



**Southwest Michigan Behavioral Health Board Meeting
Air Zoo Aerospace & Science Museum
6151 Portage Rd, Portage, MI 49002**

**May 9, 2025
9:30 am to 10:15 am
(d) means document provided
Draft: 5/1/25**

- 1. Welcome Guests/Public Comment**
- 2. Agenda Review and Adoption (d) pg.1**
- 3. Financial Interest Disclosure Handling**
 - None Scheduled
- 4. Fiscal Year 2024 Audit (G. Guidry)**
- 5. Consent Agenda (2 minutes)**
 - a. April 11, 2025 SWMBH Board Meeting Minutes (d) pg.3
 - b. April 9 and April 23, 2025 Operations Committee Meeting Minutes (d) pg.pg.9
 - c. March 28, 2025 Board Finance Committee Meeting Minutes (d) pg.23
- 6. Fiscal Year 2025 Year to Date Financial Statements and Cash Flow Analysis (10 minutes)**
 - a. G. Guidry (d) pg.25
 - b. Operations Committee
- 7. Required Approvals (0 minutes)**
 - None scheduled
- 8. Ends Metrics Updates (*Requires motion) (0 minutes)**

Proposed Motion: Is the Data Relevant and Compelling? Is the Executive Officer in Compliance? Do the Ends need Revision?

 - None scheduled
- 9. Board Actions to be Considered (5 minutes)**
 - a. Budget Shortfall Advocacy (d) pg.42
 - b. Board Regulatory Compliance Committee Charter review (d) pg.44
- 10. Board Policy Review (5 minutes)**

Proposed Motion: Is the Board in Compliance? Does the Policy Need Revision?

 - BG-011 Governing Style (d) pg.46

11. Executive Limitations Review (0 minutes)

Proposed Motion: Is the Executive Officer in Compliance with this Policy? Does the Policy Need Revision?

- None scheduled

12. Board Education (0 minutes)

- None scheduled

13. Communication and Counsel to the Board (5 minutes)

- a. Advocacy with MDHHS (M. Todd)
- b. Regional Public Policy Committee – Board Member
- c. Fiscal Year 2025 Mid-Year Contract Vendor Summary (G. Guidry) (d) pg.48
- d. 2024 SWMBH Annual (Impact) Report (d) pg.51
- e. June Board Policy Direct Inspection – None scheduled

14. Public Comment

15. Adjournment

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.

**Next Board Meeting
June 13, 2025
9:30 am - 11:30 am**

**Followed by Board Policy Meeting with Susan Radwan
11:45 am - 3:00 pm**



Board Meeting Minutes

April 11, 2025

Air Zoo Aerospace & Science Museum, 6151 Portage Rd, Portage, MI 49002

9:30 am-11:30 am

Draft: 4/21/25

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

Members Absent: None

Guests Present: Brad Casemore, CEO, SWMBH; Mila Todd, Chief Compliance Officer, SWMBH; Garyl Guidry, Chief Financial Officer, SWMBH; Anne Wickham, Chief Administrative Officer, SWMBH; Joel Smith, Director of Substance Use Disorder Prevention and Treatment, SWMBH; Alena Lacey, Director of Quality Management and Clinical Outcomes, SWMBH; Michelle Jacobs, Senior Operations Specialist & Rights Advisor, SWMBH; Ella Philander, Executive Projects Manager, SWMBH; Cathi Abbs, SWMBH Board Alternate; Gail Patterson-Gladney, SWMBH Board Alternate; Cameron Bullock, Pivotal; John Ruddell, Woodlands; Sue Germann, Pines BH; Debbie Hess, Van Buren County CMH; Richard Thiemkey, Barry County CMH; Jeff Patton, ISK; Ric Compton, Riverwood; Susan Radwan, Leading Edge Mentoring; Robert Sheenan and Alan Bolter, CMHAM

Welcome Guests

Sherii Sherban called the meeting to order at 9:34 am.

Public Comment

None

Agenda Review and Adoption

Motion	Tom Schmelzer moved to approve the agenda with amendments as follows: Defer External Audit Report until May Board Meeting Move 13b. Federal Grants to 9e for Board Action Add 4/10/25 SWMBH-MDHHS-Milliman Meeting update
Second	Allen Edlefson
Motion Carried	

Financial Interest Disclosure (FID) Handling

None

Consent Agenda

Motion	Joyce Locke moved to approve the March 14, 2025 Board minutes, March 12, and March 26, 2025 Operations Committee Meeting minutes, and March 7, 2025 Board Finance Committee Meeting as presented.
Second	Lorraine Lindsey Discussion followed.

Motion Carried

Fiscal Year 2024 External Audit

This item is deferred until the May Board meeting.

Fiscal Year 2025 Year to Date Financials and cash flow analysis

Garyl Guidry and Brad Casemore reported as documented, reviewed and noted:

- TANF (Temporary Assistance to Needy Families) eligibles
- DAB (Disabled Aging Blind) eligibles
- HMP (Healthy Michigan Plan) eligibles
- Period 5 financials have a \$8 million deficit with a projected end of Fiscal Year 2025 of \$24 million deficit
- Certified Community Behavioral Health Clinics (CCBHC) revenues and expenses
- New financial reports for the Board's review
- Summarized what the Regional Finance Committee and the Regional Operations Committee are doing to reduce expenditures and increase revenues
- Mid-Year rate adjustment excepted from MDHHS
- Wakely Report
- Richard Carpenter's ongoing work
- Fiscal Year 2024 SUE analysis, FSR, EQI, UM project, LOCUS outliers
- SWMBH report on financial efforts

Board discussion followed with comments noted:

- Administrative Loss Ratio and Medical Loss Ratio being too high, need to out the brakes on spending
- Need to be proactive earlier in the year
- Need to see trends coming
- Richard's Carpenter's work
- Month to Month comparisons

Motion Carol Naccarato moved to request a month-to-month comparison report from 2024 to 2025

Second Lorraine Lindsey

Motion Carried

Operations Committee Update

Jeff Patton distributed a handout and reported as documented noting the Regional Operations Committee's recommendations to the Board. Board discussion followed.

Required Approvals

None scheduled

Ends Metrics Updates

None scheduled

Board Actions to be Considered

Election of Officers

Sherii Sherban noted that current officers are willing to serve again in their capacity and asked if anyone else would like to serve. Discussion followed.

Motion Lorraine Lindsey moved to approve Sherii Sherban as Board Chair, Tom Schmelzer as Board Vice Chair and Carol Naccarato as Board Secretary.

Second Michael Seals

Motion Carried

Sub Ends 2 and 4

Sherii Sherban noted document in packet. Brad Casemore commented on the Regional Operations Committee review of the document. Susan Radwan commented on the document.

Motion Lorriane Lindsey moved that the Board accepts the interpretations as reasonable. Data is not available yet but will be updated by next reporting period in July.

Second Carol Naccarato

Motion Carried

Sub Ends 1 and 5

Brad Casemore noted a first introduction of draft Sub Ends 1 and 5 as requested by the Board. The Regional Operations Committee will review and work will continue to refine Ends. Final draft for Board's consideration at the June meeting.

May 9th Board Planning Session

Brad Casemore reported as documented.

Federal Grants

Brad Casemore reported as documented and commented that cease and desist from the Federal/State regarding the American Rescue Plan Act (ARPA) Grants is unprecedented. Joel Smith reported as documented.

Motion Michael Seals moved to approve the use of up to \$125,000 of SWMBH local funds to continue services as noted in the ARPA document.

Second Tom Schmelzer

Motion Carried

Board Policy Review

BG-010 Board Committee Principles

Sherii Sherban reported as documented and asked for Susan Radwan's input on red-line revisions. Susan Radwan shared her thoughts.

Motion Joyce Locke moved to approve the revisions to BG-010 Board Committee Principles as presented.

Second Michael Seals

Motion Carried

Executive Limitations Review

BEL-001 Budgeting

Tom Schmelzer noted that no purpose is stated on the policy and Carol Naccarato agreed to draft a revised policy for the Board's consideration.

Motion Lorraine Lindsey moved to table Board Policy BEL-001 Budgeting until May meeting.

Second Joyce Locke

Motion Carried

BEL-002 Financial Conditions

No action taken

BEL-003 Asset Protection

No action taken

BEL-004 Treatment of Staff

No action taken

BEL-005 Treatment of Plan Members

No action taken

BEL-006 Investments

Sherii Sherban reported as documented.

Motion Michael Seals move to approve Board Policy BEL-006 Investments as presented.

Second Carol Naccarato

Motion Carried

BEL-007 Compensation and Benefits

No action taken

BEL-008 Communication and Counsel

No action taken

BEL-009 Global Executive Constraints

No action taken

BEL-010 RE 501c3 Representation

No action taken

Board Education

Community Mental Health Association of Michigan

Alan Bolter discussed Budget Shortfalls and Funding challenges with topics covered as follows:

- Loss of Medicaid Covered Lives
- Increased Demand of Services
- Flat Funding not keeping up with Inflation
- MDHHS underspending appropriated Medicaid Funds.
- Medicaid Redetermination Irregularities
- Skyrocketing Inpatient Psychiatric Hospital Costs
- Unsustainable Specialized Residential Costs
- Demand & Cost for Autism Services
- MDHHS Administrative Staff Costs
- Unnecessary Administrative Burdens

Alan concluded presentation with CMHAM asks to MDHHS and legislators.

Robert Sheenan noted recent efforts on:

- Stopping reprocurement
- Testimony to MDHHS Appropriations Sub Committee
- Budget Advocacy
- Infographics document for distribution
- Ongoing contact and communications with legislators and MDHHS

Board discussion followed.

SWMBH Policy Governance

Susan Radwan recommends the SWMBH Board revise policies to become compliant with Governance Structure per the SWMBH Bylaws and replace the current Board policies with the “uninterrupted” policies. Uninterrupted policy manual would replace current policy manual.

Communication and Counsel to the Board

Wakely Letter to MDHHS

Sherii Sherban noted the document in the packet for the Board’s review.

Fiscal Year 2024 Performance Bonus Incentive Program Results

Sherii Sherban noted the document in the packet for the Board’s review.

Fiscal Year 2024 Customer Satisfaction Survey Results

Sherii Sherban noted the document in the packet for the Board’s review.

Michigan Consortium for Healthcare Excellence

Sherii Sherban noted the document in the packet for the Board’s review.

MCIS/PCE update

Mila Todd summarized current SWMBH progress.

Public Policy-Legislative Education Initiative Steering Committee Meeting

Brad Casemore stated that this is not a Board Committee but would like a Board member on the committee. Sherii Sherban expressed interest. This topic will be added to the June Board agenda.

May Board Policy Direct Inspection

None scheduled

SWMBH/MDHHS/Milliman Meeting

Mila Todd summarized recent meeting with MDHHS and Milliman and noted:

- At MDHHS's request, SWMBH provided MDHHS with the Rehmann analysis
- MDHHS indicated these meetings are helpful and the information is helping to inform rate adjustments
- MDHHS indicated there will be a mid-year rate adjustment but could not provide any other details
- SWMBH noted again that this Region has the lowest BH Entity Specific factor in the state, which negatively impacts our rates. There are still a lot of unknowns about how the BH Entity Specific Factor is calculated, but we know BH TEDS data elements factor into it, with different elements holding different weights. This information has been provided and is being working on regionally.

Discussion followed.

Public Comment

None

Adjournment

Motion Lorraine Lindsey moved to adjourn at 11:50am

Second Michael Seals

Motion Carried

Date:	4/9/25
Time:	9:00 am – 11:00 am
Facilitator:	Jeff
Minute Taker:	Cameron
Meeting Location:	SWMBH, 5250 Lovers Lane, Suite 200, Portage, MI 49002 Click here to join the meeting

Present: ☒ Rich Thiemkey (Barry) ☒ John Ruddell (Woodlands) ☒ Brad Casemore (SWMBH)
☐ Ric Compton (Riverwood) ☒ Jeff Patton (ISK) ☒ Mila Todd (SWMBH)
☒ Sue Germann (Pines BHS) ☒ Cameron Bullock (Pivotal) ☒ Garyl Guidry (SWMBH)
☒ Jeannie Goodrich (Summit) ☒ Debbie Hess (Van Buren)

Guests: Kyleen Gray, Suzane Grace-Tritt, Richard Carpenter – Rehmann, Anne Wickham

Version 4/1/25

9:00 am – 11:00 am		
Agenda Topics:	Discussion Points:	Minutes:
1. Agenda Review & Adoption (d)		
2. Prior Meeting Minutes Review (d)		<ul style="list-style-type: none"> Minutes were approved via email so Michelle could get into the board packet.
3. 9:30-9:45 Richard Carpenter – Regional UM analyses and action steps		<ul style="list-style-type: none"> The recommendation would be to tighten up the UM protocol utilized within the SMWBH region. Utilize appropriate personnel from all 8 regions to come together and determine a new recommendation for a new UM protocol. There would be the opportunity for exceptions, but there would be a specific process on how that would work.

		<ul style="list-style-type: none"> • Timeframe- 3 – 6-month process. Dependency on the homework assigned and the urgency the region placed on it. • It would be a rolling out of the recommendations/implementation and follow-up. • Utilize SWMBH's template and then take a category-by-category approach. The protocols can be addressed each year depending on revenue and reserves, etc. • Suggestion to have RUM committee review current auto-approval service authorization packages to ensure those exceeding that auth package. Needs to be coordinated with finance, data analysis, and clinical expertise. • SWMBH to draft an objectives a who/what/where discussion document to be able to start down the path to be able figure out what is happening by next meeting <ul style="list-style-type: none"> ○ Sue German, Rich Thiemkey, and Cameron Bullock will attend these meetings. Anne to schedule a meeting. ○ Would like to have a meeting prior to the
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		next Ops Comm meeting.
4. Financial Stability a. Period 5 financials including 2025 revenue, expense and margin projections (if available) (d) b. SUE FY 2024 by Rehmann and action plan with UM c. Wakely Update (d) d. ABA funding shortfall and DHHS communications (d) e. State/Milliman Meeting Updates f. Rehmann financial oversight		<ul style="list-style-type: none"> • 8 Regions are currently experiencing projected deficits. 75 Million dollars underfunded roughly for the state • Eligibles are flatlining. DAB remains stable. Current 4% increase vs 11% increase stated. • P05 Financials were presented in their entirety, including Balance Sheets. • \$18 unrestricted fund balance. \$6 million is local, but there is no detail for the other 12 million. • SWMBH Unrestricted went from \$13,814,015 to \$18,256,533 million. An increase of \$4,442,518. Garyl to provide what that \$4.4 million comprises of. • Still projecting a \$24 million dollar deficit for FY 25. This, however, doesn't include the autism mandate; the revenue is annualized and projected, but the expense is not yet there. Expected to add another \$3-4 million in expenses. • Garyl has updated budgets, which will be reviewed with the CFOs on Monday and sent

		<p>to CEOs again if there are any changes.</p> <ul style="list-style-type: none"> • Jeannie requests that SWMBH break out their total expenses and revenues by MCD/HMP, Block Grant, etc. It should be presented to all the CMHs in the region. She would also like to know what % of cuts were to staff, and i.e I had 10 staff and I cut 2 which is 20% vs I have 10 open positions and only 8 are currently filled. Admin versus frontline. Garyl said he could inquire at the next CFO meeting. • Rehmann SUE FY 24 – Updating this weekend, hopefully. • Mila presented the MDHHS memo to the providers and department. MDHHS has sent out a mandate to implement it by 4/30/25. • Rehman financial oversight – Brad asked for clarification on what financial oversight specifically means <ul style="list-style-type: none"> ○ Jeff stated that he would be able to help with outside information and insight ○ Jeannie said there were additional tools and resources that Rehmann has to provide guidance and
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		<p>information for SWMBH Central.</p> <ul style="list-style-type: none"> ○ Cameron suggested that Rehman be used as a resource for Garyl to help streamline PIHP reporting, insight, questions, “not reinventing the wheel” especially being newer in the position.
5. 2024 PBIP results if available (d)		<ul style="list-style-type: none"> • The results are in and final. Garyl has sent them to CEOs/CFOs and will distribute them when deposited from the State. • Concern that the State might withhold funds and use them against the deficit, but will keep watching as things progress.
6. Operations Committee Self Evaluation Questions (d)		<ul style="list-style-type: none"> • Start with the email from Cameron as a baseline; the operating agreement should be based on the End Statement, and the operating agreement may need to be revised. • Ends are approved, then the operating agreement should be revised, then the self-survey evaluation questions can be revised. • Survey planned for August-October.
7. Operating Agreement Review Plan		<ul style="list-style-type: none"> • Moved to May Ops Comm

8. FY24 Customer Satisfaction Results (d)		<ul style="list-style-type: none"> • Still questions on Corrective Action Plans. To be brought back next meeting
9. Board Sub Ends 1 and 5 Interpretations (d)		<ul style="list-style-type: none"> • Moved to next meeting
10. Next Meeting Agenda April Facilitator – Jeff May Facilitator-Sue June Facilitator-Rich		
11. Wakely		<ul style="list-style-type: none"> • MCHE overview: <ul style="list-style-type: none"> ○ Past: Contracted with MCHC for the past year and a half/2 years. Attending the rate meetings with Milliman. Provide interpretation and ask questions of Milliman based on concerns from other states etc. Big concerns with computation rates. FY 25 Wakely got more assertive and sent a memo with questions about data interpretation. The memo addressed overall MLR by region. MLR was very high. Asked how they were handling the discrepancies. ○ Now: Compiling FY 24 to present a consolidated file for the PIHPs allows

		<p>Wakely to go back to Milliman. There are many changes in enrollments, but they will be confirmed when reviewing the data. All data is in, (3-4 weeks completion expectations) and they are performing an actual-to-expected analysis for FY 23 and FY 24. This will be an excel file that can compare SMWBH results to Statewide. This will be used to pushback against Milliman. To be finished prior to FY 26 rate setting.</p>
12. Grants		<ul style="list-style-type: none"> • Brad will be asking the board for 100k of local funds for Substance Abuse Providers to keep them whole for the end of FY 25. This is a response to the stop order from the State of Michigan to allow those projects to continue through the end of the year. • If grants are reinstated, then the local would be replenished from the grant funds.

