

Southwest Michigan

BEHAVIORAL HEALTH

Board Meeting Minutes

March 13, 2026

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

9:30 am-11:30 am

Members Present: Sherii Sherban, Tom Schmelzer, Michael Seals, Tina Leary, Carol Naccarato, Edward Meny

Members Present via MS Teams: Lorraine Lindsey

Members Absent: Allen Edelfson, Joyce Locke

Guests Present: Mila Todd, Interim CEO, SWMBH; Garyl Guidry, Chief Financial Officer, SWMBH; Ella Philander, Executive Project Manager, SWMBH; Michelle Jacobs, Senior Operations Specialist & Rights Advisor, SWMBH; Alison Strasser, Interim Compliance Officer, SWMBH; Jeff Patton, ISK; Beth Ann Meints, ISK; Jeannie Goodrich, Summit Pointe

Guests Present via MS Teams:

Gail Patterson-Gladney, Jon Houtz, Cameron Bullock, Pivotal; Ric Compton, Riverwood; Debbie Hess, Van Buren CMH; Michael Mallory, Woodlands

Welcome Guests

Sherii Sherban called the meeting to order at 9:27am and introductions were made.

Public Comment

None

Agenda Review and Adoption

Motion Tom Schmelzer moved to approve the agenda with revisions of moving the Ends Metrics to April, adding CMHAM special assessment and Executive Officer Update.

Second Michael Seals

Motion Carried

Financial Interest Disclosure (FID) Handling

None scheduled

Consent Agenda

Motion Tom Schmelzer moved to approve February 13, 2026; February 6, 2026, Board Finance Committee meeting minutes; February 11 and February 25, 2026, Operations Committee meeting minutes as presented.

Second Michael Seals

Motion Carried

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

- Monday, March 2 SWBMH filed the final Fiscal Year 2025 financials with a deficit of \$13,623,936
- Call with MDHHS regarding negative ISF filing. The penalty for filing a negative ISF is \$120,000. SWMBH does not have the funds to cover the deficit.
- Mila Todd noted a recent meeting with Kristen Morningstar of MDHHS which was collaborative. MDHHS understood the reasons for filing a negative ISF. MDHHS requested Fiscal Year 2026 projections and a willingness to be flexible, but not committal. Another meeting will be scheduled soon.
Discussion followed.

Garyl Guidry presented Period 4 financial statements as documented and noted:

- Period 4 surplus is \$8.6 million with an annualized projection of \$26 million in surplus which is \$14 million short of what Milliman said would be paid
- Eligibles declined in January and increased slightly in February. Eligibles are down from what Milliman projected
- SWMBH expenses for January are higher due to 3 payrolls, 3 claim payments and a retention payment
- HSW rates are still being paid at the 2025 rates and is expected to occur in the month of March as indicated by MDHHS. SWMBH will follow up with MDHHS if the issue is not resolved.
Discussion followed.

Operations Committee Update

Jeannie Goodrich distributed a handout covering key topics from recent Operations Committee meetings.
Discussion followed.

CMH Board Updates

Barry-Lorraine Lindey is resigning from the CMH Board

Berrien-SWMBH survey format of questions was not well received. Several new Board members

Branch-Concerned with finances and appreciation of the quarterly SWM

Calhoun-Completed SWMBH survey and stated it can be hard to understand the survey questions if you don't "speak the language"

Cass-N/A

Kalamazoo-SWMBH survey completed and format of questions was not well received. Concerned about

finances. New CEO, Beth Ann Meints. ISK received high marks for crisis stabilization response and services

St. Joseph- local hospital was hit by recent tornado and satellite office was closed. New building construction continues

Van Buren-N/A

Required Approvals

None scheduled

Ends Metrics Updates

Sub End Revisions

Topic moved to April Board meeting.

Board Actions to be Considered

Moving Board Meeting time

Discussion about moving the SWMBH Board meeting time to avoid parking congestion with lower level meetings happening at the same time. Discussion followed and topic will be discussed again at the October Board meeting.

Board Policy Review

3.5 Board Chair Role

Sherii Sherban reported as documented.

Motion Tom Schmelzer moved that the Board is in compliance with policy 3.5 Board Chair Role and the policy does not need revision.

Second Michael Seals

Motion Carried

Executive Limitations Review

None scheduled

Board Education

None scheduled

Communication and Counsel to the Board

PIHP Procurement

Mila Todd reported as documented and noted the following:

- MDHHS formally cancelled the RFP on January 30th
- January 31st, MDHHS through counsel filed a Motion for Summary Disposition requesting our lawsuit be dismissed on the grounds of it being “moot”. Moot is a legal status where there is no longer an issue upon which the court can grant any type of relief
- We (the plaintiffs collectively – SWMBH included) filed a response objecting to the Motion for Summary Disposition. This matter is scheduled for a hearing on Monday April 13th in Lansing, in front of Judge Yates. I plan to attend live
- There is still a filing against MDHHS around the legality of redrawing PIHP areas
- Recent dialogue/listening session meetings with MDHHS and PIHPs and MDHHS and CMHs. Those meetings were not productive
- Rumor of MDHHS reissuing an RFP in the Spring of 2026
Discussion followed

April Board Policy Direct Inspection

2.5 Investments (Board Finance Committee) beginning to review with a full review at the April 3rd meeting.

Executive Officer Update

Process ongoing with attorneys reviewing the contract. This topic will be added to the April Board meeting.

CMHAM Special Assessment

Mila Todd noted that CMHAM paid the legal fees of \$1.2 million for the RFP lawsuit litigation. CMHAM is asking for funding to replenish those funds expended. SWMBH will contribute \$10,600 to CMHAM.

Motion Tom Schemlzer moved to approved SWMBH’s contribution to CMHAM of \$10,600

Second Michael Seals

Motion Carried

Public Comment

Ed Meny stated his appreciation for the SWMBH staff and his appreciation for Jeff Patton’s leadership, expertise and guidance over the many years. Tom Schemlzer echoed those sentiments.

Adjournment

Motion Tom Schmelzer moved to adjourn the meeting at 10:44am

Second Michael Seals

Motion Carried