

Southwest Michigan

BEHAVIORAL HEALTH

Substance Use Disorder Oversight Policy Board (SUDOPB)

Southwest Michigan Behavioral Health

5250 Lovers Lane, Suite 200, Portage, MI 49002

Monday, May 18, 2026

4:00-5:30

Draft: 3/16/26

1. **Welcome and Introductions (R. Hazelbaker)**
2. **Public Comment**
3. **Agenda Review and Adoption (R. Hazelbaker) (d) pg.1**
4. **Financial Interest Disclosure and Conflict of Interest Handling (A. Strasser)**
 - None
5. **Consent Agenda (R. Hazelbaker)**
 - March 16, 2026 Meeting Minutes (d) pg.3
6. **Board Actions**
 - None
7. **Board Education**
 - a) Intergovernmental Contract (J. Smith) (d) pg.6
 - b) Fiscal Year 2026 Financials (G. Guidry) (d) pg.13
 - c) Fiscal Year 2026 PA2 Utilization (G. Guidry) (d) pg.14
 - d) FY 2027 Overview and Budget Planning (J. Smith) (d) pg.16
 - e) FY 2027 Three Year Estimate Report (G. Guidry) (d) pg.21
 - f) 2026 Mid-year PA2 Outcomes Report (J. Smith) (d) pg.31
 - g) Problem Gambling Awareness Month Screening Results (J. Smith) (d) pg.39
8. **Communication and Counsel**
 - a) Legislative and Policy Updates (M. Todd)
 1. PIHP RFP litigation and updates
 2. FY 2027 MDHHS Budget Proposal (d) pg.44
 - b) Fiscal Year 2026 Attendance, 2026 Board Roster and 2026 Calendar meeting dates (d) pg.48
9. **County Updates**

The meeting will be held in compliance with the Michigan Open Meetings Act

10. Public Comment

11. Adjourn

The meeting will be held in compliance with the Michigan Open Meetings Act

Southwest Michigan

BEHAVIORAL HEALTH

Substance Use Disorder

Oversight Policy Board (SUDOPB) Meeting Minutes

March 16, 2026

4:00 – 5:30 pm

Draft: 3/17/25

Members Present: Richard Godfrey (Van Buren County); RJ Lee (Cass County); Paul Schincariol (Van Buren County); Marsha Bassett (Barry County); Jared Hoffmaster (St. Joseph County); Dominic Oo (Calhoun County)

Members Present via MS Teams: Randall Hazelbaker (Branch County); Jonathan Current (Kalamazoo County)

Members Absent: Rayonte Bell (Berrien); Alex R. Ott (Berrien); Allyn Witchell (Kalamazoo County); Matt Saxton (Calhoun County)

Staff and Guests Present:

Mila Todd, Interim Executive Officer, SWMBH; Joel Smith, Substance Use Treatment and Prevention Director, SWMBH; Garyl Guidry, Chief Financial Officer, SWMBH; Amy St. Peter, Clinical Grants Specialist, SWMBH; Michelle Jacobs, Senior Operations Specialist and Rights Advisor, SWMBH; Anastasia Miliadi, SUD Treatment Specialist, SWMBH; Emily Flory, Strategic Initiatives Project Manager, SWMBH; Achilles Malta, Regional Prevention Coordinator, SWMBH; Megan O’Dea, Financial Analyst, SWMBH; Alison Strasser, Interim Compliance Director, SWMBH

Welcome and Introductions

Richard Godfrey called the meeting to order at 4:02 pm. Introductions were made.

Public Comment

None

Agenda Review and Adoption

Motion RJ Lee
Second Marsha Bassett
Motion Carried

Financial Interest Disclosure Statements (FIDS)

Alison Strasser distributed FIDS forms for each Board member to complete as part of the annual requirement.

Consent Agenda

Motion RJ Lee moved to approve the 11/17/25 meeting minutes as presented.
Second Dominic Oo
Motion Carried

Board Actions

Officer Elections

RJ Lee nominated Randall Hazelbaker for Board Chair. No other nominations were made.
Motion RJ Lee moved to appoint Randall Hazelbaker as SUDOPB Chair
Second Jared Hoffmaster
Motion Carried

RJ Lee nominated Jared Hoffmaster for Board Vice-Chair. No other nominations were made.
Motion RJ Lee moved to appoint Jared Hoffmaster as SUDOPB Vice-Chair
Second Dominic Oo
Motion Carried

Board Education

Michigan Profile for Healthy Youth (MiPHY)

Achilles Malta reviewed history of the MiPHY. Jen Bloomfield and Angela Blood Star of Michigan School Health Coordinators' Association reported as documented noting the importance of the MiPHY and encouraged Board members to connect with local schools and school Boards to implement the MiPHY throughout the region.

Fiscal Year 2026 YTD Financials

Garyl Guidry reviewed Fiscal Year 2025 and Fiscal Year 2026 overall financial statements including details of deficit and surplus. Discussion followed.
Garyl Guidry reported as documented, highlighting numbers for Medicaid, Healthy Michigan, MI Child, Block Grant, PA2 and PA2 carryforward. Garyl also noted the higher expenses due to 3 claim runs in the month of January.

PA2 Utilization Fiscal Year 2026 YTD

Garyl Guidry reported as documented.

Fiscal Year 2025 SUD BH TEDS

Joel Smith reported as documented. Discussion followed.

Problem Gambling

Joel Smith reported as documented. Discussion followed.

Riverwood PA2 Budget Change

Joel Smith reported as documented. Discussion followed.

Communication and Counsel

Public Policy and Legislative Updates

PIHP Procurement

Mila Todd noted the following:

- December of 2025 there were 3 days of hearings (on YouTube if interested in watching)
- Summary of Court of Claims opinion included in packet for Board purview
- Judge Yates is keeping jurisdiction over the case, but is retiring at the end of the year

- Defense, MDHHS, cancelled the RFP and filed to dismiss with prejudice
- Plaintiffs filed a response.
- Hearing scheduled for April 13, 2026 (Mila will attend)
- Rumors of new RFP to be released in the Spring of 2026
- 2 weeks ago MDHHS conducted listening sessions with PIHPs and CMHs. Nothing good came of those sessions and were viewed as “checking a box.”

Discussion followed

SAMSHA Grant Funding

Joel Smith summarized the recent cancelation and reinstatement (within a 24 hour period) of SAMSHA grant funding by the Trump Administration and the effects it had within our region.

County Updates

Barry County – 3 open seats on the local CMH Board

Cass County – recent tornado damage and fatality. One open seat on the local CMH Board

St Joseph County – recent tornado damage and community support

Van Buren County – County Commissioner Chair, Randall Peat passed away. Interim Chair as been appointed

Public Comment

None

Adjourn

Motion Marsha Bassett moved to adjourn the meeting

Second RJ Lee

Motion Carried

Meeting adjourned at 5:45pm

INTERGOVERNMENTAL CONTRACT

This Contract (this “Contract”) is made as of this ___day of ____, 2023, by and among Southwest Michigan Behavioral Health Regional Entity (“SWMBH”), Barry County, Berrien County, Branch County, Cass County, Calhoun County, Kalamazoo County, St. Joseph County and Van Buren County (individually referred to as the “County,” and collectively referred to as the “Counties”).

RECITALS

SWMBH is a community mental health Regional Entity formed under the Mental Health Code, MCL 330.1204b.

The Counties are located in a region designated by the Michigan Department of Health and Human Services, as defined under MCL 300.1100a(22) (“MDHHS”), as Region 4 under MDHHS’s restructuring of PIHPs in Michigan.

Under 2012 PA 500 and 2012 PA 501, the coordination of the provision of substance use disorder services were transferred from prior existing coordinating agencies to community mental health entities designated by MDHHS to represent a region of community mental health authorities, community mental health organizations, community mental health services programs or county community mental health agencies.

SWMBH represents eight (8) community mental health authorities in Region 4, and is a MDHHS-designated Community Mental Health Entity (“CMHE”) to coordinate the provision of substance use disorder services in Region 4.

SWMBH, as a MDHHS-designated community mental health entity, is required, under MCL 330.1287(5) to establish a Substance Use Disorder Oversight Policy Board (“SUD Oversight Policy Board”) through a contractual agreement, under appropriate law, between SWMBH and each of the Counties in Region 4.

SWMBH and the Counties are authorized to enter into contracts under 1951 PA 35, Intergovernmental Contracts Between Municipal Corporations, MCL 124.1 et. seq.

SWMBH and the Counties desire to enter into this Contract, under 1951 PA 35, to establish a SUD Oversight Policy Board.

NOW, THEREFORE, in furtherance of the foregoing and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

PURPOSE

Section 1.1 **PURPOSE.** The purpose of this Contract is to set forth the terms and conditions for the establishment of a SUD Oversight Policy Board pursuant to MCL 330.1287(5).