13. Local Funds		<ul style="list-style-type: none"> • SMWBH will provide local funds as a Bridge to help out Van Buren and Cass. • Criteria and usage restrictions or details have not been finalized, but a way to act as a Loan. • Local Funds available at this point are roughly \$6 million. • Summit Pointe would like to know if this opens up the due to/from SWMBH to be able to help with Cash Flow issues as they have been asking for them to help with their own internal cash flows.
11. 11:00 am-12:00 pm CMH CEOs		
Next Meeting:		<ul style="list-style-type: none"> • 1st May Meeting- Bring SG back, assuming Wakely analysis is completed for conversation. • 1st Meeting in May – • Board Sub Ends 1 and 5 Interpretations (Brad) • Financials (Garyl) • MDHHS Update (Brad/Mila)

Date:	4/23/25
Time:	9:00 am – 11:00 am
Facilitator:	Rich Thiemkey
Minute Taker:	Cameron
Meeting Location:	SWMBH, 5250 Lovers Lane, Suite 200, Portage, MI 49002 Click here to join the meeting

Present: ☒ Rich Thiemkey (Barry) ☒ John Ruddell (Woodlands) ☒ Brad Casemore (SWMBH)
☒ Ric Compton (Riverwood) ☐ Jeff Patton (ISK) ☒ Mila Todd (SWMBH)
☒ Sue Germann (Pines BHS) ☒ Cameron Bullock (Pivotal) ☒ Garyl Guidry (SWMBH)
☒ Jeannie Goodrich (Summit) ☒ Debbie Hess (Van Buren)

Version 4/21/25

9:00 am – 11:00 am		
Agenda Topics:	Discussion Points:	Minutes:
1. Agenda Review & Adoption (d)		
2. Prior Meeting Minutes Review (d)		<ul style="list-style-type: none"> Approved
3. Financial Stability a. Period 5 financials including 2025 revenue, expense and margin projections (if available) (d) b. SUE FY 2024 by Rehmann and action plan with UM c. Wakely Update (d) d. ABA funding shortfall and DHHS communications (d) e. State/Milliman Meeting Updates f. Rehmann financial oversight		<ul style="list-style-type: none"> P6 financials closed yesterday, will be available later this week. Updated revised budget completed, will be sent out via email, hopefully today, but by tomorrow evening at the latest will have specific SWMBH central, and all pass through incomes as well to help clearly identify. PBIP funds sent out today at the latest. Garyl/Brad/Mila to review the SUD PBIP amounts

		<p>for FY24 and FY25, and follow up with Ops Comm.</p> <ul style="list-style-type: none"> • Milliman Drive tool has been updated as of yesterday for P3 information. CPT codes and contract vs direct breakout will be completed. • Wakely will be joining on 5-14-25 – SWMBH to invite CFO's. • ABA Funding Update- Pushed through the updated rates as a region. Inclusive of DCW. Appears to be the same stance other PIHPs are taking as well. • Milliman Meeting Update- No updates, next meeting is 4/24/25. Garyl/SWMBH to update CEO's when over. • Rehman Financial Oversight- Contacted regarding Service Use analysis, SCA reporting differences between PIHP and CMHs. Brad has been involved in conversations with Richard as well. • Rich requested a list from SWMBH to be able to share with his board on SWMBH's cost-cutting measures. Jeannie asked for things that were not what was budgeted and not utilized, but actual cuts. Garyl to send out via email.
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		<ul style="list-style-type: none"> • Jeannie is asking for an official letter/written request from SWMBH to reduce costs. This is at the behest of her board/finance committee. • WMUK – Brad has been interviewing with Michael Simons to get the word out on SWMBH financial situation.
4. UM Plan (Anne) (d)		<ul style="list-style-type: none"> • Need consistency across the region. • SMI is done in DRAFT status; IDD is much more difficult. • Separate CCBHC and Non CCBHC • Focus on Non-CCBHC services, particularly on CLS. • SIS replacement still not available, so it is difficult to judge what/who/how much. • Consensus to start with just CLS. H2015 unit – dropped to zero. RUM to discuss ISK tool or other guide tool. Needs to develop a guidance tool for medical necessity amounts. CEOs ask RUM to meet weekly and make recommended changes to the tool by May 16th, 2025. The Original Committee will meet the week of May 19th through 23rd, 2025. Final approval will come out at the May 28th Ops Comm meeting.

		<p>Start date June 1st, 2025, region-wide.</p> <ul style="list-style-type: none"> • SWMBH to send us a letter about CLS and to UM of CLS.
<p>5. Sub Ends 1 and 5</p>		<ul style="list-style-type: none"> • A discussion was had. • The Ends need to be measurable in some form. • End 1: <ul style="list-style-type: none"> ○ It was suggested and discussed that the reports not only need to be timely but also need to be relevant and accessible by CMHs and their staff. The example given where the budget reports are not in the requested format nor reflect what is being reported by the CMHs. The Tableau reports are not accessible by CMHs – most CMH’s staff do not have easy access or subscription to the Tableau reports. PCE not being used by SWMBH was also cited as a barrier to information flow and access. • If the CMHs and SWMBH do not have the ability to share meaningful reports on data and finances we cannot be

		collaborative as outlined in End 1.
5. Operating Agreement Review (d)		<ul style="list-style-type: none"> Moved to next meeting.
6. PCE Update (Anne) (d)		<ul style="list-style-type: none"> No ability to exchange data between PIHP and CMHs even with the same system. Need to invite PCE to meet. Need to find out the cost of applications. Jeannie and Cameron volunteered to help on the PCE committee. The annual cost is roughly 340k. Implementation around 300K didn't include any specialization. Streamline roughly a 1/3 of the cost. 9- 12 month implementation timeline.
6. Next Meeting Agenda May Facilitator-Sue June Facilitator-Rich July Facilitator-Ric		
7. 11:00 am-12:00 pm CMH CEOs		
8. Next Meeting		<ul style="list-style-type: none"> SWMBH Loan Process Go to the Finance committee first, then bring it back to Ops Comm – Garyl Sub Ends 1 and 5 Financials Operating Agreement



Board Finance Committee Meeting Minutes

March 28, 2025

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

1:00-2:00 pm

Draft: 4/1/25

Members Present: Tom Schmelzer, Michael Seals, Carol Naccarato

Guests: Amy Rottman, Jeff Patton

Members Absent: None

SWMBH Staff Present: Garyl Guidry, Chief Financial Officer, Mila Todd, Chief Compliance Officer and Director of Provider Network; Michelle Jacobs, Senior Operations Specialist and Rights Advisor

Review Agenda

Motion Michael Seals moved to approve the agenda as presented.
Second Carol Naccarato
Motion Carried

Central Topics

Review prior meeting minutes

Motion Carol Naccarato moved to approve the minutes with the addition of one sentence under the Capitation Deficit Report. Adding "The Committee requests that bullet point explanations and ramifications of finances be presented to the Board."
Second Michael Seals
Motion Carried

Review Independent Audit Report

Derek Miller of Roslund Prestage & Company reviewed the SWMBH Independent Audit Report ending September 30, 2024 as documented and commented that this was the easiest audit for his organization to complete since SWMBH's inception. Derek Miller highlighted the following for Fiscal Year 2024:

- Management's Discussion and Analysis
- Statement of Net Position
- Revenue & Expenses
- Change in Net Position
- Note 2 – significant change in custodial credit risk, better than years prior
- Note 7 – amount due to other governmental units
- Note 15 – GASB changes, Mental Health Operating Fund and Medicaid Risk Reserve Fund
- Note 17 – upcoming accounting procurements

Committee discussion followed along with questions on what other PIHPs in the State are doing and what SWMBH can do to repair the current deficit. Derek Miller commented that CMHs need to come together to discuss expense reductions and bring expenses back in line with current revenue.

Review SWMBH YTD financial statements

Garyl Guidry presented an early look at Period 5 financial statements noting that these financial statements will be reviewed by the Regional Finance Committee on April 7th. Revenues, expenses and deficits were reviewed with a projected deficit of 24 million for Fiscal Year 2025. Discussion followed. Michael Seals requested a definition page be included with monthly report.

SWMBH Check Registers

Garyl reviewed the checks registers as documented. Discussion followed.

SWMBH Cash Flow Analysis

Garyl reviewed current forecast of Cash Flow Analysis. Discussion followed.

BEL-001 Budgeting

Committee reviewed Policy BEL-001 and determined that there is not enough “meat” in the policy with no tasks. A request was made to review another PIHP’s policy and possibly adopt theirs’s if more substantial. Mila Todd discussed the Carver Model in relation to this policy. Discussion followed. The Committee agreed that this policy is not well vetted enough to bring to the SWMBH Board for approval. Carol Naccarato agreed to review the policy and bring a revised policy back to the next Board Finance Committee meeting for consideration.

BEL-006 Investments

Committee reviewed Policy BEL-006 Investments and concluded that no revisions are necessary.

Michelle Jacobs will send the SWMBH Board Finance Committee Charter to the group.

Adjournment Carol Naccarato

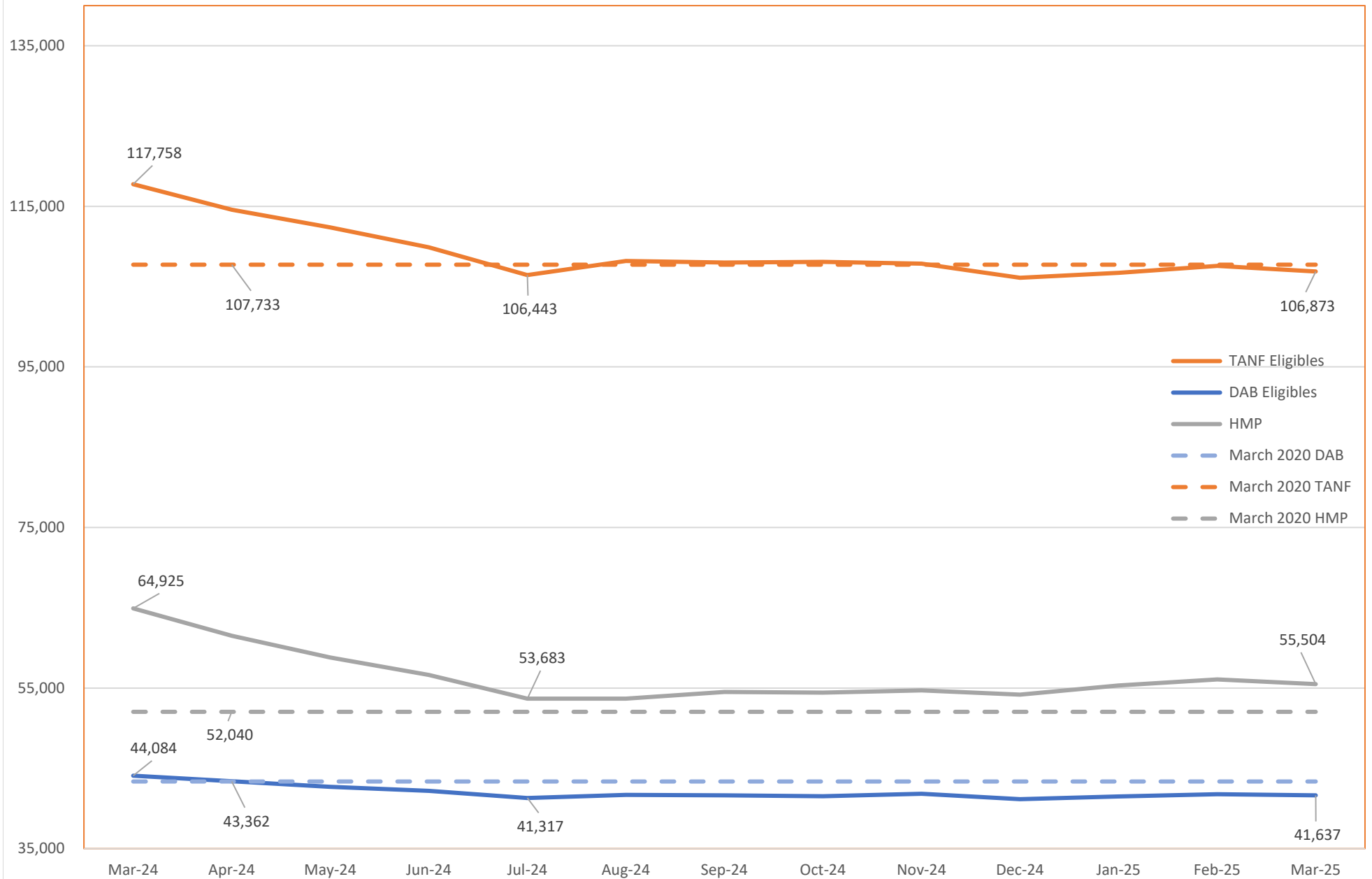
Second Michael Seals

Meeting adjourned at 2:30 pm

Southwest Michigan Behavioral Health

Total Eligibles Mar '24 - Mar '25

as of Apr 24, 2025



SWMBH Through Mar	FY25	FY24	% Change YOY	\$ Change YOY
State Plan MH	48,701,099	49,157,831	-0.9%	(456,733)
1915i MH	45,178,436	42,591,228	6.1%	2,587,208
Autism	14,442,411	10,005,722	44.3%	4,436,689
<i>Habilitation Supports Waiver (HSW)</i>	<i>32,143,400</i>	<i>29,426,158</i>	<i>9.2%</i>	<i>2,717,242</i>
<i>Child Waiver Program (CWP)</i>	<i>454,916</i>	<i>561,863</i>	<i>-19.0%</i>	<i>(106,948)</i>
<i>Serious Emotional Disturbances (SED)</i>	<i>263,982</i>	<i>793,410</i>	<i>-66.7%</i>	<i>(529,428)</i>
Net Capitation Payment	141,184,243	132,536,212	6.5%	8,648,031
				-
State Plan SA	3,938,192	4,208,085	-6.4%	(269,893)
Net Capitation Payment	3,938,192	4,208,085	-6.4%	(269,893)
				-
Healthy Michigan Mental Health	12,442,478	12,172,072	2.2%	270,406
Healthy Michigan Autism	20,180	12,358	63.3%	7,822
Net Capitation Payment	12,462,658	12,184,430	2.3%	278,228
				-
Healthy Michigan Substance Abuse	6,817,619	7,211,986	-5.5%	(394,367)
Net Capitation Payment	6,817,619	7,211,986	-5.5%	
				-
GRAND TOTAL	164,402,713	156,140,713	5.3%	8,262,000

as of 4/24/2025

State Plan, 1915i, B3 and Autism have DAB and TANF payments included.

DAB refers to the "disabled, aged, or blind" eligibility categories for Medicaid programs.

TANF refers to "Temporary Assistance for Needy Families" for Medicaid programs.

