscal Year 2025 Health Services Advisory Group Compliance Review

Alena Lacey reported as documented. Discussion followed.

Fiscal Year 2025 Health Services Advisory Group Performance Measure Validation

Natalie Spivak reported as documented. Discussion followed.

PIHP Procurement

Mila Todd reported as documented noting the December 8th hearing location and date was emailed to the Board. The hearing is open to the public. *(not sure if you want the reconsideration and pages of stuff from the attorney noted here.)*

December Board Policy Direct Inspection

2.5 Asset Protection for period 8/1/25 – 12/1/25 (Board Finance Committee)

Public Comment

None

Adjournment

Motion Michael Seals moved to adjourn.

Second Joyce Locke

Meeting adjourned at 11:33am