ARTICLE II

SUD POLICY BOARD

Section 2.1 **FUNCTIONS AND RESPONSIBILITIES.** The SUD Oversight Policy Board shall have the following functions and responsibilities:

2.1.1 Approval of any portion of SWMBH's budget that contains 1986 PA 2 (MCL 211.24e(11)), funds ("PA 2 Funds") for the treatment or prevention of substance use disorders which shall be used only for substance use disorder treatment and prevention in the Counties from which the PA 2 Funds originated;

2.1.2 Advise and make recommendations regarding SWMBH's budgets for substance use disorder treatment or prevention using non PA 2 Funds;

2.1.3 Advise and make recommendations regarding contracts with substance use disorder treatment or prevention providers; and

2.1.4 Any other function or responsibilities consistent with 2012 PA 500 and MCL 330.1287(5)(d) and as requested by SWMBH.

Section 2.2 **APPOINTMENT/COMPOSITION.** The Board of Commissioners of each of the Counties shall appoint up to two (2) members of the SUD Oversight Policy Board. The Board of Commissioners may appoint any combination of County Commissioners or others, as allowed by Michigan law, that it deems best represents the interests of its County. Records of appointments shall be provided to SWMBH upon request.

Section 2.3 **VACANCIES.** A vacancy on the SUD Oversight Policy Board shall be filled by the County that originally filled the vacated position.

Section 2.4 **REMOVAL.** The County that appointed a SUD Oversight Policy Board member may remove its appointee at any time. The SUD Oversight Policy Board is responsible for informing the relevant County of any lack of participation or attendance by the County's appointed SUD Oversight Policy Board member. Attendance records shall be provided to County Commissions at least twice annually.

Section 2.5 **ETHICS AND CONFLICTS OF INTEREST.** The SUD Oversight Policy Board shall adhere to all conflict of interest and ethics laws applicable to public officers and public servants, serving as members of the SUD Oversight Policy Board.

Section 2.6 COMPLIANCE WITH LAWS. The SUD Oversight Policy Board shall fully comply with all applicable laws, regulations and rules, including without limitation 1976 PA 267 (the “Open Meetings Act”), 1976 PA 422 (the “Freedom of Information Act”), 2012 PA 500, 2012 PA 501 and 1986 PA 2.

Section 2.7 BYLAWS. The SUD Oversight Policy Board shall maintain and periodically review its Bylaws. The Bylaws may be amended by the SUD Oversight Policy Board in accordance with all applicable Michigan state laws and regulations. The parties hereto agree that said Bylaws are not subject to SWMBH’s approval.

ARTICLE III

SWMBH

Section 3.1 FUNDING. SWMBH shall ensure that PA2 funding dedicated to substance use disorder services shall be retained for substance use disorder services and not diverted to fund services that are not for substance use disorders. MCL 330.1287(2).

ARTICLE IV

TERM AND TERMINATION

Section 4.1 TERM. The Term of this Contract shall commence on January 1, 2024, and continue for a term of three (3) years ending December 31, 2026, unless terminated at an earlier date as provided in Section 4.2.

Section 4.2.1 TERMINATION. Any party may terminate their participation in this Contract at any time for any or no reason by giving all other parties thirty (30) days written notice of the termination. Any notice of termination of this Contract shall not relieve either party of its obligations incurred prior to the effective date of such termination.

Section 4.2.2 TERMINATION of CMHE STATUS. This contract shall automatically and simultaneously terminate in the event MDHHS withdraws its designation of SWMBH as a CMHE.

ARTICLE V

LIABILITY

Section 5.1 LIABILITY/RESPONSIBILITY. No party shall be responsible for the acts or omissions of the other party or the employees, agents or servants of any other party, whether acting separately or jointly with the implementation of this Contract. Each party shall have the sole nontransferable responsibility for its own acts or omissions under this Contract. The parties shall only be bound and obligated under this Contract as expressly agreed to by each party and no party may otherwise obligate any other party.

ARTICLE VI

MISCELLANEOUS

Section 6.1 AMENDMENTS. This Contract shall not be modified or amended except by a written document signed by all parties hereto.

Section 6.2 ASSIGNMENT. No party may assign its respective rights, duties or obligations under this Contract.

Section 6.3 NOTICES. All notices or other communications authorized or required under this Contract shall be given in writing, either by personal delivery or certified mail (return receipt requested) and shall be deemed to have been given on the date of personal delivery or the date of the return receipt of certified mail. Notices shall be delivered to the Executive Officer of SWMBH and the County Administrator of each County.

Section 6.4 ENTIRE AGREEMENT. This Contract shall embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof. There are no other agreements or understandings, oral or written, between the parties with respect to the subject matter hereof and this Contract supersedes all previous negotiations, commitments and writings with respect to the subject matter hereof.

Section 6.5 GOVERNING LAW. This Contract is made pursuant to, and shall be governed by, construed, enforced and interpreted in accordance with, the laws and decisions of the State of Michigan.

Section 6.6 BENEFIT OF THE AGREEMENT. The provisions of this Contract shall not inure to the benefit of, or be enforceable by, any person or entity other than the parties and any permitted successor or assign. No other person shall have the right to enforce any of the provisions contained in this Contract including, without limitation, any employees, contractors or their representatives.

Section 6.7 ENFORCEABILITY AND SEVERABILITY. In the event any provision of this Contract or portion thereof is found to be wholly or partially invalid, illegal or unenforceable in any judicial proceeding, such provision shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or shall be deemed excised from this Contract, as the case may require. This Contract shall be construed and enforced to the maximum extent permitted by law, as if such provision had been originally incorporated herein as so modified or restricted, or as if such provision had not been originally incorporated herein, as the case may be.

Section 6.8 CONSTRUCTION. The headings of the sections and paragraphs contained in this Contract are for convenience and reference purposes only and shall not be used in the construction or interpretation of this Contract.

Section 6.9 COUNTERPARTS. This Contract may be executed in one or more counterparts, each of which shall be considered an original, but together shall constitute one and the same agreement.

Section 6.10 EXPENSES. Except as is set forth herein or otherwise agreed in writing by the parties, each party shall pay its own costs, fees and expenses of negotiating and consummating this Contract, the actions and agreements contemplated herein and all prior negotiations, including legal and other professional fees.

Section 6.11 REMEDIES CUMULATIVE. All rights, remedies and benefits provided to the parties hereunder shall be cumulative, and shall not be exclusive of any such rights, remedies and benefits or of any other rights, remedies and benefits provided by law. All such rights and remedies may be exercised singly or concurrently on one or more occasions.

Section 6.12 BINDING EFFECT. This Contract shall be binding upon the successors and permitted assigns of the parties.

Section 6.13 NO WAIVER OF GOVERNMENTAL IMMUNITY. The parties agree that no provision of this Contract is intended, nor shall it be construed, as a waiver by any party of any governmental immunity or exemption provided under the Mental Health Code or other applicable law.

ARTICLE VII

CERTIFICATION OF AUTHORITY TO SIGN THIS CONTRACT

The persons signing this Contract on behalf of the parties hereto certify by said signatures that they are duly authorized to sign this Contract on behalf of said parties, and that this Contract has been authorized by said parties pursuant to formal resolution(s) of the appropriate governing body(ies), copies of which shall be provided to SWMBH.

IN WITNESS WHEREOF, the parties hereto have entered into, executed and delivered this Contract as of the dates noted below.