	E	F	I	J	K	L	M
1	Southwest Michigan Behavioral Health						
2	For the Fiscal YTD Period Ended 9/30/2025			FY25 PIHP			
3	(For Internal Management Purposes Only)						
4		FY24 Budget	FY25 Budget	FY24 Actual as P06	FY25 Actual as P06	FY 25 Projection	
6	REVENUE						
7	Contract Revenue						
8	Medicaid Capitation	230,693,820	256,227,043	124,084,948	128,647,731	257,295,462	
9	Healthy Michigan Plan Capitation	48,606,904	38,407,790	15,996,251	14,095,780	28,191,560	
10	Medicaid Hospital Rate Adjustments	5,963,797	12,089,192	-	6,044,596	12,089,192	
11	Opioid Health Home Capitation	1,863,222	1,610,090	823,360	764,679	1,529,358	
12	Mental Health Block Grant Funding	635,001	653,000	364,779	245,682	491,364	
13	SA Block Grant Funding	7,432,909	7,763,190	3,892,251	4,047,394	8,094,788	
14	SA PA2 Funding	2,110,931	2,184,476	1,055,465	1,092,238	2,184,476	
15							
16	Contract Revenue	297,306,585	318,934,780	146,217,055	154,938,099	309,876,199	
17	CMHSP Incentive Payments	501,957	419,357	105,898	232,976	465,952	
18	PIHP Incentive Payments	-	2,483,291	-	1,067,134	2,134,267	
19	Interest Income - Working Capital	573,177	1,222,315	531,153	241,947	483,895	
20	Interest Income - ISF Risk Reserve	102,887	-	171,048	470,524	941,048	
21	Local Funds Contributions	1,289,352	852,520	453,432	426,260	852,520	
22	Other Local Income					-	
23							
24	TOTAL REVENUE	299,773,958	323,912,264	147,478,586	157,376,940	314,753,880	
25							
26	EXPENSE						
27	Healthcare Cost						
28	Provider Claims Cost	24,396,146	23,023,897	11,975,185	11,463,560	22,927,119	
29	CMHP Subcontracts, net of 1st & 3rd party	233,928,855	263,904,801	126,219,101	128,325,247	256,650,495	
30	Insurance Provider Assessment Withhold (IPA)	3,790,852	3,746,326	1,706,802	1,467,400	2,934,799	
31	Medicaid Hospital Rate Adjustments	5,963,797	12,089,192	-	6,044,596	12,089,192	
33		-	-	-	-	-	
34	Total Healthcare Cost	268,079,650	302,764,215	139,901,087	147,300,803	294,601,605	
35	Medical Loss Ratio (HCC % of Revenue)	90.2%	94.9%	95.7%	95.1%	95.1%	
36							
37	Administrative Cost						
39	Administrative and Other Cost	11,698,386	12,805,756	4,835,646	5,392,895	10,785,791	
44	Delegated Managed Care Admin	22,429,220	24,714,174	12,642,609	15,336,986	30,673,972	
45	Apportioned Central Mgd Care Admin	(0)	(2,665,293)	(852,137)	(1,051,897)	(2,103,795)	
46							
47	Total Administrative Cost	34,127,607	34,854,637	16,626,119	19,677,984	39,355,968	
48	Admin Cost Ratio (MCA % of Total Cost)	11.3%	10.3%	10.6%	12.3%	12.3%	
49							
50	Local Funds Cost	1,289,352	852,520	453,432	426,260	852,520	
51	PBIP Transferred to CMHPs	-	-	-	892,002	1,784,005	
52							
53	TOTAL COST after apportionment	303,496,608	338,471,372	156,980,638	168,297,049	336,594,098	
54							
55	NET SURPLUS before settlement	(3,722,650)	(14,559,107)	(9,502,052)	(10,920,109)	(21,840,217)	
56	Net Surplus (Deficit) % of Revenue	-1.2%	-4.5%	-6.4%	-6.9%	-6.9%	
57							
58	Prior Year Savings Utilization	9,769,410	-	(261,686)	-	-	
59	Change in PA2 Fund Balance	(123,852)	-	-	-	-	
60	ISF Risk Reserve Abatement (Funding)	(102,887)	-	(171,048)	-	-	
61	ISF Risk Reserve Utilization		1,929,280	10,578,820	564,327	564,327	
62	CCBHC Supplemental Receivable (Payable)	6,592	3,813,725		-	-	
63	Settlement Receivable / (Payable)	-	-	(1,425,733)	-	-	
66	NET SURPLUS (DEFICIT)	5,826,612	(8,816,103)	(781,699)	(10,355,782)	(21,275,890)	

	A	B	C	D	E	F	G
1	Southwest Michigan Behavioral Health						
2	For the Fiscal YTD Period Ended 9/30/2025			FY25 CCBHC			
3	(For Internal Management Purposes Only)						
4			FY24 Budget	FY25 Budget	FY24 Actual as P06	FY25 Actual as P06	FY 25 Projection
5							
6	REVENUE						
16	Contract Revenue		85,003,146	94,989,631	31,198,095	52,604,851	105,209,702
17	CMHSP Incentive Payments		-	3,422,650	-	-	-
18							
19	TOTAL REVENUE		85,003,146	98,412,281	31,198,095	52,604,851	105,209,702
20							
21	EXPENSE						
22	Healthcare Cost						
23	CCBHC Subcontracts		82,452,731	82,461,854	32,606,373	37,990,678	75,981,355
24							
25	Total Healthcare Cost		82,452,731	82,461,854	32,606,373	37,990,678	75,981,355
26	Medical Loss Ratio (HCC % of Revenue)		97.0%	83.8%	104.5%	72.2%	72.2%
27							
28							
29	Administrative Cost						
30	Apportioned Central Mgd Care Admin		2,550,415	2,665,293	852,137	1,051,897	2,103,795
31							
32	Total Administrative Cost		2,550,415	2,665,293	852,137	1,051,897	2,103,795
33	Admin Cost Ratio (MCA % of Total Cost)		3.0%	3.1%	2.5%	2.7%	2.7%
34							
35	TOTAL COST		85,003,146	85,127,147	33,458,510	39,042,575	78,085,150
36							
37	NET SURPLUS before non MCA cost		0	13,285,134	(2,260,415)	13,562,276	27,124,553
38	Net Surplus (Deficit) % of Revenue		0.0%	13.5%	-7.2%	25.8%	25.8%
39							
40	CCBHC Non Medicaid Cost		-	(10,261,247)	-	(6,697,312)	(13,394,625)
41							
42	CCBHC Net Surplus/(Deficit)		0	3,023,886	(2,260,415)	6,864,964	13,729,928
43							

February										
Medicaid	SWMBH	Barry	Berrien	Pines	Summit Pointe	Woodlands	ISK	St. Joe	Van Buren	Total
Revenue	5,703,544	4,318,118	19,681,077	5,286,904	18,293,494	6,910,100	29,862,158	6,895,386	10,125,547	107,076,328
Expense	5,425,201	2,954,023	21,198,644	4,790,530	19,419,364	8,404,410	35,183,019	8,270,492	10,197,893	115,843,575
Difference	278,342	1,364,094	(1,517,567)	496,375	(1,125,870)	(1,494,310)	(5,320,861)	(1,375,106)	(72,346)	(8,767,248)
HMP										
Revenue	3,154,950	375,095	1,828,759	275,336	1,962,004	722,150	1,988,852	768,723	769,880	11,845,749
Expense	3,847,102	414,759	1,697,417	362,381	2,385,512	768,169	2,298,599	880,457	757,892	13,412,289
Difference	(692,152)	(39,664)	131,342	(87,045)	(423,508)	(46,019)	(309,748)	(111,734)	11,988	(1,566,540)
February Revenue and Expense										
Revenue	1,779,968	944,819	4,049,769	1,128,798	3,817,922	1,513,143	6,447,272	1,714,048	2,140,500	23,536,240
Expense	2,201,559	377,596	4,337,038	1,164,540	3,646,311	1,752,491	9,129,273	1,285,156	1,960,233	25,854,196
Capitation Deficit										(10,333,787.58)
March										
Medicaid	SWMBH	Barry	Berrien	Pines	Summit Pointe	Woodlands	ISK	St. Joe	Van Buren	Total
Revenue	12,862,175	5,197,698	23,769,551	6,430,719	22,090,123	8,300,595	35,958,939	8,146,818	12,168,686	134,925,302
Expense	12,498,948	3,528,356	25,088,975	6,001,471	23,820,541	9,859,359	42,325,688	9,628,356	11,949,403	144,701,096
Difference	363,227	1,669,342	(1,319,424)	429,247	(1,730,418)	(1,558,764)	(6,366,749)	(1,481,538)	219,283	(9,775,793)
HMP										
Revenue	3,791,924	457,696	2,153,909	324,934	2,364,467	865,423	2,341,147	876,040	920,239	14,095,780
Expense	5,068,572	484,954	1,919,633	545,924	2,775,738	1,151,886	2,687,251	894,918	882,433	16,411,310
Difference	(1,276,648)	(27,258)	234,276	(220,990)	(411,271)	(286,464)	(346,104)	(18,878)	37,806	(2,315,530)
March Revenue and Expense										
Revenue	7,795,605	962,181	4,413,624	1,193,413	4,199,091	1,533,767	6,449,077	1,358,749	2,193,498	30,099,006
Expense	8,295,216	644,527	4,112,547	1,394,485	4,791,402	1,838,666	7,531,321	1,372,326	1,876,051	31,856,542
Projection for FY 2025										
Medicaid	SWMBH	Barry	Berrien	Pines	Summit Pointe	Woodlands	ISK	St. Joe	Van Buren	Total
Revenue	25,724,350	10,395,396	47,539,102	12,861,437	44,180,245	16,601,189	71,917,878	16,293,636	24,337,371	269,850,605
Expense	24,997,895	7,056,711	50,177,950	12,002,942	47,641,082	19,718,717	84,651,376	19,256,712	23,898,805	289,402,191
Difference	726,455	3,338,685	(2,638,848)	858,495	(3,460,836)	(3,117,528)	(12,733,498)	(2,963,076)	438,566	(19,551,586)
HMP										
Revenue	7,583,849	915,392	4,307,818	649,869	4,728,934	1,730,845	4,682,295	1,752,080	1,840,478	28,191,560
Expense	10,137,144	969,908	3,839,266	1,091,848	5,551,476	2,303,773	5,374,503	1,789,837	1,764,865	32,822,621
Difference	(2,553,295)	(54,516)	468,552	(441,980)	(822,542)	(572,928)	(692,208)	(37,757)	75,613	(4,631,061)
Combined Medicaid/HMP	(1,826,840)	3,284,168	(2,170,296)	416,515	(4,283,378)	(3,690,456)	(13,425,706)	(3,000,832)	514,179	(24,182,647)
February Results	(993,142)	3,178,632	(3,326,941)	982,391	(3,718,507)	(3,696,789)	(13,513,461)	(3,568,415)	(144,859)	(24,801,090)
1Month Comparison	(833,698)	105,536	1,156,645	(565,876)	(564,872)	6,333	87,755	567,583	659,038	618,443
Projected										(24,182,646.98)

Southwest Michigan Behavioral Health

For the Fiscal YTD Period Ended 3/31/2025
(For Internal Management Purposes Only)

INCOME STATEMENT

Barry County CMHA PIHP Summary Information

	HCC%	100%	41.7%	0.1%	5.0%	0.0%	0.3%	1.9%	30%	11.6%	9.6%
			Summary of Local CMHSP Components						CCBHC		
SWMBH TOTAL Excluding GF			Medicaid MH/IDD	Medicaid SUD	HMP MH	HMP SUD	SUD Block Grant Treatment	State GF	CCBHC Medicaid	CCBHC Healthy Michigan	CCBHC Non- Medicaid
Capitation Payment			5,873,769	108,305	538,995	188,942	18,878	467,829	784,375.92	270,241	-
Less: CCBHC Base Payment			(784,376)	-	(270,241)	-	-	-	-	-	-
Subcontract revenue			5,089,393	108,305	268,754	188,942	18,878	467,829	784,375.92	270,241	-
Supplemental CCBHC Payment			-	-	-	-	-	-	1,240,666.89	577,837.52	-
CCBHC 1st/3rd Party Cost Offset			-	-	-	-	-	-	47,905.74	4,297	327,339
CCBHC General Fund Revenue			-	-	-	-	-	-	-	-	-
Incentive Payment Revenue		<i>PIHP Revenue</i>	-	-	-	-	-	-	-	-	-
Subcontract revenue		8,599,596	5,089,393	108,305	268,754	188,942	18,878	467,829	2,072,949	852,376	327,339
External provider cost			2,374,056	-	331,463	-	-	71,834	-	-	-
Internal program cost			640,010	4,047	31,172	-	18,878	62,142	2,162,900.86	841,110	690,401
SSI Reimb, 1st/3rd Party Cost Offset			-	-	-	-	-	-	-	-	-
Mgd care administration		<i>PIHP Cost</i>	510,242	-	122,319	-	-	67,707	-	-	-
Subcontract cost		7,036,199	3,524,309	4,047	484,954	-	18,878	201,683	2,162,901	841,110	690,401
Net before settlement			1,565,084	104,258	(216,200)	188,942	-	266,146	(89,952)	11,265	(363,063)
Other Redistributions of State GF		<i>PIHP Stmnt</i>	-	-	-	-	-	(39,240)	-	-	-
Subcontract settlement (includes PPS-1 Payment Difference)		(1,627,415)	(1,565,084)	(104,258)	216,200	(188,942)	-	-	69,722	(55,053)	-
Net after settlement			-	-	-	-	-	226,905	(20,230)	(43,788)	(363,063)

Berrien Mental Health Authorit PIHP Summary Information

	HCC%	100.00%	71.2%	0.0%	5.2%	0.0%	0.0%	1.1%	13.2%	5.9%	3.5%
			Summary of Local CMHSP Components						CCBHC		
SWMBH TOTAL Excluding GF			Medicaid MH/IDD	Medicaid SUD	HMP MH	HMP SUD	SUD Block Grant Treatment	State GF	CCBHC Medicaid	CCBHC Healthy Michigan	CCBHC Non- Medicaid
Capitation Payment			25,976,586	426,994	2,412,307	859,666	97,648	1,104,192	2,634,029	1,118,064	-
Less: CCBHC Base Payment			(2,634,029)	-	(1,118,064)	-	-	-	-	-	-
Subcontract revenue			23,342,557	426,994	1,294,243	859,666	97,648	1,104,192	2,634,029	1,118,064	-
Supplemental CCBHC Payment			-	-	-	-	-	-	4,193,552	1,262,157	-
CCBHC 1st/3rd Party Cost Offset			-	-	-	-	-	-	(124,708)	(24,186)	-
CCBHC General Fund Revenue			-	-	-	-	-	-	-	-	-
Incentive Payment Revenue		<i>PIHP Revenue</i>	-	-	-	-	-	-	-	-	-
Subcontract revenue		35,080,016	23,342,557	426,994	1,294,243	859,666	97,648	1,104,192	6,702,873	2,356,035	-
External provider cost			21,694,918	-	1,577,464	-	-	288,604	-	-	-
Internal program cost			1,037,209	-	67,529	1,172	3,526	47,509	4,221,171	1,867,777	1,103,186
SSI Reimb, 1st/3rd Party Cost Offset			(4,983)	-	(1,118)	-	-	(38,377)	-	-	-
Mgd care administration		<i>PIHP Cost</i>	2,361,831	-	274,586	-	-	47,657	-	-	-
Subcontract cost		33,101,082	25,088,975	-	1,918,461	1,172	3,526	345,393	4,221,171	1,867,777	1,103,186
Net before settlement			(1,746,418)	426,994	(624,218)	858,494	94,122	758,799	2,481,702	488,258	(1,103,186)
Other Redistributions of State GF		<i>PIHP Stmnt</i>	-	-	-	-	-	-	-	-	-
Subcontract settlement (includes PPS-1 Payment Difference)		952,867	1,746,418	(426,994)	624,218	(858,494)	(94,122)	(1,103,186)	(405,145)	366,985	-
Net after settlement			-	-	-	-	-	(344,387)	2,076,557	855,243	(1,103,186)

Southwest Michigan Behavioral Health

For the Fiscal YTD Period Ended 3/31/2025
(For Internal Management Purposes Only)

INCOME STATEMENT

Pines Behavioral Health Service

PIHP Summary Information

	HCC%	3/31/2025	ok	Summary of Local CMHSP Components				SUD Block Grant		CCBHC		
				Medicaid MH/IDD	Medicaid SUD	HMP MH	HMP SUD	Treatment	State GF	CCBHC Medicaid	CCBHC Healthy Michigan	CCBHC Non-Medicaid
SWMBH TOTAL Excluding GF												
Capitation Payment				60.5%	0.0%	5.2%	0.0%	0.2%	2.4%	19.0%	6.7%	6.0%
Less: CCBHC Base Payment												
Subcontract revenue												
Supplemental CCBHC Payment												
CCBHC 1st/3rd Party Cost Offset												
CCBHC General Fund Revenue												
Incentive Payment Revenue												
PIHP Revenue												
Subcontract revenue												
External provider cost												
Internal program cost												
SSI Reimb, 1st/3rd Party Cost Offset												
Mgd care administration												
PIHP Cost												
Subcontract cost												
Net before settlement												
Other Redistributions of State GF												
Subcontract settlement (includes PPS-1 Payment Difference)												
Net after settlement												

Summit Pointe (Calhoun County)

PIHP Summary Information

	HCC%	100.00%		65.1%	0.0%	7.4%	0.0%	0.0%	3.8%	14.8%	5.1%	3.8%
Capitation Payment												
Less: CCBHC Base Payment												
Subcontract revenue												
Supplemental CCBHC Payment												
CCBHC 1st/3rd Party Cost Offset												
CCBHC General Fund Revenue												
Incentive Payment Revenue												
PIHP Revenue												
Subcontract revenue												
External provider cost												
Internal program cost												
SSI Reimb, 1st/3rd Party Cost Offset												
Mgd care administration												
PIHP Cost												
Subcontract cost												
Net before settlement												
Other Redistributions of State GF												
Subcontract settlement (includes PPS-1 Payment Difference)												
Net after settlement												

Southwest Michigan Behavioral Health

For the Fiscal YTD Period Ended 3/31/2025
(For Internal Management Purposes Only)

INCOME STATEMENT

Woodlands Behavioral Health		HCC%	100.0%	83.7%	1.3%	6.7%	3.1%	0.3%	4.9%			
PIHP Summary Information												
Capitation Payment				8,173,703	126,892	641,843	223,580	30,478	433,547			
Less: CCBHC Base Payment												
Subcontract revenue				8,173,703	126,892	641,843	223,580	30,478	433,547			
Supplemental CCBHC Payment												
CCBHC 1st/3rd Party Cost Offset												
CCBHC General Fund Revenue												
Incentive Payment Revenue			<i>PIHP Revenue</i>									
Subcontract revenue			9,196,495	8,173,703	126,892	641,843	223,580	30,478	433,547			
External provider cost				6,741,207	-	195,183	-	-	235,336			
Internal program cost				2,180,866	136,994	522,935	335,076	30,486	283,908			
SSI Reimb, 1st/3rd Party Cost Offset				-	-	-	-	-	-			
Mgd care administration			<i>PIHP Cost</i>	800,291	-	98,692	-	-	40,258			
Subcontract cost			11,041,731	9,722,365	136,994	816,811	335,076	30,486	559,501			
Net before settlement				(1,548,662)	(10,102)	(174,968)	(111,496)	(9)	(125,954)			
Other Redistributions of State GF			<i>PIHP Stmt</i>						125,954			
Subcontract settlement			1,845,236	1,548,662	10,102	174,968	111,496	9	-			
Net after settlement												
Integrated Services of Kalama:		HCC%	100.0%	65.86%	0.00%	4.18%	0.00%	0.00%	0.00%	19.39%	6.59%	3.98%
PIHP Summary Information												
Capitation Payment				43,123,396		4,416,975		55,979		7,164,457	2,075,828	-
Less: CCBHC Base Payment				(7,164,457)	-	(2,075,828)	-	-	-	-	-	-
Subcontract revenue				35,958,939	-	2,341,147	-	55,979	-	7,164,457	2,075,828	-
Supplemental CCBHC Payment				-	-	-	-	-	-	5,970,905	3,062,586	-
CCBHC 1st/3rd Party Cost Offset				-	-	-	-	-	-	242,449	35,134	207,608
CCBHC General Fund Revenue				-	-	-	-	-	-	-	-	-
Incentive Payment Revenue			<i>PIHP Revenue</i>	-	-	-	-	-	-	-	-	-
Subcontract revenue			56,907,424	35,958,939	-	2,341,147	-	55,979	-	13,377,811	5,173,548	207,608
External provider cost				36,215,923		2,351,428				2,581,513	789,859	530,875
Internal program cost				975,828		9,701				8,369,203	2,929,425	1,714,386
SSI Reimb, 1st/3rd Party Cost Offset				(3,850)	-	(52)	-	-	-	-	-	-
Mgd care administration			<i>PIHP Cost</i>	5,137,788	-	326,174	-	-	-	-	-	-
Subcontract cost			59,682,939	42,325,688	-	2,687,251	-	-	-	10,950,716	3,719,284	2,245,261
Net before settlement				(6,366,749)	-	(346,104)	-	55,979	-	2,427,095	1,454,264	(2,037,653)
Other Redistributions of State GF			<i>PIHP Stmt</i>		-	-	-	-	-	-	-	607,564
Subcontract settlement (includes PPS-1 Payment Difference)			7,303,715	6,366,749	-	346,104	-	(55,979)	-	1,322,556	(675,715)	-
Net after settlement				-	-	-	-	-	-	3,749,651	778,549	(1,430,089)

Southwest Michigan Behavioral Health

For the Fiscal YTD Period Ended 3/31/2025
(For Internal Management Purposes Only)

INCOME STATEMENT

CMH of St Joseph County PIHP Summary Information

Capitation Payment		9,091,324	156,583	843,919	297,718	39,484	521,280	1,101,089	265,597	-
Less: CCBHC Base Payment		(1,101,089)	-	(265,597)	-	-	-	-	-	-
Subcontract revenue		7,990,235	156,583	578,322	297,718	39,484	521,280	1,101,089	265,597	-
Supplemental CCBHC Payment								1,721,528	836,378	-
CCBHC 1st/3rd Party Cost Offset								-	-	-
CCBHC General Fund Revenue								-	-	-
Incentive Payment Revenue	PIHP Revenue	-	-	-	-	-	-	-	-	-
Subcontract revenue	12,986,934	7,990,235	156,583	578,322	297,718	39,484	521,280	2,822,617	1,101,975	-
External provider cost		8,417,975	-	732,614	-	-	249,424	-	-	-
Internal program cost		360,448	4,004	52,061	542	2,348	50,632	2,505,151	635,610	751,856
SSI Reimb, 1st/3rd Party Cost Offset		-	-	-	-	-	-	(48,323)	(6,547)	-
Mgd care administration	PIHP Cost	845,929	-	109,701	-	-	88,845	-	-	-
Subcontract cost	13,611,513	9,624,352	4,004	894,376	542	2,348	388,902	2,456,828	629,063	751,856
Net before settlement		(1,634,117)	152,579	(316,054)	297,176	37,136	132,378	365,788	472,912	(751,856)
Other Redistributions of State GF	PIHP Stmnt	-	-	-	-	-	619,478	-	-	-
Subcontract settlement (includes PPS-1 Payment Difference)	2,498,210	1,634,117	(152,579)	316,054	(297,176)	(37,136)	(751,856)	1,040,447	(5,516)	751,856
Net after settlement		-	-	-	-	-	0	1,406,235	467,396	(0)

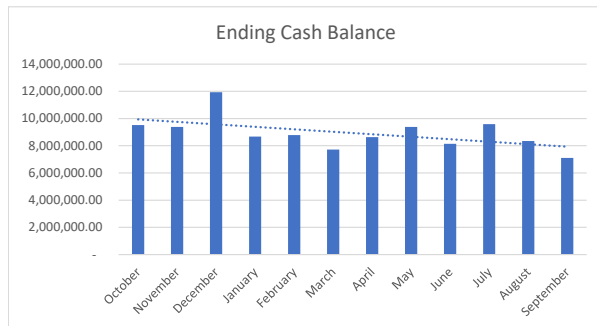
Van Buren Mental Health Auth PIHP Summary Information

HCC%	74.6%		66.8%	0.0%	4.5%	0.0%	0.3%	2.9%	16.6%	4.9%	3.9%
Capitation Payment			13,141,504	211,073	979,750	344,941	21,245	598,680	1,183,892	404,452	-
Less: CCBHC Base Payment			(1,183,892)	-	(404,452)	-	-	-	-	-	-
Subcontract revenue			11,957,613	211,073	575,298	344,941	21,245	598,680	931,155	331,431	-
Supplemental CCBHC Payment			-	-	-	-	-	-	614,243	243,329	-
CCBHC 1st/3rd Party Cost Offset			-	-	-	-	-	-	-	-	-
CCBHC General Fund Revenue			-	-	-	-	-	-	-	-	-
Incentive Payment Revenue	PIHP Revenue		-	-	-	-	-	-	-	-	-
Subcontract revenue	13,110,170		11,957,613	211,073	575,298	344,941	21,245	598,680	1,545,398	574,761	-
External provider cost			9,686,769	-	723,635	-	-	448,643	-	-	-
Internal program cost			1,224,022	1,142	14,531	836	54,046	28,987	2,703,579	797,301	644,913
SSI Reimb, 1st/3rd Party Cost Offset			(63,250)	-	-	-	(6,118)	-	-	-	-
Mgd care administration	PIHP Cost		1,100,720	-	143,432	-	-	81,761	-	-	-
Subcontract cost	12,879,763		11,948,261	1,142	881,597	836	47,928	559,392	2,703,579	797,301	644,913
Net before settlement			9,352	209,931	(306,299)	344,105	(26,683)	39,288	(1,158,181)	(222,540)	(644,913)
Other Redistributions of State GF	PIHP Stmnt		-	-	-	-	-	605,625	-	-	-
Subcontract settlement	647,943		(9,352)	(209,931)	306,299	(344,105)	26,683	(644,913)	680,630	197,720	-
Net after settlement			-	-	-	-	-	-	(477,551)	(24,820)	(644,913)



Southwest Michigan Behavioral Health
Cash Flow Analysis
Fiscal Year 2025
Operations Account

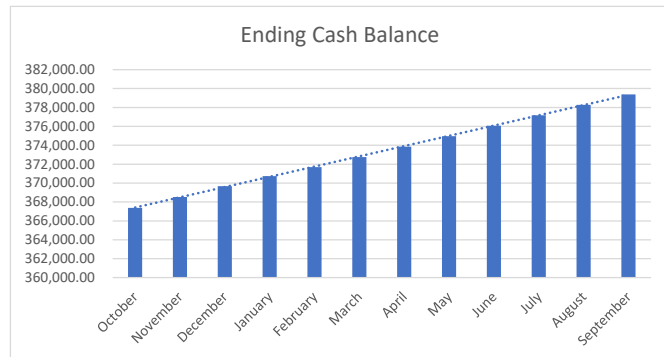
	October	November	December	January	February	March	April	May	June	July	August	September
Medicaid/HMP	21,770,700.65	22,165,013.39	21,713,007.60	21,895,358.69	22,186,473.37	22,574,540.89	22,050,849.10	22,050,849.10	22,050,849.10	22,050,849.10	22,050,849.10	22,050,849.10
Waivers	5,370,542.08	5,708,407.14	5,385,507.00	5,610,355.91	5,353,174.25	5,729,923.22	5,373,272.82	5,504,454.63	5,504,454.63	5,504,454.63	5,504,454.63	5,504,454.63
CCBHC Supplemental	4,536,320.55	4,694,283.64	4,737,804.43	4,895,288.34	4,905,158.41	4,947,399.54	5,040,427.33	4,822,383.18	4,822,383.18	4,822,383.18	4,822,383.18	4,822,383.18
Other Revenue Sources	-	164,045.15	2,757,197.69	61,336.05	1,751,931.25	106,932.45	2,134,267.27	2,062,638.94	62,638.94	2,757,197.69	62,638.94	62,638.94
Total Revenues	31,677,563.28	32,731,749.32	34,593,516.72	32,462,338.99	34,196,737.28	33,358,796.10	34,598,816.52	34,440,325.85	32,440,325.85	35,134,884.60	32,440,325.85	32,440,325.85
CMHSP CAP Payments	29,893,466.38	30,468,168.14	29,315,190.22	32,145,398.46	31,193,987.30	31,864,421.68	30,813,438.70	30,813,438.70	30,813,438.70	30,813,438.70	30,813,438.70	30,813,438.70
SWMBH Claims Payments	1,240,081.44	1,224,031.17	1,560,540.09	1,771,324.78	1,334,253.72	1,262,678.05	1,398,818.21	1,398,818.21	1,398,818.21	1,398,818.21	1,398,818.21	1,398,818.21
SWMBH Central Operations	1,815,772.38	1,182,428.67	1,154,290.76	1,808,146.82	1,565,569.49	1,299,682.65	1,470,981.80	1,470,981.80	1,470,981.80	1,470,981.80	1,470,981.80	1,470,981.80
Total Expenses	32,949,320.20	32,874,627.98	32,030,021.07	35,724,870.06	34,093,810.51	34,426,782.38	33,683,238.70	33,683,238.70	33,683,238.70	33,683,238.70	33,683,238.70	33,683,238.70
Net	(1,271,756.92)	(142,878.66)	2,563,495.65	(3,262,531.07)	102,926.77	(1,067,986.28)	915,577.82	757,087.15	(1,242,912.85)	1,451,645.90	(1,242,912.85)	(1,242,912.85)
Beginning Balance	10,792,873.84	9,521,116.92	9,378,238.26	11,941,733.91	8,679,202.84	8,782,129.61	7,714,143.33	8,629,721.15	9,386,808.30	8,143,895.44	9,595,541.34	8,352,628.49
Ending Cash Balance	9,521,116.92	9,378,238.26	11,941,733.91	8,679,202.84	8,782,129.61	7,714,143.33	8,629,721.15	9,386,808.30	8,143,895.44	9,595,541.34	8,352,628.49	7,109,715.63





Southwest Michigan Behavioral Health
Cash Flow Analysis
Fiscal Year 2025
Labor Risk Account

	October	November	December	January	February	March	April	May	June	July	August	September
Interest Income	1,241.67	1,145.26	1,145.26	1,069.35	958.47	1,064.18	1,104.03	1,104.03	1,104.03	1,104.03	1,104.03	1,104.03
Total Revenues	1,241.67	1,145.26	1,145.26	1,069.35	958.47	1,064.18	1,104.03	1,104.03	1,104.03	1,104.03	1,104.03	1,104.03
Total Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Net	1,241.67	1,145.26	1,145.26	1,069.35	958.47	1,064.18	1,104.03	1,104.03	1,104.03	1,104.03	1,104.03	1,104.03
Beginning Balance	366,136.16	367,377.83	368,523.09	369,668.35	370,737.70	371,696.17	372,760.35	373,864.38	374,968.41	376,072.45	377,176.48	378,280.51
Ending Cash Balance	367,377.83	368,523.09	369,668.35	370,737.70	371,696.17	372,760.35	373,864.38	374,968.41	376,072.45	377,176.48	378,280.51	379,384.54



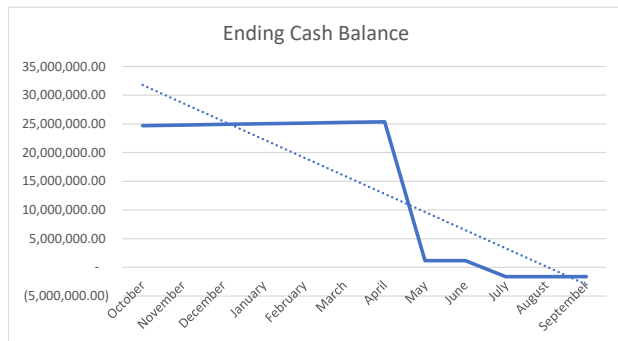


Southwest Michigan Behavioral Health
Cash Flow Analysis
Fiscal Year 2025
Internal Service Fund

	October	November	December	January	February	March	April	May	June	July	August	September
FY24 CCBHC Settlement	-	-	-	-	-	-	-		8,448,216.06			
ICS	41,111.87	34,277.81	38,678.12	35,397.40	36,875.23	39,995.21	72,786.49					
ISF Non CDARS	29,578.36	27,281.75	27,281.75	27,706.55	23,692.51	29,348.10	27,481.50	-	-	-	-	-
CDARS A	27,237.72	26,447.46	22,940.32	25,611.06	23,204.15	21,608.04	-	-	-	-	-	-
CDARS B	30,773.63	29,896.83	22,106.00	25,474.88	23,848.99	26,485.91	-	-	-	-	-	-
Total Revenues	128,701.58	117,903.85	111,006.19	114,189.89	107,620.88	117,437.26	100,268.00	-	8,448,216.06	-	-	-
Prior Year Lapse - FY21										2,799,145.54		
FY24 Settlements due to CMHSP's								24,182,788.49	8,448,216.06			
	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	-	-	-	-	-	-	-	24,182,788.49	8,448,216.06	2,799,145.54	-	-
Net	128,701.58	117,903.85	111,006.19	114,189.89	107,620.88	117,437.26	100,268.00	(24,182,788.49)	-	(2,799,145.54)	-	-
Beginning Balance	<u>24,561,549.17</u>	<u>24,690,250.75</u>	<u>24,808,154.60</u>	<u>24,919,160.79</u>	<u>25,033,350.68</u>	<u>25,140,971.56</u>	<u>25,258,408.82</u>	<u>25,358,676.82</u>	<u>1,175,888.33</u>	<u>1,175,888.33</u>	<u>(1,623,257.21)</u>	<u>(1,623,257.21)</u>
Ending Cash Balance	<u>24,690,250.75</u>	<u>24,808,154.60</u>	<u>24,919,160.79</u>	<u>25,033,350.68</u>	<u>25,140,971.56</u>	<u>25,258,408.82</u>	<u>25,358,676.82</u>	<u>1,175,888.33</u>	<u>1,175,888.33</u>	<u>(1,623,257.21)</u>	<u>(1,623,257.21)</u>	<u>(1,623,257.21)</u>

**Current Interest
Rate**

3.50%



Southwest Michigan Behavioral Health

For the Fiscal YTD Period Ended 9/30/2025
(For Internal Management Purposes Only)