SOUTHWEST MICHIGAN BEHAVIORAL HEALTH REGIONAL ENTITY

By: _____ Date: _____
Its: _____

BARRY COUNTY

By: _____ Date: _____
Its: _____

BERRIEN COUNTY

By: _____
Its: _____

Date: _____

BRANCH COUNTY

By: _____
Its: _____

Date: _____

CASS COUNTY

By: _____
Its: _____

Date: _____

CALHOUN COUNTY

By: _____
Its: _____

Date: _____

KALAMAZOO COUNTY

By: _____
Its: _____

Date: _____

ST. JOSEPH COUNTY

By: _____
Its: _____

Date: _____

VAN BUREN COUNTY

By: _____
Its: _____

Date: _____



A		D	E	F	G	H	I	J	K
1	Substance Use Disorders Revenue & Expense Analysis Fiscal Year 2026								
2	For the Fiscal YTD Period Ended 3/31/2026								
4	MEDICAID				Healthy MI				
5	Budgeted	Actual	YTD	Fav	Budgeted	Actual	YTD	Fav	
6	YTD Revenue	YTD Revenue	Expense	(Unfav)	YTD Revenue	YTD Revenue	Expense	(Unfav)	
7	Barry	121,098	65,032	7,213	57,819	182,649	130,154	21,298	108,856
8	Berrien	456,101	258,587	25,152	233,435	725,986	556,313	59,531	496,781
9	Branch	127,502	74,089	168	73,920	169,740	123,572	7,552	116,020
10	Calhoun	505,253	281,820	228,486	53,334	682,571	483,122	458,951	24,171
11	Cass	141,757	75,696	134,530	(58,834)	220,900	144,675	324,813	(180,138)
12	Kazoo	642,769	391,135	121,906	269,230	1,070,482	778,488	235,804	542,684
13	St. Joe	181,306	93,175	13,352	79,823	283,068	177,047	24,127	152,920
14	Van Buren	235,533	133,170	2,462	130,707	345,539	231,579	17,598	213,981
15	DRM	1,809,811	1,061,981	1,880,422	(818,441)	2,528,751	2,147,686	3,554,792	(1,407,105)
17	Grand Total	4,221,130	2,434,685	2,413,691	20,994	6,209,686	4,772,636	4,704,467	68,169
19	BLOCK GRANT				BLOCK GRANT BY COUNTY				
20	Budgeted	Actual	YTD	Fav		Actual	YTD	Fav	
21	YTD Revenue	YTD Revenue	Expense	(Unfav)	County	YTD Revenue	Expense	(Unfav)	
22	Community Grant	1,660,890	1,869,910	1,869,910	0	Barry	34,969	34,969	0
23	WSS	100,000	44,844	44,844	0	Berrien	533,502	533,502	0
24	Prevention	795,770	803,927	803,927	0	Branch	593	593	0
25	Admin/Access	193,198	109,244	109,244	0	Calhoun	249,965	249,965	0
26	State Disability Assistance	62,645	64,773	64,773	0	Cass	130,342	130,342	0
27	Gambling Prevention	100,000	44,259	44,259	0	Kazoo	307,602	307,602	0
28	State's Opioid Response	701,372	563,572	563,572	0	St. Joe	129,657	129,657	0
29	Partnership for Advancing Coalition	47,500	44,543	44,543	0	Van Buren	227,223	227,223	0
30	Substance Use Disorder - Tobacco	2,000	800	800	0	DRM	1,065,232	1,065,232	0
31	Alcohol Use Disorder Treatment	110,600	65,691	65,691	0	Admin/Access	104,448	104,448	0
32	Recovery Incentives Infrastructure	50,000	41,652	41,652	0				
33	Healing and Recovery Community Engagem	205,241	95,314	95,314	0		2,783,533	2,783,533	-
34									
35	Mental Health Block Grant								
36	Transitional Navigators	100,000	54,106	54,106	0	Legend			
37	Veterans Navigator	65,000	47,463	47,463	0	DRM - Detox, Residential, and Methadone			
38	Behavioral Health Disparities	125,000	132,233	132,233	0	WSS - Women's Specialty Services			
39	Admin/Access	0	0	6,892	(6,892)				
40									
41	Grand Total	4,319,214	3,982,331	3,989,223	(6,892)				
42									
43	PA2				PA2 Carryforward				
44	Budgeted	Actual	YTD	Fav		Prior Year	Current	Projected	
45	YTD Revenue	YTD Revenue	Expense	(Unfav)		Balance	Utilization	Year End Balance	
46	Barry	95,425	45,904	43,686	2,218	Barry	804,479	2,218	806,697
47	Berrien	415,751	202,070	122,489	79,581	Berrien	820,919	79,581	900,500
48	Branch	76,484	35,851	4,299	31,552	Branch	595,883	31,552	627,435
49	Calhoun	368,456	189,420	157,620	31,799	Calhoun	193,794	31,799	225,593
50	Cass	81,228	40,630	33,940	6,689	Cass	541,276	6,689	547,966
51	Kazoo	750,823	376,701	387,635	(10,934)	Kazoo	2,110,723	(10,934)	2,099,788
52	St. Joe	126,259	64,924	80,441	(15,517)	St. Joe	397,237	(15,517)	381,721
53	Van Buren	176,265	87,242	46,970	40,272	Van Buren	623,433	40,272	663,706
54	Grand Total	2,090,691	1,042,741	877,080	165,661		6,087,745	165,661	6,253,406



**Public Act 2 (PA2) Utilization Report
Fiscal Year 2026**

Program	FY26 Approved Budget	Utilization FY26 March 2026	PA2 Remaining	YTD Utilization
Barry	207,833	43,686	164,147	21%
Barry County - Adult Specialty Court	32,215	6,883	25,332	21%
Barry County - Peer Recovery Coach	49,920	21,443	28,478	43%
BCCMHA - Outpatient Services	49,920	15,360	34,560	31%
BCCMHA-Prevention Services	75,778	-	75,778	0%
Berrien	512,616	189,364	323,252	37%
Abundant Life - Healthy Start	77,700	37,115	40,585	48%
Berrien MHA - Riverwood Jail Based Assessment	16,085	10,032	6,053	62%
Berrien County - Treatment Court Programs (DTC)	90,000	11,577	78,423	13%
Berrien County - Trial Courts (Intake/Assessment Coordinator)	62,564	23,563	39,001	38%
CHC - Jail Services	8,000	103	7,897	1%
CHC - Carol's Hope	42,000	-	42,000	0%
CHC - Wellness Group	6,000	367	5,633	6%
CHC - Star of Hope Recovery House	60,000	44,106	15,894	74%
Sacred Heart - Butternut	25,267	-	25,267	0%
Berrien County Health Department - Prevention Services	125,000	62,502	62,498	50%
Branch	123,884	4,299	119,585	3%
Pines BHS - Outpatient Treatment	30,000	3,231	26,769	11%
Jail Based Clinician	93,884	1,068	92,816	1%
Calhoun	407,016	174,946	232,070	43%
Calhoun County 10th Dist Sobriety Treatment Court	114,499	64,420	50,079	56%
Calhoun County 10th Dist Veteran's Treatment Court	6,013	1,184	4,829	20%
Calhoun County 37th Circuit Drug Treatment Court	215,313	77,157	138,156	36%
Haven of Rest-Haven Life Recovery Program (Men's)	20,000	12,000	8,000	60%
Calhoun County Juvenile SUD Services	26,191	7,685	18,506	29%
Michigan Rehabilitation Services - Calhoun	25,000	12,500	12,500	50%
Cass	216,592	33,940	106,461	16%
Woodlands - Meth Treatment & Drug Court Outpatient Services	86,521	30,090	56,431	35%
Woodlands BHN-Family Education Group	8,880	3,850	5,030	43%
Woodlands Case Management Outreach	45,000	-	45,000	0%
Woodlands-Prevention Services	76,191	-	76,191	0%
Kalamazoo	1,119,099	387,635	731,465	35%
CHC - New Beginnings	77,627	61,268	16,359	79%
CHC - Bethany House	56,154	28,193	27,961	50%
ISK - Oakland Drive Shelter	42,000	21,000	21,000	50%
8th District Sobriety Court	29,590	5,887	23,703	20%
8th District General Probation Court	14,850	3,642	11,208	25%
8th District Mental Health Recovery Court	4,950	952	3,998	19%
9th Circuit Problem Solving Courts	80,003	51,345	28,658	64%
CHC - Adolescent Services	21,876	1,702	20,175	8%
KCHCS Healthy Babies	87,000	37,105	49,895	43%
ISK - Opiod Overdose Response Program (OORP)	168,818	-	168,818	0%
ISK - Homeless Emergency Response System (HERS)	33,600	13,794	19,806	41%
ISK - Mental Health Services Court	100,000	33,333	66,667	33%
Michigan Rehabilitation Services - Kalamazoo	17,250	8,625	8,625	50%
Mothers of Hope	60,000	54,653	5,347	91%
Recovery Institute - Recovery Coach	115,000	37,936	77,064	33%

Program	FY26 Approved Budget	Utilization FY26 March 2026	PA2 Remaining	YTD Utilization
CHC - Prevention	29,381	-	29,381	0%
Prevention Works - ATOD	100,000	-	100,000	0%
Prevention Works - Task Force	25,000	-	25,000	0%
Gryphon Gatekeeper - Suicide Prevention	20,000	10,200	9,800	51%
Gryphon Helpline/Crisis Response	36,000	18,000	18,000	50%
St. Joseph	165,392	80,441	84,951	49%
CHC - Hope House	57,325	30,416	26,909	53%
3B District - Drug/Alcohol Testing	37,040	32,229	4,811	87%
3B District - Sobriety Courts/Ignition Interlock	3,276	-	3,276	0%
Pivotal (CMH) - Court Ordered Drug Testing/Assessments	44,000	17,796	26,204	40%
Pivotal (CMH) - Prevention	23,751	-	23,751	0%
Van Buren	204,454	49,783	154,671	24%
Van Buren CMHA- Substance Abuse Treatment	88,007	22,163	65,844	25%
Van Buren County-Speciality Courts and Pretrial Services	71,466	27,620	43,846	39%
Van Buren CMHA - Prevention	44,981	-	44,981	0%
Totals	2,956,886	964,093	1,992,793	33%

PA2 Overview and Budget Planning



Substance Use Disorder Oversight Policy Board, May 18, 2026

Liquor Tax (PA2)

History and Overview:

- Michigan Liquor Control Code:
 - Liquor Specific Tax 4% generated from each county
- Changes to legislation in 2022:
 - SB 1222-23: extends the collection of liquor tax revenue via the State Convention Facility Development Act.
 - Sets a new baseline allocation for each county's distribution in FY23 and is an estimated increase of 48% for the State of Michigan.
 - Changes the required total funds to be used on substance abuse treatment and prevention from 50% to 40% based on the new baseline amount.
 - Baseline allocation is "re-set" every three years (2023, 2026, 2029, etc.).
- The proceeds of the taxing unit shall be distributed to the coordinating agency (PIHP) designated for that county
- Funding is county specific vs. regionally
- Must be used on treatment of prevention services



Liquor Tax (PA2)

SWMBH Budgeting Practice and Process:

- Prior to each fiscal year, SWMBH staff will determine/project the allocation of PA2 resources by county
- Multiple variables are taken into consideration when budgeting. These include, but are not limited to:
 - Projected PA2 revenue per county
 - County carry forward balances and projections
 - Availability of other available funding (Medicaid, Block Grant, other grants, etc.)
 - Needs of county, program outcomes performance, utilization, etc.
- PA2 revenue and allocations to specific providers may change from year to year based on the variables listed above
- PA2 can be carried over from year to year



Liquor Tax (PA2)

SWMBH Budgeting Practice and Process (continued):

- Carry forward reserves are monitored to assure adequate funding for current program expenditures and to assure future programming continues
- Ultimately the goal is to be fiscally responsible, while providing effective SUD treatment and prevention services.
- SWMBH staff will meet and communicate with providers, key stake holders, and board members as needed.

Role of the Oversight Policy Board:

- Approval of any portion of SWMBH's budget that contract PA2 funds for the treatment and prevention of substance use disorders



Budget Calendar

FY 2027 Budget Event	Date:
Initial Budgets Due	Monday, June 22
Revised Budgets Due (if necessary)	Monday, August 3
Final Budgets Due	Monday, August 17
Budget to SUD Oversight Policy Board	Tuesday, September 14
SUD Oversight Policy Board Meeting	Monday, September 21



**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
ALCOHOL TAX PLAN - FY27**

	Approved Budget FY 26 Oct-Sep	Projected Revenue/Expense FY 26 Oct-Mar	Inc/(Dec) over approved FY 26 Budget
Revenue:			
Prior Year(s) Carryover	6,286,420	6,253,406	10,988
PA2 Revenue	2,085,482	2,085,482	-
Total Revenue	8,371,902	8,338,888	10,988
Expenses:			
RESIDENTIAL TREATMENT SERVICES	233,106	173,106	(60,000)
OUTPATIENT TREATMENT SERVICES	2,167,698	1,475,284	(692,414)
PREVENTION SERVICES	556,082	426,104	(129,978)
Total Expenses	2,956,886	2,074,494	(882,392)
Total Carryover	5,415,016	6,264,394	893,380

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
ALCOHOL TAX PLAN - FY27**

	Approved	Projected	Inc/(Dec)
	Budget FY26 Oct-Sep	Budget FY26 Oct-Mar	over approved FY 26 Budget
Barry			
OUTPATIENT TREATMENT SERVICES	132,055	87,371	(44,684)
PREVENTION SERVICES	75,778	75,778	-
Total	207,833	163,149	(44,684)
Berrien			
OUTPATIENT TREATMENT SERVICES	387,616	291,924	(95,692)
PREVENTION SERVICES	125,000	125,000	-
Total	512,616	416,924	(95,692)
Branch			
OUTPATIENT TREATMENT SERVICES	123,884	8,597	(115,287)
PREVENTION SERVICES	-	-	-
Total	123,884	8,597	(115,287)
Calhoun			
OUTPATIENT TREATMENT SERVICES	407,016	332,356	(74,660)
PREVENTION SERVICES	-	-	-
Total	407,016	332,356	(74,660)
Cass			
OUTPATIENT TREATMENT SERVICES	140,401	67,881	(72,520)
PREVENTION SERVICES	76,191	-	(76,191)
Total	216,592	67,881	(148,711)
Kalamazoo			
RESIDENTIAL TREATMENT SERVICES	175,781	115,781	(60,000)
OUTPATIENT TREATMENT SERVICES	732,938	559,284	(173,654)
PREVENTION SERVICES	210,381	181,000	(29,381)
Total	1,119,099	856,065	(263,035)
St Joseph			
RESIDENTIAL TREATMENT SERVICES	57,325	57,325	-
OUTPATIENT TREATMENT SERVICES	84,316	72,632	(11,684)
PREVENTION SERVICES	23,751	-	(23,751)
Total	165,392	129,957	(35,435)
Van Buren			
OUTPATIENT TREATMENT SERVICES	159,473	55,240	(104,233)
PREVENTION SERVICES	44,981	44,326	(655)
Total	204,454	99,566	(104,888)
All Counties			
RESIDENTIAL TREATMENT SERVICES	233,106	173,106	(60,000)
OUTPATIENT TREATMENT SERVICES	2,167,698	1,475,284	(692,414)
PREVENTION SERVICES	556,082	426,104	(129,978)
Total	2,956,886	2,074,494	(882,392)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
BARRY COUNTY
ALCOHOL TAX PLAN - FY27**

	Approved	Projected	Proposed			
	Budget FY26 Oct - Sep	Rev/Exp FY 26 Oct - Mar	Budget FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep	Estimate FY30 Oct - Sep
Revenue:						
Prior Year(s) Carryover	768,246	806,697	735,356	619,330	543,094	461,817
PA2 Revenue	91,807	91,807	91,807	91,807	91,807	91,807
Total Revenue	860,053	898,504	827,163	711,137	634,901	553,624
Expenses:						
OUTPATIENT TREATMENT SERVICES						
Barry County Community Mental Health Authority - Jail Services	49,920	30,720	49,920	31,642	32,591	33,569
Barry County - Adult Specialties Court	32,215	13,766	32,215	14,179	14,604	15,043
Barry County - Peer Recovery Coach	49,920	42,885	49,920	44,172	45,497	46,862
PREVENTION SERVICES	75,778	75,778	75,778	78,051	80,392	82,804
Total Expenses	207,833	163,149	207,833	168,043	173,084	178,277
Total Carryover	652,220	735,356	619,330	543,094	461,817	375,347

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
 BERRIEN COUNTY
 ALCOHOL TAX PLAN - FY27**

	Approved Budget FY 26 Oct - Sep	Projected Rev/Exp FY 26 Oct - Mar	Proposed Budget FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep	Estimate FY30 Oct - Sep
Revenue:						
Prior Year(s) Carryover	938,301	900,500	887,717	779,242	655,388	515,695
PA2 Revenue	404,141	404,141	404,141	404,141	404,141	404,141
Total Revenue	1,342,442	1,304,641	1,291,857	1,183,383	1,059,529	919,836
Expenses:						
OUTPATIENT TREATMENT SERVICES						
Abundant Life - Healthy Start	77,700	74,409	77,700	80,031	82,432	84,905
Berrien MHA - Riverwood Jail Based Drug Assessment	16,085	16,085	16,085	16,568	17,065	17,577
Berrien County - DTC	90,000	23,154	90,000	92,700	95,481	98,345
Berrien County - Trial courts (Intake Coordinator)	62,564	47,126	62,564	64,441	66,374	68,365
CHC - Jail	8,000	206	8,000	8,240	8,487	8,742
CHC- Carol's Hope	42,000	42,000	42,000	43,260	44,558	45,895
CHC - Wellness Grp	6,000	733	6,000	6,180	6,365	6,556
CHC - Star of Hope Recovery House	60,000	88,211	60,000	61,800	63,654	65,564
Sacred Heart	-	-	-	-	-	-
Sacred Heart - Butternut	25,267	-	25,267	26,025	26,806	27,610
PREVENTION SERVICES	125,000	125,000	125,000	128,750	132,613	136,591
Total Expenses	512,616	416,924	512,616	527,994	543,834	560,149
Total Carryover	829,826	887,717	779,242	655,388	515,695	359,687

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
BRANCH COUNTY
ALCOHOL TAX PLAN - FY27**

	Approved Budget FY26 Oct - Sep	Projected Rev/Exp FY 26 Oct - Mar	Proposed Budget FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep	Estimate FY30 Oct - Sep
Revenue:						
Prior Year(s) Carryover	615,717	627,435	690,539	638,357	582,458	522,731
PA2 Revenue	71,702	71,702	71,702	71,702	71,702	71,702
Total Revenue	687,418	699,137	762,241	710,059	654,160	594,433
Expenses:						
OUTPATIENT TREATMENT SERVICES						
Outpatient Treatment	30,000	2,136	30,000	30,900	31,827	32,782
Jail Base Clinician	93,884	6,461	93,884	96,701	99,602	102,590
PREVENTION SERVICES	-	-	-	-	-	-
Total Expenses	123,884	8,597	123,884	127,601	131,429	135,371
Total Carryover	563,534	690,539	638,357	582,458	522,731	459,061