FY25 Revised Budget - DRAFT-

<u>INCOME STATEMENT</u>	<u>PIHP</u>	<u>CCBHC</u>	<u>FY25 Budget Current Status</u>	<u>PIHP</u>	<u>CCBHC</u>	<u>FY25 Budget Current Status - Revised</u>	<u>Comparison</u>
REVENUE							
Contract Revenue							
Medicaid Capitation	256,227,043	31,586,475	287,813,518	257,370,178	32,128,843	289,499,021	1,685,503 0.58%
Healthy Michigan Plan Capitation	38,407,790	8,595,932	47,003,722	28,391,280	10,074,517	38,465,798	(8,537,924) -22.20%
Opioid Health Home Capitation	1,610,090	-	1,610,090	1,680,399	-	1,680,399	70,308 4.18%
Medicaid Hospital Rate Adjustments	12,089,192	-	12,089,192	12,089,192	-	12,089,192	- 0.00%
CCBHC Supplemental	-	54,807,224	54,807,224	1,156,184	57,800,231	58,956,415	4,149,191 7.04%
Mental Health Block Grant Funding	653,000	-	653,000	582,654	-	582,654	(70,346) -12.07%
SA Block Grant Funding	7,763,190	-	7,763,190	7,391,149	-	7,391,149	(372,041) -5.03%
SA PA2 Funding	2,184,476	-	2,184,476	2,184,476	-	2,184,476	- 0.00%
Contract Revenue	318,934,780	94,989,631	413,924,411	310,845,511	100,003,592	410,849,103	(3,075,308) -0.75%
CMHSP Incentive Payments	419,357	3,422,650	3,842,007	465,952	3,422,650	3,888,602	46,595 1.20%
PIHP Incentive Payments	2,483,291	-	2,483,291	2,134,267	-	2,134,267	(349,024) -16.35%
Interest Income - Working Capital	1,222,315	-	1,222,315	361,598	-	361,598	(860,717) -238.03%
Interest Income - ISF Risk Reserve	-	-	-	943,397	-	943,397	943,397 100.00%
Local Funds Contributions	852,520	-	852,520	852,520	-	852,520	- 0.00%
TOTAL REVENUE	323,912,264	98,412,281	422,324,545	315,603,245	103,426,242	419,029,487	(3,295,058) -0.79%
EXPENSE							
Healthcare Cost							
Provider Claims Cost	22,142,286	-	22,142,286	23,131,126	-	23,131,126	988,839 4.27%
CMHP Subcontracts, net of 1st & 3rd party	255,970,308	82,461,854	338,432,162	260,639,634	79,689,181	340,328,814	1,896,653 0.56%
Insurance Provider Assessment Withhold (IPA)	3,746,326	-	3,746,326	2,934,199	-	2,934,199	(812,127) -27.68%
Medicaid Hospital Rate Adjustments	12,089,192	-	12,089,192	12,089,192	-	12,089,192	- 0.00%
Total Healthcare Cost	293,948,112	82,461,854	376,409,966	298,794,150	79,689,181	378,483,331	2,073,365 0.55%
Medical Loss Ratio (HCC % of Revenue)	92.0%	83.8%	90.1%	96.0%	77.0%	91.3%	
Administrative Cost							
Purchased Professional Services	1,412,585	-	1,412,585	380,374	-	380,374	(1,032,211) -271.37%
Administrative and Other Cost	11,385,908	-	11,385,908	10,616,077	-	10,616,077	(769,831) -7.25%
Depreciation	7,263	-	7,263	7,263	-	7,263	- 0.00%
Delegated Managed Care Admin	24,714,174	-	24,714,174	30,125,592	-	30,125,592	5,411,418 17.96%
Apportioned Central Mgd Care Admin	(2,665,293)	2,665,293	(0)	(1,156,184)	1,156,184	-	- 0.00%
Total Administrative Cost	34,854,637	2,665,293	37,519,930	39,973,122	1,156,184	41,129,306	3,609,376 8.78%
Admin Cost Ratio (MCA % of Total Cost)	10.6%	3.1%	9.1%	12.3%	1.4%	10.2%	
Local Funds Expense	852,520	-	852,520	852,520	-	852,520	- 0.00%
PBIP Transferred to CMHPs	-	-	-	1,784,005	-	1,784,005	1,784,005 100.00%
TOTAL COST after apportionment	329,655,269	85,127,147	414,782,415	341,403,797	80,845,364	422,249,161	7,466,746 1.77%
NET SURPLUS before settlement	(5,743,004)	13,285,134	7,542,129	(25,800,552)	22,580,878	(3,219,674)	(10,761,804) 334.25%
Net Surplus (Deficit) % of Revenue	-1.8%	13.5%	1.8%	-8.2%	21.8%	-0.8%	
Prior Year Savings	-	-	-	-	-	-	-
Change in PA2 Fund Balance	-	-	-	-	-	-	-
ISF Risk Reserve Abatement (Funding)	-	-	-	-	-	-	-
ISF Risk Reserve Deficit (Funding)	1,929,280	-	1,929,280	93,803	-	93,803	(1,835,477) -1956.74%
CCBHC Supplemental Receivable (Payable)	3,813,725	-	3,813,725	-	-	-	(3,813,725) -100.00%
CCBHC Non Medicaid Cost (Payable)	-	(10,261,247)	(10,261,247)	-	(11,593,224)	(11,593,224)	(1,331,977) 11.49%
Settlement Receivable / (Payable)	-	-	-	-	(3,965,054)	-	- 0.00%
NET SURPLUS (DEFICIT)	(0)	3,023,887	3,023,886	(25,706,749)	7,022,599	(14,719,095)	(17,742,982) 120.54%

Revised FY25 Budget											
Medicaid/HMP	SWMBH-Central										
	SWMBH	Admin	Barry	Berrien	Pines	Summit Pointe	Woodlands	ISK	St. Joe	Van Buren	Total
Revenue	39,672,869	12,486,645	10,688,176	51,803,576	12,641,004	46,688,527	18,392,992	79,101,369	18,848,533	24,123,370	314,447,061
Expense	39,672,869	10,965,702	9,197,807	55,546,924	12,374,023	52,490,912	22,083,460	91,678,710	20,811,914	26,581,476	341,403,797
Difference	0	1,520,943	1,490,369	(3,743,348)	266,981	(5,802,385)	(3,690,468)	(12,577,341)	(1,963,381)	(2,458,106)	(26,956,736)
CCBHC											
Revenue		1,156,184	5,832,332	17,230,053	6,516,375	15,354,913		37,613,625	6,833,083	6,658,157	97,194,721
Expense		1,156,184	3,274,833	12,182,553	5,589,816	12,901,389		29,879,615	5,617,920	6,820,405	77,422,714
Difference		-	2,557,499	5,047,500	926,560	2,453,524		7,734,010	1,215,163	(162,249)	19,772,007

Managed Care Administration											
	SWMBH-										
	Central Admin	Barry	Berrien	Pines	Summit Pointe	Woodlands	ISK	St. Joe	Van Buren	Total	
Approved FY25	12,805,756	745,597	4,936,935	910,878	5,120,029	1,485,493	7,349,838	1,791,410	2,373,995	24,714,174	
Revised	11,003,714	745,597	5,285,964	865,338	5,823,993	1,797,966	11,190,385	1,756,548	2,659,801	30,125,592	
Difference	1,802,042	-	(349,029)	45,540	(703,965)	(312,473)	(3,840,548)	34,862	(285,805)	(5,411,418)	

MCD/HMP Revenue	Approved FY25	Revised	Inc/(Dec) \$	Inc/(Dec) %
Barry CMHA	10,102,959.82	10,688,176.08	585,216.26	6%
Berrien CMHA	51,617,521.75	51,803,576.15	186,054.40	0%
Pines Behavioral	16,323,825.44	12,641,004.22	(3,682,821.22)	-23%
Summit Pointe	44,595,341.92	46,688,526.68	2,093,184.76	5%
Woodlands Behavioral	16,224,769.44	18,392,992.00	2,168,222.56	13%
Integrated Services of Kalamazoo	84,771,283.12	79,101,368.80	(5,669,914.32)	-7%
St Joseph CMHA	19,729,899.84	18,848,533.30	(881,366.54)	-4%
Van Buren MHA	24,919,512.96	24,123,370.14	(796,142.82)	-3%
SWMBH	55,627,150.06	52,159,513.72	(3,467,636.35)	-6%
Total	323,912,264.35	314,447,061.09	(9,465,203.26)	-3%

MCD/HMP Expense	Approved FY25	Revised	Inc/(Dec) \$	Inc/(Dec) %
Barry CMHA	9,492,806.99	9,197,806.99	(295,000.00)	-3%
Berrien CMHA	52,855,906.00	55,546,924.00	2,691,018.00	5%
Pines Behavioral	13,292,003.49	12,374,022.98	(917,980.51)	-7%
Summit Pointe	52,154,408.89	52,490,911.52	336,502.63	1%
Woodlands Behavioral	21,224,071.00	22,083,460.00	859,389.00	4%
Integrated Services of Kalamazoo	91,220,139.82	91,678,710.23	458,570.41	1%
St Joseph CMHA	21,678,373.93	20,811,914.00	(866,459.93)	-4%
Van Buren MHA	26,701,264.54	26,581,476.01	(119,788.54)	0%
SWMBH	41,036,294.16	50,638,571.08	9,602,276.92	23%
Total	329,655,268.82	341,403,796.80	11,748,527.98	4%

CCBHC Revenue	Approved FY25	Revised	Inc/(Dec) \$	Inc/(Dec) %
Barry CMHA	6,564,464.46	5,832,332.00	(732,132.46)	-11%
Berrien CMHA	15,095,083.25	17,230,052.70	2,134,969.45	14%
Pines Behavioral	6,118,403.04	6,516,375.36	397,972.32	7%
Summit Pointe	14,386,101.24	15,354,912.84	968,811.60	7%
Integrated Services of Kalamazoo	34,992,639.00	37,613,625.00	2,620,986.00	7%
St Joseph CMHA	7,205,824.00	6,833,083.30	(372,740.70)	-5%
Van Buren MHA	7,961,822.61	6,658,156.54	(1,303,666.07)	-16%
SWMBH	2,665,293.04	1,156,183.64	(1,509,109.40)	-57%
CCBHC Supplementat Advance Revenu	-	3,965,054.45	3,965,054.45	#DIV/0!
CCBHC QBP	3,422,649.92	3,422,649.92	-	0%
Total	98,412,280.56	104,582,425.74	6,170,145.19	6%

CCBHC Expense	Approved FY25	Revised	Inc/(Dec) \$	Inc/(Dec) %
Barry CMHA	5,295,906.74	3,274,833.19	(2,021,073.55)	-38%
Berrien CMHA	10,592,917.00	12,182,553.00	1,589,636.00	15%
Pines Behavioral	5,619,262.46	5,589,815.73	(29,446.73)	-1%
Summit Pointe	12,249,755.10	12,901,388.57	651,633.47	5%
Integrated Services of Kalamazoo	30,338,251.71	29,879,615.19	(458,636.52)	-2%
St Joseph CMHA	6,511,118.63	5,617,920.00	(893,198.63)	-14%
Van Buren MHA	8,431,992.00	6,820,405.05	(1,611,586.95)	-19%
CCBHC QBP	3,422,649.92	3,422,649.92	-	0%
SWMBH	2,665,293.04	1,156,183.64	(1,509,109.40)	-57%
Total	85,127,146.60	80,845,364.28	(4,281,782.32)	-5%

SWMBH Board Update for Period April 2025
CEO and Staff Finance Focused Activities

Actions/Activities taken by CEO:

- On 4/30/25 Representative Rogers introduced budget amendment \$100 million General Fund intended for PIHPs Medicaid shortfalls.
 - This was following reciprocal communication with Representative Julie Rogers' office regarding needed funds for PIHP system-wide fiscal year 2025 rate adjustment
- Interview with WMUK Radio with Brad Casemore and John Ruddell on April 15, 2025; follow up email communication sent by Brad with additional information that was also included in the following:
 - Article Aired and Published April 24, 2025
 - Details include concern with regional factors
- Revenue consultations with HMA & Wakely
- Analysis of PIHP lawsuit developments with Counsel
- Coordinating meeting with Rehmann Principal
- Secured Representative Julie Rogers for Board 5/9 planning session
- Extended Operations Committee meeting with CFOs on revenue/expense/margin remediation tactics
- Briefing from DC federal contact and 5/9 Board meeting preparation with them
- Joined and attended NASW-MI Legislative and Social Policy Committee
- Mutual briefing meetings with: (A) Mental Health America – Michigan leader (B) Optum contact (C) MSU Public Policy Institute leader (D) Michigan Association of Counties opioid settlement projects leader
- Participated in (A) CMHAM Legislative and Public Policy Committee and (B) CMHAM CEO Advocacy planning meeting
- Attended Michigan Senate DHHS Appropriations Subcommittee meeting

MDHHS Meetings Specific to Finance: April 24, 2025

In attendance: Meghan Groen, Senior Deputy Director, MDHHS

Erin Emerson, Chief of Staff, MDHHS Medical Services Administration

Brian Keisling – Director of Operations for Health Services (rate setting area falls under Brian)

Kristen Morningstar

SWMBH Region: Brad Casemore, Garyl Guidry, Mila Todd, Jeff Patton, John Ruddell

Key takeaways:

- Milliman Prevalence Rates – SWMBH is at the bottom, lowest rates – requested assistance in understanding the prevalence scores. Reporting issue vs. service issue?
 - Brian Keisling will take this issue back
 - Kristen Morningstar's team to look at the Milliman Prevalence Reports

SWMBH Board Update for Period April 2025
CEO and Staff Finance Focused Activities

SWMBH April Actions:

- Developed data analysis of potential lost CMH revenues related to third party billing and will be working with CMHs to verify and ameliorate where possible
- Analyzed new CCBHC rate formula for regional impacts (negative impact)
- Worked with 8 of 9 other PIHPs to develop update FY25 expense projections
- Developed local cashflow advance policy as a way to create a strategy to keep CMSHP solvent
- Through the Regional Finance Committee requested revised budgets from CMHs to include “expense reductions and anticipated ABA expenses due to the MDHHS mandate”

Revenue Focused Projects

Service Use Evaluation (SUE) Project

- Provided report to Regional Finance Committee with Period 3 Fiscal Year 2024 data

Utilization Management (UM) Project

- Initiated new UM project to address changes to the SWMBH level of care guidelines and specifically target Community Living Supports (CLS) and potential service outliers that force more manual and fewer automatic authorizations.



RESOLUTION OF THE SOUTHWEST MICHIGAN BEHAVIORAL HEALTH BOARD

URGING ACTION TO ADDRESS THE PUBLIC SPECIALTY SUPPORTS AND SERVICES MEDICAID FUNDING SHORTFALL

WHEREAS, the Southwest Michigan Behavioral Health (SWMBH) Board is acutely aware that Michigan's public mental health system is facing a serious and escalating funding crisis driven by several compounding factors, including but not limited to the loss of Medicaid-covered lives and thus capitation revenue, inflationary pressures, increasing demand for services, and expanding regulatory burdens; and

WHEREAS, the Michigan Department of Health and Human Services (MDHHS) is required under state law (MCL 330.1116 and MCL 330.1202) to promote and financially support an adequate and appropriate system of community mental health services programs (CMHSPs); and

WHEREAS, the State of Michigan has lost nearly 700,000 Medicaid beneficiaries since the end of the Public Health Emergency (PHE) resulting in reduced capitation payments to Prepaid Inpatient Health Plans (PIHPs) and CMHs despite continued or increasing demand for behavioral health services; and

WHEREAS, Medicaid capitation payments to Prepaid Inpatient Health Plans for specialty supports and services are not actuarially sound and have not kept pace with medical inflation or broader state budget growth with only a 6% increase in the past five fiscal years compared to a 43% increase in the overall state budget and 25% in Medicaid expenditures; and

WHEREAS, the MDHHS has repeatedly underspent appropriated specialty supports and services Medicaid funds, with a projected \$232 million in underspending in fiscal year 2025, \$138 million in fiscal year 2024 and \$247 million in fiscal year 2023 with these unspent dollars not being redirected to meet urgent service needs across Michigan's PIHPs and CMHSPs and ultimately being returned in large part to the federal government; and

WHEREAS, additional factors exacerbating this crisis include skyrocketing inpatient psychiatric and residential costs, significant underfunding of autism services, misclassification of Medicaid eligibles resulting in lost revenue, and a growing administrative burden that diverts staff time and resources away from direct care; and

WHEREAS, failure to adequately fund and streamline the public behavioral health system undermines the ability of PIHPs and CMHSPs to meet the needs of the most vulnerable Medicaid eligibles including children, adults with serious mental illness, individuals with intellectual and developmental disabilities, and those with substance use disorders;

NOW, THEREFORE, BE IT RESOLVED, that the Southwest Michigan Behavioral Health Board urgently calls on the Michigan Department of Health and Human Services, the Michigan Legislature, and the Governor to:

1. **Fully allocate appropriated Medicaid behavioral health funds to PIHPs and CMHSPs** in fiscal year 2025 and beyond.
2. **Ensure capitation rates are actuarially sound at the regional and local levels** and reflect the actual prospective cost of service delivery, including inpatient care, specialized residential treatment, and autism services.
3. **Rectify the misclassification of Medicaid beneficiaries** ensuring individuals are enrolled in appropriate Medicaid coverage categories with mental health benefits.
4. **Account for added cost drivers** including legislative changes such as paid sick leave and minimum wage increases.
5. **Significantly reduce unnecessary administrative requirements** that increase overhead without improving outcomes.

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted to Governor Gretchen Whitmer, the Michigan Department of Health and Human Services, the leadership of the Michigan Senate and House of Representatives, the Michigan Association of Counties, the SWMBH CMH Boards, county Commissions of SWMBH counties and the Michigan Senators and Representatives of SWMBH counties.

Adopted this 9th day of May, 2025

Sherii Sherban, Chairperson
SWMBH Board

Board Regulatory Compliance COMMITTEE CHARTER

Charter Effective Date: May 10, 2024	Charter Review Date: May 2025
Approved By: SWMBH Board	Authorization Signature: SWMBH Board Chair _____
SWMBH liaison: SWMBH Chief Compliance Officer	

42 Code of Federal Regulations, Section 438.608(a)(1)(iii):

The State, through its contract with the PIHP, must require the PIHP to have a compliance program that includes, at a minimum, all of the following elements:

- iii. The establishment of a Regulatory Compliance Committee on the Board of Directors and at the senior management level charged with overseeing the organization's compliance program and its compliance with the requirements under the contract.

MDHHS-SWMBH Master Contract Language Schedule A, Subpart (1)(R)(1)(e)(1)(c):

The program integrity compliance program and plan must include the following element:

“Maintenance of a Regulatory Compliance Committee comprised of individuals from the Board of Directors and senior management charged with overseeing the Contractor's compliance program and its compliance with requirements under the Contract.”

Committee Composition & Purpose:

Board Regulatory Compliance Committee will consist of three (3) Board Members appointed by SWMBH's Board Chair, as well as the SWMBH Chief Compliance Officer. The Board Regulatory Compliance Committee's purpose is to exercise oversight of the SWMBH compliance program and its compliance with the requirements of the MDHHS-SWMBH Master Contract.

Committee Scope of Responsibility: The Board Regulatory Compliance Committee will facilitate open communication between the SWMBH Chief Compliance Officer and the SWMBH Board of Directors to support the Board's fulfillment of its duty to exercise reasonable oversight of SWMBH's Program Integrity Compliance program. The SWMBH Chief Compliance Officer will serve as the Committee Chair, organizer and facilitator. The Committee will receive information and have an opportunity to discuss and provide feedback to the SWMBH Chief Compliance Officer. In accordance with federal regulations and Carver Policy Governance, the Committee will not vote or offer formal directives to the Chief Compliance Officer.

Management Structure (Relationship to other committees): The Board Regulatory Compliance Committee is a standing Committee of the SWMBH Board of Directors. The Committee and its members will not interact directly with any other SWMBH or regional operational Committee.

Accountability and Reporting: Board Regulatory Compliance Committee activities and deliverables will be periodically reported as directed by the SWMBH Board of Directors, as requested by two or more Board Regulatory Compliance Committee members and at the discretion of the Chief Compliance Officer.

Committee Roles:

- Review and discuss the SWMBH Compliance Plan and strategy in the interest of facilitating open dialogue as to its implementation and suggest modifications as necessary.
- Review ongoing SWMBH Program Integrity & Compliance activities as part of the Board's direct inspection monitoring responsibilities.

Committee ~~Structure~~ Norms

- Meetings will be held with live, remote and hybrid methods. Two Board members, ~~plus the Compliance officer, are required to hold a meeting~~ must be present either in person or remotely to conduct committee business.
- ~~If committee members are unable to attend a meeting, Committee member will communicate essential views via electronic mail to all other committee members and the Chief Compliance Officer.~~
- Committee meeting minutes shall be recorded and distributed within five (5) business days following each meeting.
- The Committee meeting agendas and appropriate relevant documents will be distributed five (5) business days before each meeting.
- Communication shall be given and received with respect and without retaliation.

Committee Member Responsibilities and Values:

- Attend meetings in person or virtually according to the established meeting schedule.
- Prepare for and actively participate in Committee meetings and activities.
- Actively offer insight and perspective to support and improve the SWMBH compliance program goals and initiatives.
- Complete assignments in a timely manner.
- Committee members with specific expertise in issues or projects addressed by the Committee will offer insight and perspective in a manner to support the SWMBH compliance program goals and initiatives.

Committee Meetings

The Committee shall meet a minimum of quarterly. If there is not a significant purpose to meet, the Committee meeting may be cancelled with the support of two or more Committee members.

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Southwest Michigan

BEHAVIORAL HEALTH

Section: Board Policy – Governance	Policy Number: BG-011	Pages: 2
Subject: Governing Style and Commitment	Required By: Policy Governance	Accountability: SWMBH Board
Application: <input checked="" type="checkbox"/> SWMBH Governance Board <input checked="" type="checkbox"/> SWMBH EO		Required Reviewer: SWMBH Board
Effective Date: 04.11.2014	Last Review Date: 5.10.24	Past Review Dates: 04.11.15, 05.08.15, 5.13.16, 12.9.16, 5.12.17, 5.11.18, 5.10.19, 5.8.20, 5.14.2, 06.10.22, 6.9.23

I. **PURPOSE:**

The SWMBH Board will engage in continual refinement of its values and vision, guaranteeing the accountability of SWMBH through monitoring of performance.

II. **POLICY:**

The Board will govern lawfully, observing the principles of the Policy Governance model, with an emphasis on (a) outward vision rather than an internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and Chief Executive roles, (e) collective rather than individual decisions, (f) future rather than past or present focus, and (g) proactivity rather than reactivity.

III. **STANDARDS:**

Accordingly, the SWMBH Board shall:

1. Cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives. The Board will not use the expertise of individual member to substitute for the judgment of the Board, although the expertise of individual members may be used to enhance the understanding of the Board as a body.
2. Direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on the intended long-term impacts, not on administrative or programmatic means of attaining those effects.
3. Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policy-making principles, respect of roles, and ensuring the continuance of governance capability. Although the Board can change its governance process policies at any time, it will observe those currently in force.
4. Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of process improvement.

5. Allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling group obligations.
6. The Board will monitor and discuss the Board's process and performance periodically. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board-Management Delegation categories.
7. Follow the SWMBH Conflict of Interest Policy.
8. When a Member either must recuse themselves or chooses to recuse themselves from voting on a Board decision their prior potential vote count will be removed from the vote tally denominator.

When a Member abstains from voting on a Board decision their potential vote count will not be removed from the vote tally denominator.

SWMBH SERVICES ADMINISTRATIVE CONTRACTS

(October 2024-March 2025)

AUNALYTICS

Deliverables/Services	<ul style="list-style-type: none">• Provides Data Center & Storage Services• Web Hosting• Cloud Computing Services• Network Infrastructure• VOIP• Wireless Communications• Hardware and Software Needs (with Helpdesk Support)• Related Project Management
	FY25 Expenditure: \$83,411 (FY24 Expenditure: \$171,024)

BAUCKHAM, SPARKS, THALL, SEEGER & KAUFMAN P.C.

Deliverables/Services	<ul style="list-style-type: none">• Medicaid fair hearing counsel: Act as legal representation on behalf of SWMBH and participant CMHSP's for the Fair Hearing process• Perform tasks related to Fair Hearing preparation process: Record review, witness preparation and interviews• Hearing Summary preparation• Legal consultation related to Fair Hearing process
	FY25 Expenditure: \$3,180 (FY24 Expenditure: \$3,437)

BLUE FIRE MEDIA, INC

Deliverables/Services	<ul style="list-style-type: none">• Supports the SWMBH public website
	FY25 Expenditure: \$875 (FY24 Expenditure: \$890)

CAPITOLINE CONSULTING

Deliverables/Services	<ul style="list-style-type: none">• Consultation service on federal policy, regulations & funding opportunities• Secure materials and prepare briefs summarizing attended events
	FY25 Expenditure: \$19,200 (FY24 Expenditure: \$6,500)

CONTRACT PHYSICIANS

Deliverables/Services	<ul style="list-style-type: none">• Program policy issue consultation• Service guideline consultation and review• Medical policy review and approval• SWMBH credentialing panel participant• Consultation provided to Member Services and Contractor Network Management as necessary• On-call Medical decisions with Utilization Management during non-business hours
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	<ul style="list-style-type: none"> BH Human Resource Management Committee consultant
	FY25 Expenditure: \$41,668 (FY24 Expenditure: \$26,671)
DOERSCHLER & ASSOCIATES	
Deliverables/Services	<ul style="list-style-type: none"> Fiduciary Advisors for retirement plans
	FY25 Expenditure: \$17,623 (FY24 Expenditure: \$12,591)
HEALTH MANAGEMENT ASSOCIATES	
Deliverables/Services	<ul style="list-style-type: none"> Technical assistance on emerging regulatory initiatives regarding population health management, duals, opioid health homes and data analytics
	FY25 Expenditure: \$0 (FY24 Expenditure: \$8,763)
LEADING EDGE MENTORING	
Deliverables/Services	<ul style="list-style-type: none"> Performs a preliminary assessment of SWMBH Board and management implementation.
	FY25 Expenditure: \$1,280 (FY24 Expenditure: \$3,437)
MORC, INC	
Deliverables/Services	<ul style="list-style-type: none"> Support intensity scale assessment training
	FY25 Expenditure: \$1,800 (FY24 Expenditure: \$1,800)
PREST AND ASSOCIATES	
Deliverables/Services	<ul style="list-style-type: none"> Health Plan professional independent review and consulting service Utilization reviews concerning medical necessity and/or medical appropriateness of treatment
	FY25 Expenditure: \$2,615 (FY24 Expenditure: \$1,412)
GRYPHON	
Deliverables/Services	<ul style="list-style-type: none"> After hours phone answering served for SUD phone lines
	FY25 Expenditure: \$34,895 (FY24 Expenditure: \$80,957)
QUEST ANALYTICS, LLC	
Deliverables/Services	<ul style="list-style-type: none"> Annual Software licensing cost To Provide Network Adequacy analysis
	FY25 Expenditure: \$8,545 (FY24 Expenditure: \$8,545)
REHMANN	
Deliverables/Services	<ul style="list-style-type: none"> Regional revenue and expense analysis
	FY25 Expenditure: \$20,464 (FY24 Expenditure: \$0)

RELIAS POPULATION HEALTH (FORMERLY CARE MANAGEMENT TECHNOLOGIES, INC)	
Deliverables/Services	<ul style="list-style-type: none"> Licensed proprietary healthcare data analytics solution Analyze data in order to determine opportunities for improving care and decreasing costs for SWMBH and CMHSPs Install and manage population health and case level user application
	FY25 Expenditure: \$87,569 (FY24 Expenditure: \$87,569)
ROSE ST ADVISORS/HRM INNOVATIONS, INC	
Deliverables/Services	<p>Provides support, direction and consultation in the area of Human Resources ensuring federal and state regulations and standards are met. Tasks include, but not limited to:</p> <ul style="list-style-type: none"> Cultural Insights Surveys Strategic leadership planning Human Resource Consulting Recruiting
	FY25 Expenditure: \$14,206 (FY24 Expenditure: \$34,675)
ROSLUND PRESTAGE & COMPANY, P.C	
Deliverables/Services	<ul style="list-style-type: none"> Financial, Compliance, and Single audit
	FY25 Expenditure: \$18,950 (FY24 Expenditure: \$49,450)
STREAMLINE HEALTHCARE SOLUTIONS	
Deliverables/Services	<ul style="list-style-type: none"> Streamline Care Management System is a desktop application used to manage and pay external providers
	FY25 Expenditure: \$118,920 (FY24 Expenditure: \$130,881)
TBD SOLUTIONS LLC	
	<ul style="list-style-type: none"> Level of Care Data Analytics and Guidelines project Strategic Planning Support Internal Functional assessment of UM Call Center and Provider Network
	FY25 Expenditure: \$10,478 (FY24 Expenditure: \$25,091)
VARNUM LLP	
Deliverables/Services	<ul style="list-style-type: none"> General Counsel. Retirement plans and labor law legal consultation
	FY25 Expenditure: \$95,273 (FY24 Expenditure: \$36,433)
VOICES FOR HEALTH	
Deliverables/Services	<ul style="list-style-type: none"> Translation and Interpretation services
	FY25 Expenditure: \$13,067 (FY24 Expenditure: \$2,458)

Contract Services (through March 31, 2025)

FY 2025 Actual: \$594,020

FY 2024 Actual: \$692,583

Delta \$: -98,563

Delta %: -14.23



SWMBH ANNUAL REPORT 2024

LETTER FROM THE CEO

It is with pleasure that we share Southwest Michigan Behavioral Health's Annual Report for fiscal year 2024. This report shares the impactful work our employees have done to ensure our beneficiaries are provided with quality services based on their individual needs and goals, and are treated with dignity and respect.

I would like to thank our employees for their dedication and our board of directors for their support and guidance.

As the Prepaid Inpatient Health Plan (PIHP) for eight Michigan counties we are in partnership with their Community Mental Health (CMH) agencies, we thank them for their support in all we do, and the quality of services they, along with our local providers, provide to our beneficiaries.

Sincerely,

Bradley P. Casemore, *MHSA, LMSW, FACHE*
Chief Executive Officer, SWMBH
Commissioner, Michigan Opioid Advisory Commission

Board of Directors

Barry County: Lorraine Lindsey & Bob Becker (Alternate)

Berrien County: Allen Edlefsen & Edward Meny (Alternate)

Branch County: Tom Schmelzer – Vice-Chair & Jon Houtz (Alternate)

Calhoun County: Sherii Sherban – Chair & Kathy-Sue Vette (Alternate)

Cass County: Joyce Locke & Sheila Witous (Alternate)

Kalamazoo County: Michael Seals & Karen Longanecker (Alternate)

St. Joseph County: Carol Naccarato – Secretary & Cathi Abbs (Alternate)

Van Buren County: Tina Leary & Gail Patterson-Gladney (Alternate)

IMPACTS:

- 2 *Board of Directors; Substance Use Disorder Oversight Policy Board*
- 3 *Annual Regional Healthcare Policy Forum; Information Technology; Regional Population Health Opportunity Analysis*
- 4 *Medicaid Service Statistics*
- 5 *Substance Use Prevention & Treatment Impact*
- 6 *Liquor Tax (PA2) Funding; Public Act Funds, Opioid Health Homes, Certified Community Behavioral Health Clinics*
- 7 *Grant Impacts*
- 8 *Grants continued*
- 9 *Integrated Care & Customer Service/ Member Services*
- 10 *Call Center & Habilitation Supports Waiver*
- 11 *Waivers for Children's Services & 1915(i) State Plan Amendment*
- 12 *Health Services Advisory Group (HSAG)*
- 13 *HSAG continued*
- 14 *Administrative & Delegated Functions; Annual Site Reviews*
- 15 *Financials*

OPERATIONS COMMITTEE

The SWMBH Operations Committee is comprised of the region's Community Mental Health Agencies CEOs. They advise the SWMBH Board and the SWMBH CEO. Their responsibilities include reviewing the following prior to presentation to the SWMBH Board:

- Annual operating and capital budgets
- Financial Management Plan
- Cost Allocation Plan
- Financial Risk Management Plan
- Quality Assurance and Program Improvement Program
- Utilization Management Program

Our mission is to be Michigan's preeminent benefits manager and integrative healthcare partner, assuring regional health status improvements, quality, value, trust, and CMHSP participant success.

BOARD OF DIRECTORS

SWMBH is governed by an independent Board of Directors with one primary representative and one alternate representative from each of the eight county's Community Mental Health Boards. Their responsibility is to administer the Governance Policies and direct the Executive Officer who organizes and oversees all operations.

In fiscal year 2024, after consultation with member CMH Boards, the SWMBH Board adopted a revised set of Board Ends which directs SWMBH towards the benefits to be produced, for whom and at what cost reflecting the organization's vision and reason for being.

Global End: As a benefits manager of state and federal funds, SWMBH exists to assure that member agencies and providers create sustainable programs and provide specialty services so that persons in the SWMBH region have access to appropriate resources and experience improvements in their health status and quality of life, optimizing self-sufficiency, recovery, and family preservation. Quality services are provided while minimizing costs through efficient stewardship of human, financial, and technology resources available and use of shared knowledge.

1. Member CMH boards, EOs, and staff value the partnership with SWMBH, and experience the relationship as collaborative, transparent, responsive, and reciprocal.
2. Member CMHs are aware of environmental disruptors and trends, and benefit from SWMBH's regional and statewide regulatory and public relations advocacy impacting the Mental Health Community.
3. Member CMHs have the resources needed to address their communities' individualized needs, successfully access appropriate resources and successfully meet contractual obligations (*including managed care functions*).
4. Member CMHs and other providers assure and monitor ready access to appropriate programs and services for their consumers and contribute accurate data so SWMBH can create aggregated, comprehensive, and comparative regional results which supports access to maximum funding available.
5. The SWMBH regional partners align with best practice, learning from each other, collaborating, sharing resources, and benefitting from lessons learned.