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
CALHOUN COUNTY
ALCOHOL TAX PLAN - FY27**

	Approved Budget FY26 Oct - Sep	Projected Rev/Exp FY 26 Oct - Mar	Proposed Budget FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep	Estimate FY30 Oct - Sep
Revenue:						
Prior Year(s) Carryover	213,798	225,593	225,593	197,416	157,028	104,064
PA2 Revenue	378,839	378,839	378,839	378,839	378,839	378,839
Total Revenue	592,637	604,432	604,432	576,255	535,868	482,903
Expense:						
OUTPATIENT TREATMENT SERVICES						
10th Dist Drug Sobriety Court	114,499	108,586	114,499	117,934	121,472	125,116
10th Dist Veteran's Court	6,013	6,013	6,013	6,193	6,379	6,571
37th Circuit Drug Treatment Court	215,313	154,314	215,313	221,772	228,426	235,278
Haven of Rest	20,000	20,000	20,000	20,600	21,218	21,855
MRS	25,000	25,000	25,000	25,750	26,523	27,318
Calhoun County Youth Center	26,191	18,443	26,191	26,977	27,786	28,620
Total Expenses	407,016	332,356	407,016	419,227	431,804	444,758
Total Carryover	185,621	272,076	197,416	157,028	104,064	38,146

Note(s)

Notes:

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
CASS COUNTY
ALCOHOL TAX PLAN - FY27**

	Approved Budget FY26 Oct - Sep	Projected Rev/Exp FY 26 Oct - Mar	Proposed Budget FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep	Estimate FY30 Oct - Sep
Revenue:						
Prior Year(s) Carryover	611,521	547,966	547,966	412,634	270,803	122,281
PA2 Revenue	81,260	81,260	81,260	81,260	81,260	81,260
Total Revenue	692,780	629,226	629,226	493,893	352,063	203,540
Expense:						
OUTPATIENT TREATMENT SERVICES						
Woodlands BHN Jail & Outpatient Services	86,521	60,181	86,521	89,117	91,790	94,544
Woodlands BHN Family Education Group	8,880	7,700	8,880	9,146	9,421	9,703
Woodlands BHN Case Management Outreach	45,000	-	45,000	46,350	47,741	49,173
						-
PREVENTION SERVICES	76,191	-	76,191	78,477	80,831	83,256
Total Expenses	216,592	67,881	216,592	223,090	229,782	236,676
Total Carryover	476,188	561,345	412,634	270,803	122,281	(33,136)

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
KALAMAZOO COUNTY
ALCOHOL TAX PLAN - FY27**

	Approved Budget FY26 Oct - Sep	Projected Rev/Exp FY 26 Oct - Mar	Proposed Budget FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep	Estimate FY30 Oct - Sep
Revenue:						
Prior Year(s) Carryover	2,325,656	2,099,788	2,099,788	1,734,090	1,335,336	902,535
PA2 Revenue	753,401	753,401	753,401	753,401	753,401	753,401
Total Revenue	3,079,058	2,853,189	2,853,189	2,487,491	2,088,737	1,655,936
Expenses:						
RESIDENTIAL TREATMENT SERVICES						
CHC - New Beginnings	77,627	47,627	77,627	79,956	82,354	84,825
CHC - Bethany House	56,154	26,154	56,154	57,839	59,574	61,361
ISK - Oakland Drive Shelter	42,000	42,000	42,000	43,260	44,558	45,895
OUTPATIENT TREATMENT SERVICES						
8th District Sobriety Court	29,590	11,774	29,590	30,478	31,392	32,334
8th District Probation Court	14,850	7,283	14,850	15,296	15,754	16,227
8th District Mental Health Recovery Court	4,950	1,904	4,950	5,099	5,251	5,409
9th Circuit Drug Court-Problem Solving Court	80,003	80,000	80,003	82,403	84,876	87,422
CHC - Adolescent Services	21,876	3,403	21,876	22,533	23,209	23,905
KCHCS Healthy Babies	87,000	74,211	87,000	89,610	92,298	95,067
ISK - Opioid Overdose Response Program (OORP)	168,818	100,000	168,818	173,883	179,099	184,472
ISK - Homeless Emergency Response System (FUSE)	33,600	27,587	33,600	34,608	35,646	36,716
ISK - MH Court	100,000	100,000	100,000	103,000	106,090	109,273
Mothers Of Hope	60,000	60,000	60,000	61,800	63,654	65,564
MRS	17,250	17,250	17,250	17,250	17,250	17,250
Recovery Institute - Recovery Coach	115,000	75,871	115,000	118,450	122,004	125,664
PREVENTION SERVICES						
CHC - Prevention	29,381	-	29,381	30,262	31,170	32,105
Gryphon Gatekeeper - Suicide Prevention	20,000	20,000	20,000	20,600	21,218	21,855
Gryphon Helpline/Crisis Response	36,000	36,000	36,000	37,080	38,192	39,338
Prevention Works - ATOD	100,000	100,000	100,000	103,000	106,090	109,273
Prevention Works - Task Force	25,000	25,000	25,000	25,750	26,523	27,318
Total Expenses	1,119,099	856,065	1,119,099	1,152,155	1,186,202	1,221,271
Total Carryover	1,959,958	1,997,125	1,734,090	1,335,336	902,535	434,666

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
ST. JOSEPH COUNTY
ALCOHOL TAX PLAN - FY27**

	Approved Budget FY26 Oct - Sep	Projected Rev/Exp FY 26 Oct - Mar	Proposed Budget FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep	Estimate FY30 Oct - Sep
Revenue:						
Prior Year(s) Carryover	366,716	381,721	381,721	346,177	305,672	260,056
PA2 Revenue	129,848	129,848	129,848	129,848	129,848	129,848
Total Revenue	496,564	511,569	511,569	476,025	435,520	389,904
Expenses:						
RESIDENTIAL TREATMENT SERVICES						
Hope House	57,325	57,325	57,325	59,045	60,816	62,641
OUTPATIENT TREATMENT SERVICES						
3B District - Sobriety Courts	3,276	-	3,276	3,374	3,476	3,580
3B District - Drug/Alcohol Testing	37,040	37,040	37,040	38,151	39,296	40,475
CMH Drug Testing/Assessments	44,000	35,592	44,000	45,320	46,680	48,080
PREVENTION SERVICES	23,751	-	23,751	24,463	25,197	25,953
Total Expenses	165,392	129,957	165,392	170,354	175,464	180,728
Total Carryover	331,173	381,612	346,177	305,672	260,056	209,175

Note(s)

**SOUTHWEST MICHIGAN BEHAVIORAL HEALTH
VAN BUREN COUNTY
ALCOHOL TAX PLAN - FY27**

	Approved Budget FY26 Oct - Sep	Projected Rev/Exp FY 26 Oct - Mar	Proposed Budget FY27 Oct - Sep	Estimate FY28 Oct - Sep	Estimate FY29 Oct - Sep	Estimate FY30 Oct - Sep
Revenue:						
Prior Year(s) Carryover	721,106	663,706	663,706	633,737	597,634	555,214
PA2 Revenue	174,485	174,485	174,485	174,485	174,485	174,485
Total Revenue	895,591	838,191	838,191	808,222	772,119	729,699
Expenses:						
OUTPATIENT TREATMENT SERVICES						
Van Buren CMHA	88,007	-	88,007	90,647	93,366	96,167
Van Buren Circuit Court-Specialty Court	71,466	55,240	71,466	73,610	75,818	78,093
PREVENTION SERVICES						
Van Buren CMHA	44,981	44,326	44,981	46,331	47,721	49,152
Total Expenses	204,454	99,566	204,454	210,587	216,905	223,412
Total Carryover	691,137	738,625	633,737	597,634	555,214	506,287

Note(s)

FY26 MID-YEAR PA2 FUNDED OUTCOMES REPORT

Reporting Period 10/1/25- 3/31/26



Brief History



- **Each county independently determines how local PA2 SUD funds are allocated.**
- **Each provider is responsible for submitting their own outcome measures.**
- **SWMBH collaborates with providers to ensure that outcome measures are specific, measurable, attainable, and time-limited.**
- **SWMBH supports providers in evaluating the effectiveness of their programs.**