SUBSTANCE USE DISORDER (SUD) OVERSIGHT POLICY BOARD

The SUD Oversight Policy Board is comprised of up to 16 members appointed by the eight regional county commissions. Their responsibilities include:

- Approval of the portion of SWMBH's budget that includes local funds (PA2) for treatment or prevention of substance use disorders;
- Advice and recommendations regarding SWMBH budget for substance use disorder treatment or prevention using other nonlocal funding sources;
- Advice and recommendations regarding contracts with substance use disorder treatment or prevention providers;
- Other functions and responsibilities requested by SWMBH and accepted by amending the Intergovernmental Contract.

Mental Health Code—Act 258 of 1974—330.1287 Sec. 287: "shall establish a substance use Oversight Policy Board...."

9TH ANNUAL REGIONAL HEALTHCARE POLICY FORUM

On October 4, SWMBH's 9th Annual Regional Healthcare Policy Forum was held at Advia Credit Union.

90 people attended the event which included an appearance by *Lieutenant Governor Garlin Gilchrist II*, as he accepted the Meritorious Public Service Award on behalf of Governor Whitmer from SWMBH and Community Mental Health Association of Michigan.

Tim Skubick, Senior Capitol Correspondent addressed attendees and Federal and State candidates were present for an open microphone opportunity to meet the candidates.

To open the event, panelists discussed the state of Michigan Healthcare led by Emcee Colleen Allen, Ph.D. Chief Executive Officer, Autism Alliance of Michigan.

Panelists included:

- Meghan Groen, Senior Deputy Director of Michigan Behavioral and Physical Health and Aging Services
- Dominick Pallone, Executive Director of Michigan Association of Health Plans
- Laura Appel, Executive Vice President of Michigan Health and Hospital Association
- Phillip Bergquist, Chief Executive Officer of Michigan Primary Care Association
- State Representative Julie Rogers, Chair, House Health Policy
- Alan Bolter, Associate Director of Community Mental Health Association of Michigan

INFORMATION TECHNOLOGY

In addition to ongoing support and technical assistance to SWMBH employees, the IT department's notable achievements in 2024 include:

- Implementation of SWMBH Commons collaboration site
- Development of FHIR based Provider Network and Member Access Application Program Interfaces (API)
- 100% staff participation in Phishing education
- Development of Tableau dashboards and reports for CCBHC tracking
- Selection and configuration of new help desk solution—Freshservice
- HAB support waiver payment and enrollment gap analysis



REGIONAL POPULATION HEALTH OPPORTUNITY ANALYSIS

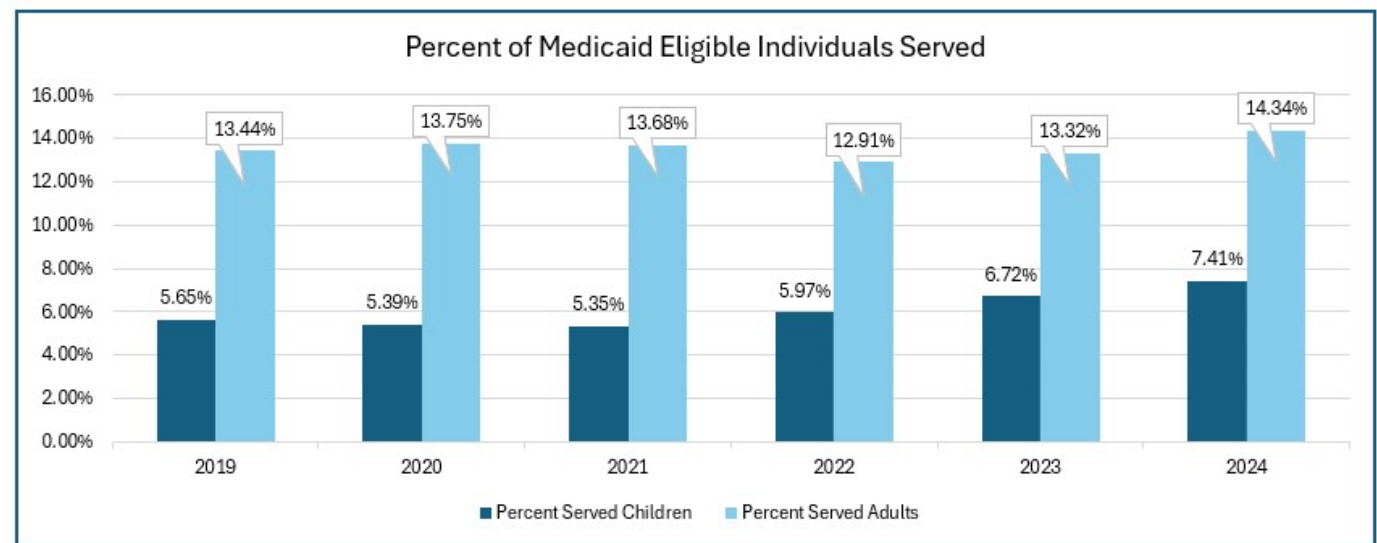
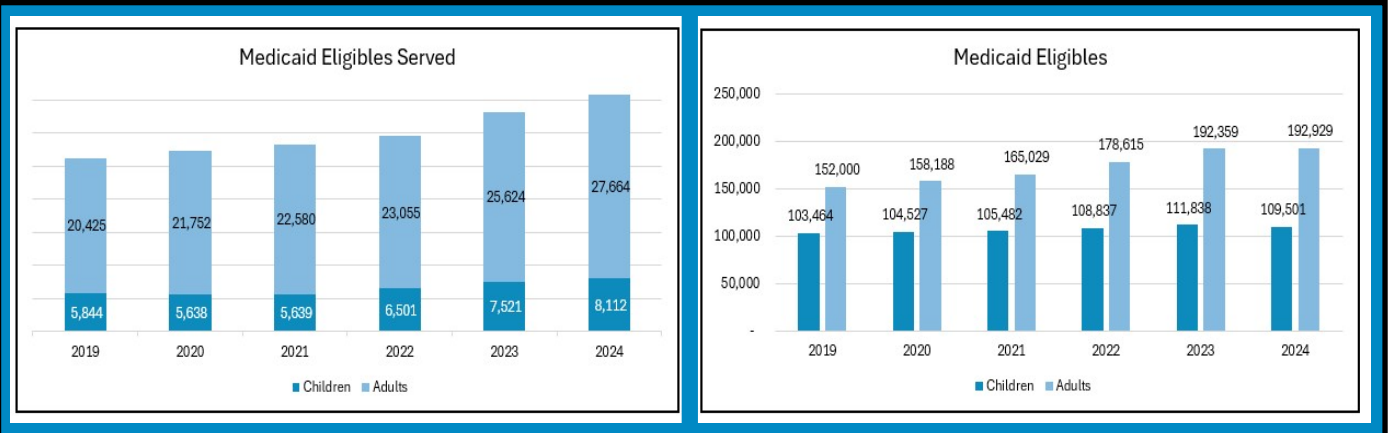
In 2024 SWMBH authored the *Regional Population Health Opportunity Analysis* which utilized data from Medicaid encounters occurring in our region. It focuses on population health needs, with an emphasis on individuals with behavioral health conditions. This analysis quantifies aspects of our local Medicaid population's health status and suggests ways to prevent unwanted behavioral and physical health outcomes. It is an exploratory study that introduces an understanding of our local Medicaid population's health and many opportunities for future analysis are identified. The report includes:

Key Demographics
Behavioral Health and Chronic Medical Conditions
Comorbidities and Ambulatory Care Sensitive Conditions

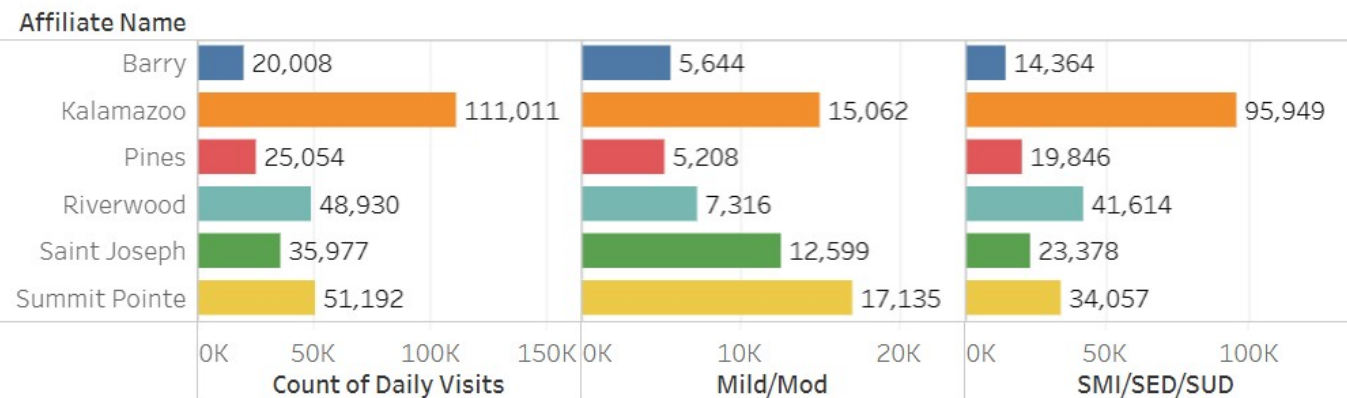
Care Gap Analysis
Pharmacy Analysis
Hospital and Emergency Department Utilization

REGIONAL IMPACT ~ MEDICAID SERVICE STATISTICS

Total individuals served who are Medicaid eligible has increased year over year. In addition, the percent of individuals served as a percent of Medicaid eligible has also increased.

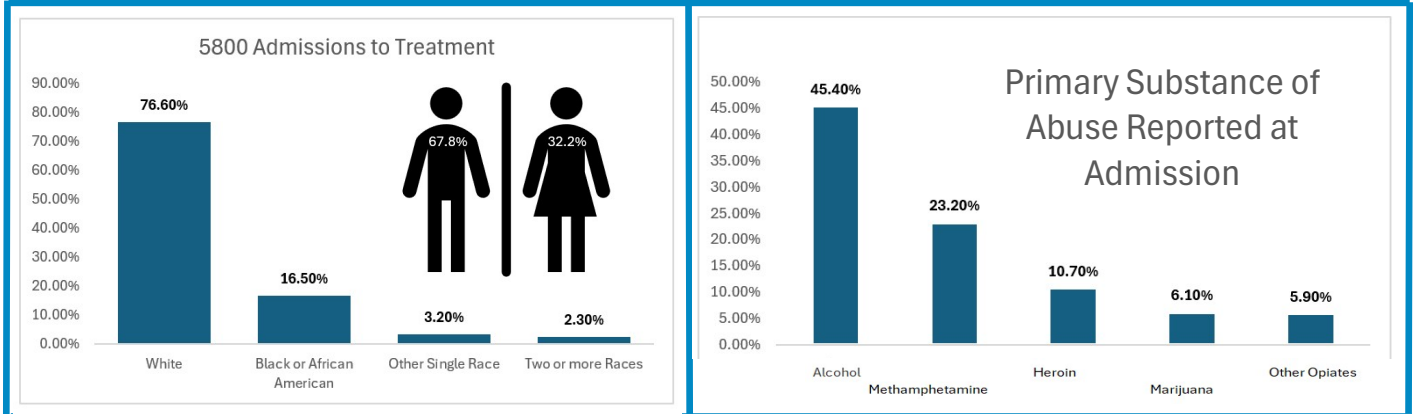


CCBHC FISCAL YEAR 2024 DAILY VISIT COUNT

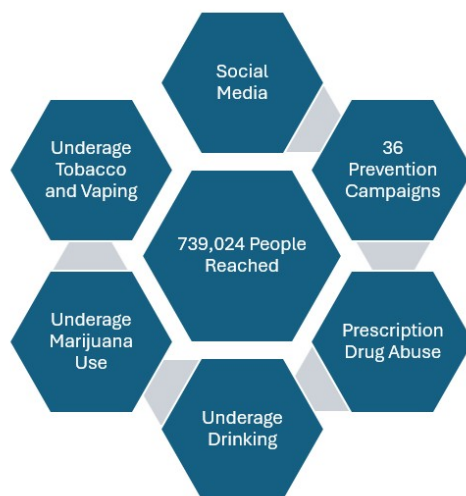


SUBSTANCE USE PREVENTION AND TREATMENT IMPACT

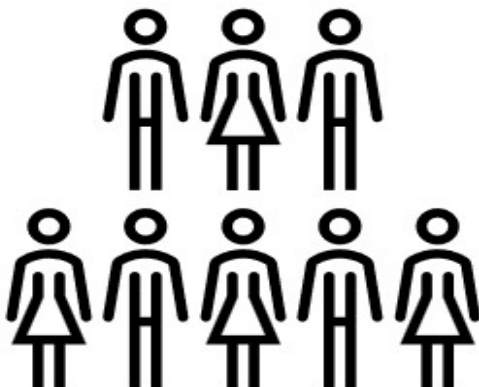
Treatment services were provided through approximately 5,800 admissions in FY2024. There are four levels of care upon admission: Outpatient (44%), Residential (29.4%), Withdrawal Management (19.8%), Intensive Outpatient (6.8%).



SOCIAL MEDIA CAMPAIGN



363 evidence based curriculum groups for youth with 6,607 participants



PREVENTION SERVICES

SWMBH contracts with 10 prevention providers to implement prevention services.



OVERDOSE EDUCATION NALOXONE DISTRIBUTION

SWMBH partners with 69 law enforcement agencies and 29 fire departments resulting in 476 persons completing the Online Naloxone Training developed by SWMBH.

⇒ 2,196 Naloxone kits are currently carried by those trained.

⇒ 50 rescue attempts have resulted in 42 overdose reversals.

SWMBH contracts with a harm reduction agency to provide education, training, and distribution of naloxone to community members and other human service agencies.

⇒ 2,356 community members trained in the Naloxone overdose rescue protocol.

⇒ 6,038 Naloxone kits were distributed to those trained.

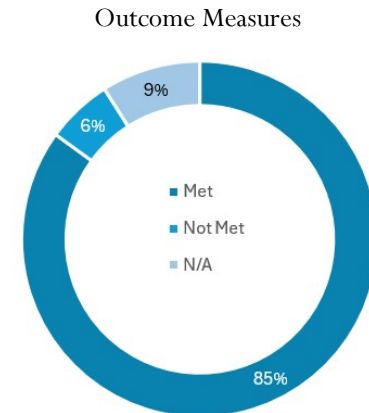
⇒ 474 overdose reversals reported by community members

⇒ 2,841 Naloxone kits have been distributed via community boxes and other access points.

LIQUOR TAX (PA2) FUNDED SERVICES

In fiscal year 2024 SWMBH managed \$2.5 million in liquor tax funding, contracting with 23 providers which supported 46 programs which include treatment, prevention, specialty courts, jails, etc.

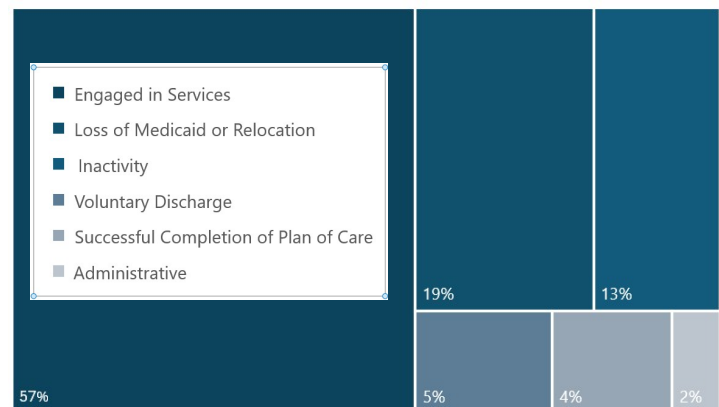
Of the 146 outcome measures, 85% were met.



OPIOID HEALTH HOME (OHH)

The OHH provider network consists of one Community Mental Health, Summit Pointe, and three Opioid Treatment Programs, Victory Clinical Services Kalamazoo, Victory Clinical Services Battle Creek, and Harbortown. Integrated care teams work with customers to identify areas of need and create a care plan. The OHH model framework focuses on 6 core services: comprehensive care management, care coordination, health promotion, comprehensive transitional care, individual and family support, and referrals to community and social support services. Referrals are provided to assist in meeting their social determinants of health needs such as food resources, clothing needs, housing supports, legal concerns, and employment. Another focus is on expanding customer's access physical healthcare, including dental care, and the promotion on preventative care.