Overview of PA2 Funded programs: Mid Year FY26

22 Providers

53 Programs

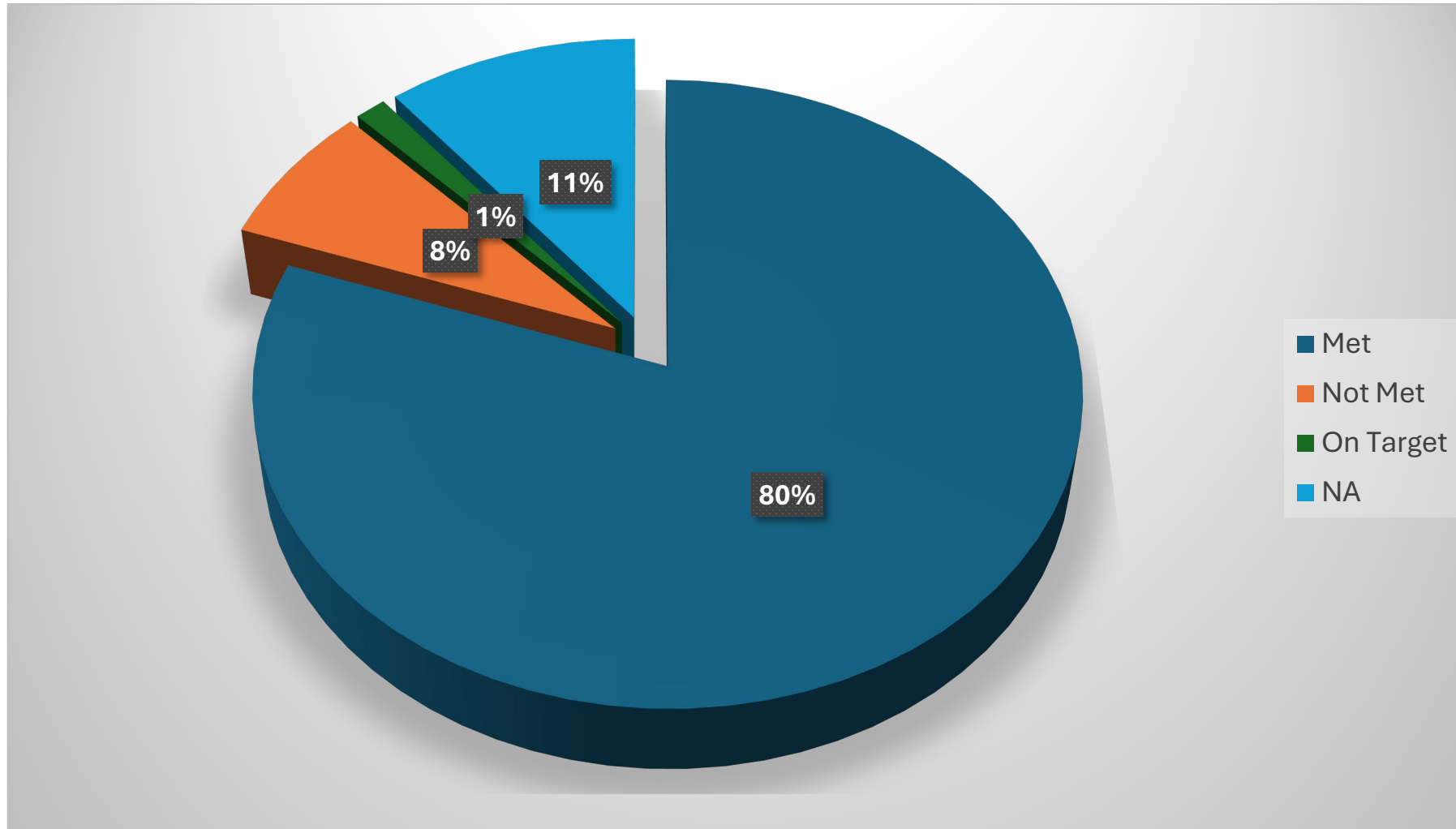
148 Outcome Measures

Mid Year Measurement Definitions

- **Met:** Clearly meets or exceeds outcome.
- **Not Met:** Not meeting outcome.
- **On Target:** Program is either very close to meeting outcome or is on target to meeting the outcome at the end of the year (e.g.: within 10%).
- **In Progress:** Longer term projects that involve more planning, delayed implementation, or data collection.
- **Information Not Applicable :** No data is available because no consumers met the criteria for this measurement.
- **Not received:** Provider did not submit their data.



PA2 Mid-Year Outcomes Summary: FY26



Summary by County

County	Total measures	Met	Not Met	In Progress	On Target	NA	Information Not Received
Barry	6	5	1	0	0	0	0
Berrien	32	25	0	0	0	7	0
Branch	10	3	0	0	0	7	0
Cass	3	0	2	0	1	0	0
Calhoun	21	20	1	0	0	0	0
Kalamazoo	56	52	2	0	0	2	0
Saint Joe	8	7	0	0	1	0	0
Van Buren	12	7	5	0	0	0	0
	148	119	11	0	2	16	0

Reporting Examples

Met:

Measure: Participants in court program will demonstrate alcohol and drug free lifestyles as evidenced by testing negative on drug tests 75% of the time.

Result: Participants in the problem-solving courts are drug tested randomly a minimum of three times a week. During this reporting period, 7070 tests in total were submitted and **95% of those tests were negative** (6718). Only 3% of the tests administered were positive for substances (236). Less than 1% of the results were due to participants submitting a dilute sample (17), which means the specimen wasn't able to provide valid results.

Not Met:

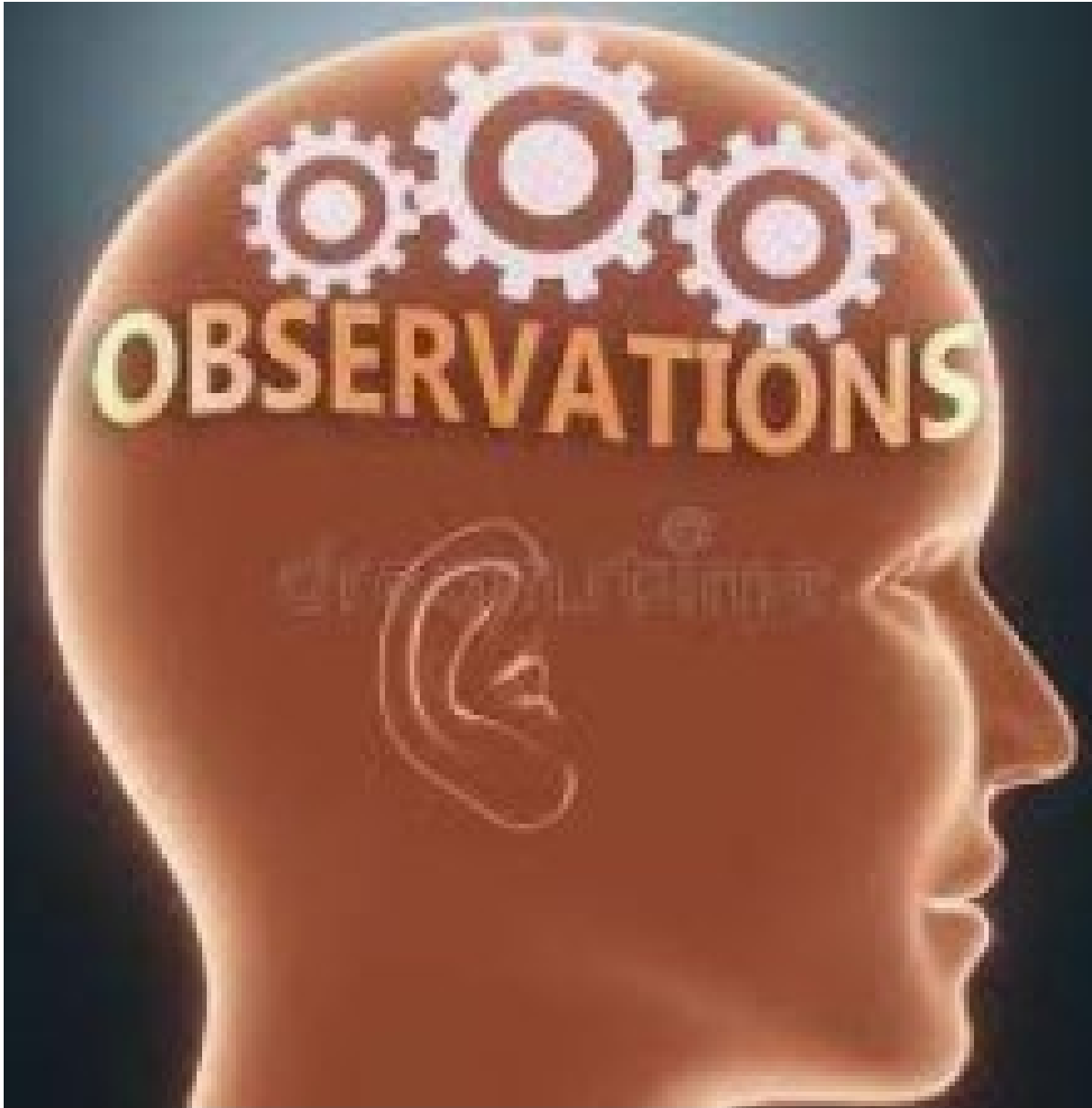
Measure: 50% of clients who are randomly tested during the course of treatment (not admission) will have negative drug screens.

Result: Between 10/1/25-3/31/26, three (3) clients were randomly tested during the course of treatment (not admission). 0% of clients tested negative.

On Target:

Measure: Participants receiving PA2 funded drug testing will demonstrate being alcohol and drug free as evidenced by testing negative greater than or equal to 80% of the time.

Result: 297 out of 381 (78%) were negative drug screens.



- SWMBH works closely with providers to create clear, specific, and timely measures, and regularly reviews program use and effectiveness.
- Specialty courts like drug, sobriety, and veterans' courts continue to see strong demand for their services.
- Staff shortages and turnover continue to have a negative impact on service delivery.
- Some providers with long-established services are able to offset the negative impact of staff turnover due to their experience and stability.
- Providers identify and analyze factors that impact their results and work on solutions to improve their programs' success.
- Several programs consistently meet their goals, likely because they have established effective strategies.

2026 Problem Gambling Screening Results



Substance Use Disorder Oversight Policy Board, May 18, 2026

Overview:

- **Problem Gambling Grant through MDHHS:**
 - Screening for problem gambling at request for service contact and at SUD Treatment Providers
 - Screenings at Providers took place the week of March 23, 2026
 - 7 Providers participated
- **Screening at SWMBH Call Center and other SWMBH SUD Access Points:**
 - National Opinion Research Center (NORC) Diagnostic Screen for Gambling Problems (NODS):
 - NODS CLiP (Loss of Control, lying, and preoccupation) three question brief screen:
 1. Have there ever been periods lasting 2 weeks or longer when you spent a lot of time thinking about your gambling experiences or planning out future gambling ventures or bets?
 2. Have you ever tried to stop, cut down, or control your gambling?
 3. No Have you ever lied to family members, friends, or others about how much you gamble or how much money you lost on gambling?
 - If yes to any of the three questions, move on to the full NODS Screening: 17 questions to determine potential level of severity of problem gambling.

Problem Gambling Screening – March 2026

Screenings Completed by Provider:

Barry CMHA 15

Harbortown 77

Recovery Services Unlimited 140

Van Buren CMH 24

Victory Clinic – Kzoo 167

Victory Clinic – Battle Creek 72

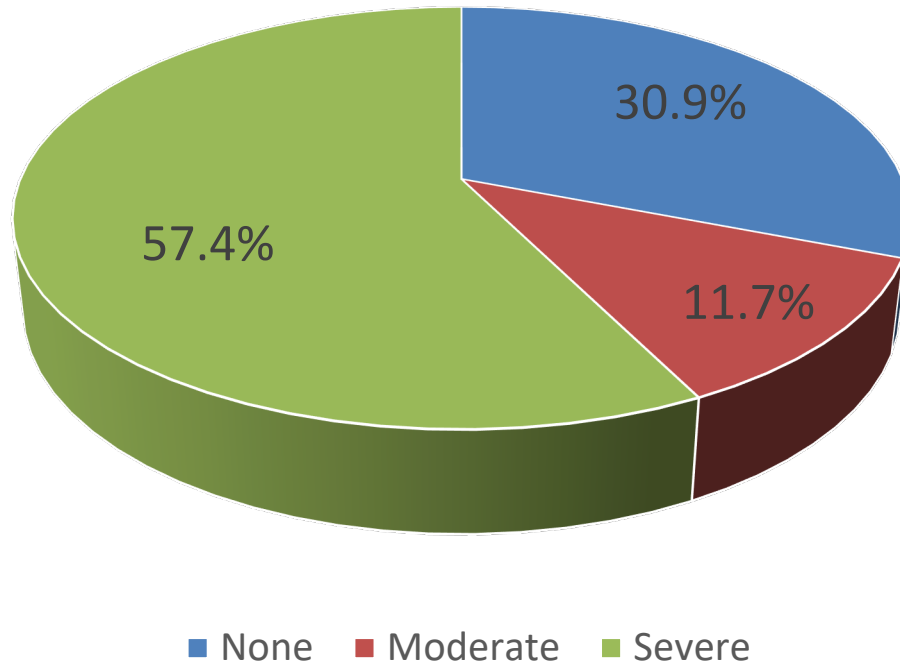
Woodlands Behavioral Health 53

Problem Gambling Screening – March 2026

548 CLiPs
Administered

94 NODS
Administered
(17.2%)

Problem Gambling Screening – March 2026



- 17.2% of customers screened required a full NODS (compared to ~2-3%)
- 69.1% of NODS scores indicate either a moderate or severe level of gambling problems



FY27 Senate MDHHS Budget Proposal

Specific Mental Health/Substance Abuse Services Line items

	<u>FY'26 (Final)</u>	<u>FY'27 (Exec Rec)</u>	<u>FY'27 (House)</u>	<u>FY'27 (Senate)</u>
-CMH Non-Medicaid services	\$125,578,200	\$125,578,200	\$125,578,200	\$125,578,200
-Medicaid Mental Health Services	\$3,188,847,900	\$3,667,513,800	\$3,329,969,700	\$3,663,869,500
-Medicaid Substance Abuse services	\$96,323,300	\$84,902,600	\$84,902,600	\$84,902,600
-State disability assistance program	\$2,018,800	\$2,018,800	\$1,922,000	\$2,018,800
-Community substance abuse (Prevention, education, and treatment programs)	\$79,207,900	\$79,221,100	\$79,207,900	\$78,186,700
-Health Homes Program	\$50,239,800	\$50,239,800	\$50,239,800	\$50,239,800
-Autism services	\$467,644,200	\$560,716,600	\$560,716,600	\$560,716,600
-Healthy MI Plan (Behavioral health)	\$438,267,500	\$525,256,200	\$375,780,500	\$518,153,900
-CCBHC	\$916,062,700	\$916,062,700	\$916,062,700	\$916,062,700
-Total Local Dollars	\$9,943,600	\$9,943,600	\$9,943,600	\$9,943,600

Other Highlights of the FY27 Senate Budget:

Actuarial Soundness

Senate concurs with the Executive and includes \$658.1 million Gross (\$182.1 million GF/GP) for estimated managed care actuarial soundness adjustments for prepaid inpatient health plans (PIHPs) (3.0%), Medicaid health plans (5.0%), Program of All-inclusive Care for the Elderly (PACE) (3.5%), home- and community-based services (MI Choice) (6.8%), Integrated Care Organizations (MI Health Link) (4.3%), and Healthy Kids Dental (1.3%)

Medicaid Sustainability

Senate budget does NOT include the Governor's proposed revenue increases:

- Tobacco Tax: forecast to generate \$232 million in FY27.
- Vape Tax: forecast to generate \$95 million in FY27 to be used for cancer prevention, smoking prevention, children's coordinated health care, and for the Medicaid Benefits Trust Fund.
- New internet tax rate on largest casinos: forecast to generate \$135.5 million in new tax revenue in FY27, with the majority going directly to the Medicaid Benefits Trust Fund.
- Per-Wager Sports Betting Tax: forecast to generate \$38.8 million for the Medicaid Benefits Trust Fund in FY27.
- Elimination of Free Play Deduction: eliminating this deduction is forecast to generate \$21.1 million for the Medicaid Benefits Trust Fund in FY27.
- Digital Advertising: the tax is forecast to generate \$282 million in FY27.

The Senate does NOT include \$150 million in Medicaid efficiencies but does reduce funding due to changes to the pharmaceutical program (\$294.2 million Gross and \$75.0 million GF/GP), and savings from managed care efficiencies (\$21.5 million Gross and \$5.0 million GF/GP). Caseloads were also reduced by \$100.0 million Gross and GF/GP with those funds being placed into a contingency fund.

- House budget assumes \$300 million in GF/GP Medicaid cost savings. The executive budget offered \$150 million in efficiency savings identified in collaboration with stakeholders to address costs, accountability and resource effectiveness while maintaining sustainability of services.

Senate budget will include \$350 million withdrawal from the state's emergency savings account will be used exclusively to address the Medicaid caseload and the impacts of H.R. 1.

H.R. 1 Implementation

Senate budget makes the following changes to the executive budget on H.R. 1 costs:

- Senate reduces executive budget on HR 1 staffing costs to \$51.5 million for 485 FTEs. Governor's budget proposed \$80.3 million for additional full-time employees (\$54.2 million general fund) to meet workload increases resulting from new requirements within H.R. 1. This investment includes an additional 589.0 FTEs for assistance payment workers, Office of Inspector General agents, departmental analysts, supervisors, and administrative assistants.
- Senate reduces executive budget on HR 1 beneficiary support to \$7.4 million. Governor's budget proposed \$16.7 million to expand beneficiary support (\$6.1 million general fund) by increasing access to beneficiary help-line services and providing educational support on H.R. 1 changes. This includes a \$5 million federal grant from the Centers for Medicare and Medicaid Services (CMS), included in the FY26 supplemental proposal, to support costs related to Medicaid community engagement requirements.

- Senate concurs with Governor’s budget and includes \$94.3 million (general fund), offset with a like reduction in federal revenue (net zero total) for SNAP administrative costs due to the state’s required cost share increasing from 50% to 75% beginning in fiscal year 2027.

Behavioral Health Facility and Capacity Expansions

Southeast Michigan State Psychiatric Hospital

- Senate budget reduces the Executive Rec to \$35.5 million Gross (\$32.5 million GF/GP) and authorizes an additional 162.0 FTEs.
 - Governor’s budget included \$72.2 million and 323.0 FTEs to begin operating SMSPH (\$65.8 million general fund), bringing 264 new beds online and increasing total statewide capacity by 54 beds (32 adult beds and 22 pediatric beds). This investment includes operational support and hiring staff to provide services at the facility.

Certified Community Behavioral Health Clinics (CCBHCs)

- Senate concurs with the Executive and includes \$7.9 million GF/GP to offset a like amount of federal funds based on updated, anticipated federal cost reimbursements.

Health Homes

- Senate concurs with the Executive adds \$4.9 million GF/GP to account for a temporary enhanced Medicaid match ending for most of the behavioral health and substance use disorder health homes. Health homes receive a 90% enhanced federal match for its first 8 quarters.

Health Care Workforce

- Senate concurs with the Executive adds \$258.4 million to support 2025 and 2026 direct care worker minimum wage increases (\$87.3 million general fund), which preserves \$3.40 per hour in increased wages received by workers over the past two years. Currently, federal American Rescue Plan (ARP) funds that expire at the end of FY26 support these increases. This investment backfills the lost ARP funds with general fund to continue drawing down federal Medicaid match dollars.
 - Senate concurs with the Executive and includes \$69.5 million to support the 2027 direct care worker minimum wage increase of \$1.27 per hour (\$23.5 million general fund).
 - Senate concurs with the Executive and includes \$24 million to provide sick leave for direct care workers consistent with Public Acts 338 and 369 of 2018 (\$8.1 million general fund). Nearly all employers, such as those employing members of the direct care workforce, are required to provide paid sick leave to eligible employees. This investment transitions the cost to general fund and Medicaid matching dollars, as time limited ARP funds currently support this requirement.

Senate Behavioral Health Boilerplate Changes

New: Sec. 291. DCW Contracts – Senate includes language that prohibits the department from releasing funds to agencies providing physical and behavioral health services that are used to increase the hourly wage rate for direct care workers until the contractors, subcontractors, or providers receiving funding to support the direct care wage increases have provided documentation that demonstrates the distribution of payments to eligible staff of the wage increases provided under sections 231, 1644, and 1645 of article 6 of 2025 PA 22, as required in the contract between each individual PIHP and the department.

REVISED: Sec. 917. Michigan Opioid Healing and Recovery Fund – Senate refocuses funding priorities, restructures categories, and removes flexibility and reporting requirements. Shifts funding toward youth prevention (school-based and out-of-school programs) while scaling or repurposing harm reduction and recovery investments, adjusts key allocations (including naloxone and treatment) with added emphasis on mobile treatment, and eliminates the Department’s ability to reallocate leftover funds along with the semiannual opioid fund reporting requirement—tightening structure while reducing oversight and flexibility.

RETAINED: Sec. 924. Autism Services Fee Schedule – Requires DHHS to maintain a fee schedule for autism services by not allowing expenditures used for actuarially sound rate certification to exceed the identified fee schedule, also sets behavioral technician fee schedule at not less than \$66.00 per hour.

RETAINED: Sec. 965. Methadone Medication Assisted Treatment – House retains Requirement that the bundled rate H0020 for methadone administration and services be maintained at not less than \$19.00.

RETAINTED: Sec. 994. National Accreditation Review Criteria for Behavioral Health Services – House retains Requires DHHS to seek, if necessary, a federal waiver to allow a CMHSP, PIHP, or subcontracting provider agency that is reviewed and accredited by a national accrediting entity for behavioral health care services to be in compliance with state program review and audit requirements; requires a report that lists each CMHSP, PIHP, and subcontracting provider agency that is considered in compliance with state requirements; requires DHHS to continue to comply with state and federal law not initiate an action by negatively impacts beneficiary safety; defines “national accrediting entity.”

RETAINED Sec. 1002. Prohibition on using appropriated funds to expand the certified community behavioral health clinic (CCBHC) demonstration.

RETAINED: Sec. 1006. From the funds appropriated in part 1 for certified community behavioral health clinics, the department shall submit the CCBHC cost efficiency evaluation to the standard report recipients not later than 7 business days after receipt of the final information required from the relevant contractors (clarifying language updated).

RETAINED: Sec. 1034. PIHP Performance Incentives – Requires PIHP to verify compliance with applicable reimbursement rates or fees required for autism services and direct care in section 924 and 231 using actual claims and utilization data; requires DHHS to seek CMS approval to condition PIHP performance incentives on compliance with the provider rates for autism services and direct care in section 924 and 231; and requires DHHS to audit the claims and utilization data and notify a PIHP if the audit determines provides are not being reimbursed at not the required rates.



**2026 Southwest Michigan Behavioral Health (SWMBH)
Substance Use Disorder Oversight Policy Board (SUDOPB) Member Roster**

Barry County

- Marsha Bassett
- Vacant

Berrien County

- Alex R. Ott
- Rayonte Bell

Branch County

- Randall Hazelbaker-Chair
- Vacant

Calhoun County

- Dominic Oo
- Matt Saxton

Cass County

- RJ Lee
- Vacant

Kalamazoo County

- Jonathan Current
- Allyn Witchell

St. Joseph County

- Jared Hoffmaster-Vice Chair
- Vacant

Van Buren County

- Richard Godfrey
- Paul Schincariol

SWMBH SUD/SUDOPB Staff and Support

- Mila Todd-Executive Officer
 - Mila.Todd@swmbh.org
 - 269-488-6794
- Joel Smith- Substance Use Treatment & Prevention Director
 - Joel.Smith@swmbh.org
 - 269-488-6958
- Garyl Guidry- Chief Financial Officer
 - Garyl.Guidry@swmbh.org
 - 269-488-6940
- Anastasia Miliadi- SUD Treatment Specialist
 - Anastasia.Miliadi@swmbh.org
 - 269-488-6963
- Achilles Malta-SUD Prevention Specialist
 - Achilles.Malta@swmbh.org
 - 269-488-6925
- Emily Flory-Strategic Initiatives Project Manager
 - Emliy.Flory@swmbh.org
 - 269-488-6598
- Amy St. Peter – Clinical Grants Specialist
 - Amy.StPeter@swmbh.org
- Michelle Jacobs-Senior Operations Specialist & Rights Advisor
 - Michelle.Jacobs@swmbh.org
 - 269-488-6845

*as of 03/16/2026



Southwest Michigan Behavioral Health (SWMBH)

2026 Substance Use Disorder Oversight Policy Board (SUDOPB) Attendance

Name	January	March	May	July	September	November
Marsha Bassett (Barry)	Grey	Green				
Alex R. Ott (Berrien)	Grey	Red				
Rayonte Bell (Berrien)	Grey	Red				
Randall Hazelbaker (Branch)	Grey	Green				
Dominic Oo (Calhoun)	Grey	Green				
Matt Saxton (Calhoun)	Grey	Red				
RJ Lee (Cass)	Grey	Green				
Jonathan Current (Kalamazoo)	Grey	Green				
Allyn Witchell (Kalamazoo)	Grey	Red				
Jared Hoffmaster (St.Joe)	Grey	Green				
Paul Schincariol (Van Buren)	Grey	Green				
Richard Godfrey (Van Buren)	Grey	Green				

v. 7/28/25

Green = present

Red= absent

Black=not a member at that time

Grey=Meeting cancelled



Southwest Michigan Behavioral Health Substance Use Disorder Oversight Policy Board Meetings 2026

Meeting Canceled - January 26, 2026 4:00-5:30pm

March 16, 2026 4:00-5:30pm

May 18, 2026 4:00-5:30pm

July 20, 2026 4:00-5:30pm

*September 21, 2026 3:00-5:30pm

November 16, 2026 4:00-5:30pm

All meetings to take place at Southwest Michigan Behavioral Health
5250 Lovers Lane, Suite 200, Portage, MI 49002 unless otherwise noted

*To be determined

SWMBH adheres to all applicable laws, rules, and regulations in the operation of its public meetings, including the Michigan Open Meetings Act, MCL 15.261 – 15.275

SWMBH does not limit or restrict the rights of the press or other news media.

Discussions and deliberations at an open meeting must be able to be heard by the general public participating in the meeting. Board members must avoid using email, texting, instant messaging, and other forms of electronic communication to make a decision or deliberate toward a decision and must avoid “round-the-horn” decision-making in a manner not accessible to the public at an open meeting.