Fiscal Year 2024 ~ 704 Customers Enrolled with 1,500 Services Provided



CERTIFIED COMMUNITY BEHAVIORAL HEALTH CLINICS (CCBHC)

In 2024 our region expanded participation in the CMS CCBHC demonstration growing from 2 CMHA participants to six.

Working in concert with ISK and Pivotal our region provided valuable support and technical assistance relying on lessons learned to the four additional CMHSPs joining: Barry County Community Mental Health Authority; Riverwood Center, Pines Behavioral Health and Summit Pointe. And in FY2025 Van Buren County Mental Health joined the CCBHC Demonstration as well.

The CMS CCBHC Demonstration requires certified sites to provide nine core services in an integrated and coordinated manner utilizing twelve required evidence-based practices. Individuals with a mental health or SUD diagnosis are eligible, regardless of ability to pay, and the required services are intended to ensure all needs are met, physical, behavioral, and social.

GRANT IMPACT

Priority Population Transition Navigator

The Priority Population Transition Navigator out-reached to 556 members including 19 pregnant users, 267 intravenous users, 195 with Michigan Department of Corrections and 75 with Child Protective Service involvement/at risk of losing their children.

The Level of Care Transition Navigator (IP)

The Level of Care Transition Navigator supports members experiencing a psychiatric admission. 421 members were referred in FY24 with a completion of initial follow-up appointment rate of 73.15%.

The Level of Care Transition Navigator (SUD)

The Level of Care Transition Navigator supported 470 co-occurring members receiving SUD residential services with an average rate of 69.66% for FY24 of these members attending aftercare treatment.

Health Disparities Project Coordinator

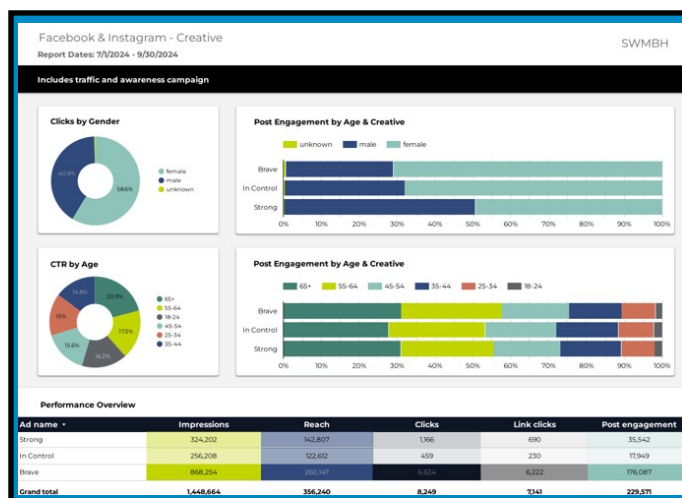
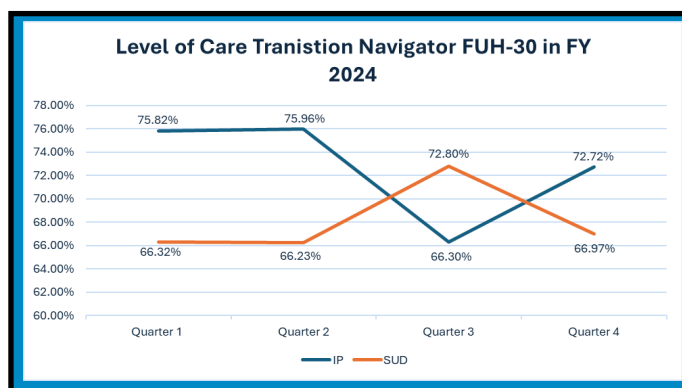
The “Flip the Script” anti-stigma campaign was fully implemented through the mediums of audio, social media, billboard, website, and outreach materials. Since its full launch in January 2024 to the end of FY24, the campaign has delivered a total of 3,280,830 social media impressions and has contributed to 13,757 website views.

Veteran Navigator

SWMBH’s Regional Veteran Navigator works closely with CMH Veteran Navigators as well as directly with Veterans and their families to access and navigate community resources that support behavioral health challenges and more. In 2024 a focus was on partnering with community agencies including Veterans Affairs Department and Area Agency on Aging and Suicide Prevention Coalitions to create and promote community events to connect with Veterans and their families.

Covid Supplemental Grant Funding

Funding for this grant ended in March 2024; it supported treatment and prevention providers. Through an opioid overdose response program 330 persons were assisted in hospitals, jails, and in the community. Engagement centers supported 597 people who sought assistance for substance abuse.



Veteran Contacts in Fiscal Year 2024	
Total New Contacts Reported	163
Total Number Veteran Family Contacts	73
Total Number of Veterans served 2 or more times	31

Prevention Programming Groups



9 groups—58 individuals:
substance use, abuse and mis-
use of prescription medication

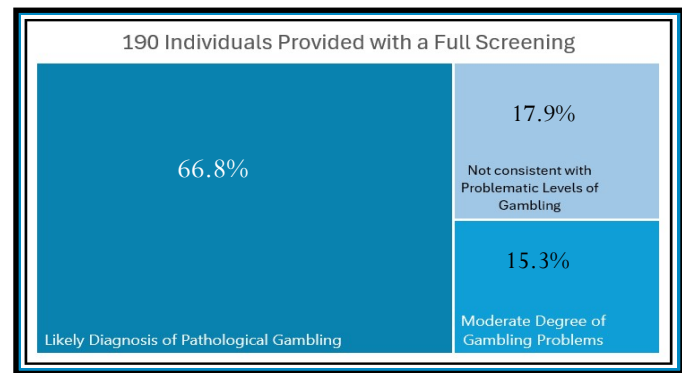
21 groups—660 individuals:
underage drinking and other
consequences of alcohol use/
abuse

GRANT IMPACT CONTINUED

Problem Gambling Prevention Grant

Problem gambling grant funding is used to raise awareness, promote education, and screen for gambling problems. The SWMBH SUD call center screens individuals calling for SUD services for a potential problem gambling and SWMBH's Gambling Coordinator is revitalizing the program. 6,200 people were provided a brief screen, 3% were provided a full screen and referred to the Michigan Problem Gambling Hotline.

Results of Full Screening



American Rescue Plan Act (ARPA) Grant Funding

ARPA grant funding is used to support SUD treatment and prevention providers. Highlights include:

- ⇒ (1) 190 individuals served by a grass roots recovery agency helping to increase access to SUD services for African Americans.
- ⇒ 70 incentives given to SUD treatment providers for facilitating same day appointments for withdrawal management and residential levels of care.
- ⇒ 218 youth served through peer mentoring at the juvenile center.

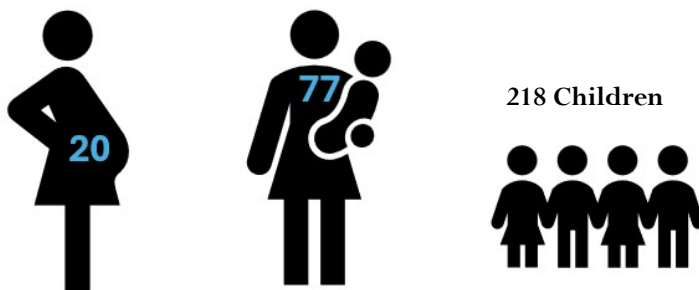


State Opioid Response Grant (SOR)

SOR funding supports SUD treatment and prevention providers. Funds were used to provide trainings for Naloxone and harm reduction, along with distribution of Xylazine and Fentanyl test strips. Funding was provided for recovery housing, case management and recovery coaches. In addition Medication Assisted Treatment and SUD programming was received at the jail.



Women's Specialty Services Block Grant



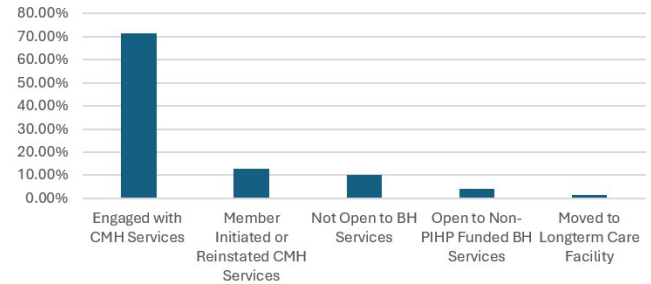
Six certified women's programs offered treatment, case management, and assistance with Children's Protective Services cases, ensuring women made their appointments and their children received the care they needed. Their goal remains family preservation, recovery, and reunification.

135 Women Served: 77 women were working to regain custody of their children, and 20 were assisted in pregnancies resulting in substance-free babies.

INTEGRATED CARE

SWMBH identifies members through risk stratification who are considered to have complex needs based on high emergency department (ED) use and high inpatient admissions, non-emergent ED use, significant mental illness diagnoses, and recent behavioral health and physical health claims. Monthly integrated care team meetings are held in collaboration with Medicaid Health Plans and our CMH partners to discuss care management needs and coordination opportunities aimed at reducing chronic conditions, ED utilization, and IP admissions. In FY24, 363 complex cases were identified and discussed.

Behavioral Health Treatment Status of Joint Care Members



64.28% of Joint Care Members Met Some or All Goals

22.86% of Members Lost Medicaid

8.57% of Member's Care Plans are Still Active

Refused
2.86%

No Goals Met
1.43%

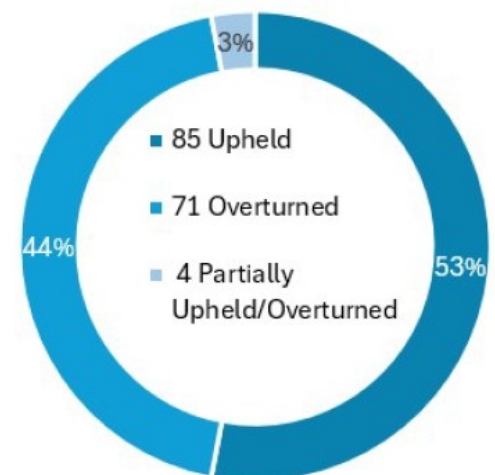
CUSTOMER SERVICE / MEMBER SERVICES

Grievance Category	Closed	Substantiated
QUALITY OF CARE	23	10
ACCESS AND AVAILABILITY	20	10
INTERACTION WITH PROVIDER OR PLAN	104	42
TRANSPORTATION	1	0
FINANCIAL OR BILLING MATTERS	1	0
SERVICE ENVIRONMENT	3	1
OTHER	2	2
Totals	154	65

Reason for Adverse Decision on Appeal	Number of Cases Closed
MEDICAL NECESSITY CRITERIA NOT MET	73
TREATMENT/SERVICE PLAN GOALS MET	3
MEMBER NON-COMPLIANT WITH TREATMENT/SERVICE PLAN	6
OTHER	7
NOT APPLICABLE	71

Customer Service Calls	
OUTGOING	
Follow up after SUD Residential Treatment	800
Opioid Health Home follow up for engagement - 98 Customers	221
INCOMING	1165
TOTAL	2186

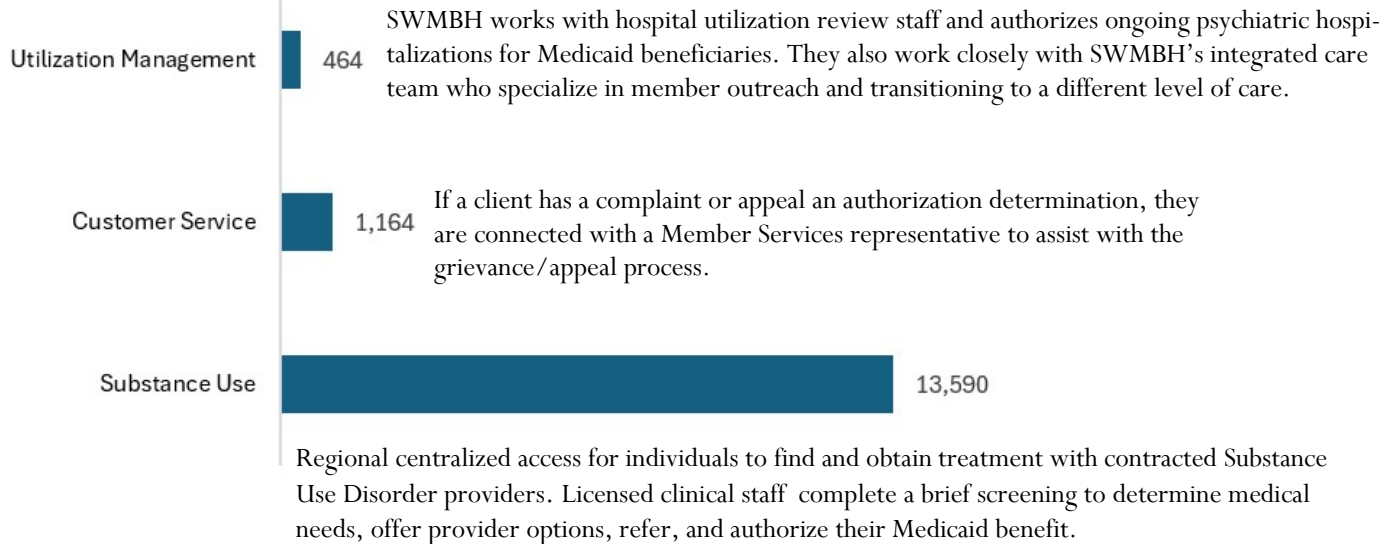
Appeals



SWMBH CALL CENTER



Total Incoming Calls



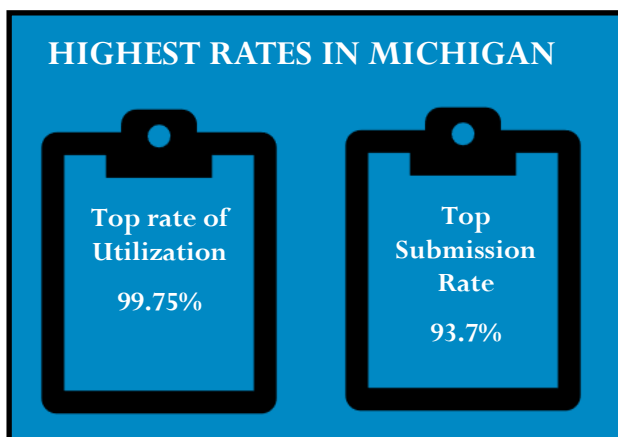
HABILITATIVE SUPPORTS WAIVER (HSW)

HSW is a Medicaid waiver available to persons with an Intellectual / Developmental Delay diagnosis who meet level of care criteria, have a habilitative need, and require active treatment. For each enrolled beneficiary a managed care payment is received based on their residential setting.

301 Technical Assistance communications provided to the CMHSPs to ensure timely submission recertifications & monthly reports. This resulted in the top submission rate in the state of timely recertifications.

205 Technical Assistance communications provided on initial applications since January of 2024. This resulted in a low rate of returned applications and 100% of submissions eventually enrolled.

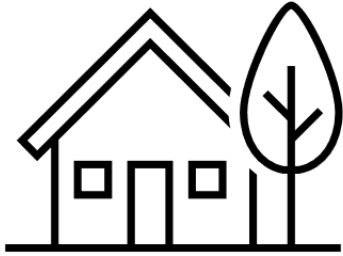
506 Technical Assistance Communications



SWMBH has been awarded 10 additional HSW slots for fiscal year 2025. This has the potential to result in \$1,118,104 of additional revenue.

WAIVERS FOR CHILDRENS SERVICES

Waiver for Children with Serious Emotional Disturbance (SEDW)



The goal of this waiver is for children who would otherwise require psychiatric hospitalization or institutionalization to remain with their families in the community while receiving the support they need to succeed and overcome their struggles. The program expands Medicaid coverage for these children, and is short term, covering them for 1-2 years with the possibility of a 3rd year and beyond with extensive review involving MDHHS approval.

2024 Regional Totals

Children Served	Disenrollments	New Cases
129	65	60

Children's Waiver Program (CWP)

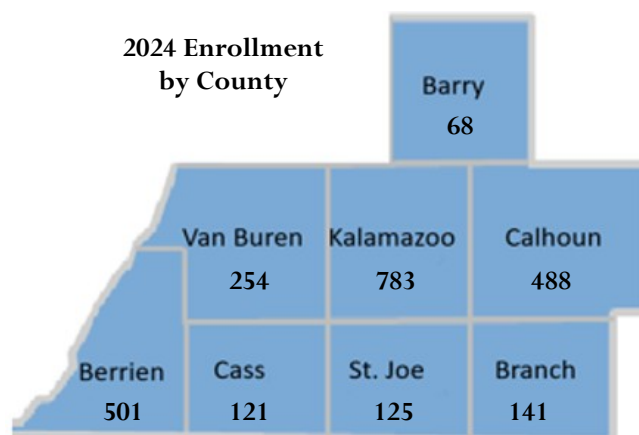
This program makes it possible for Medicaid to fund home and community-based services for children under age 18. To be eligible, the child has a documented developmental disability and needs medical or behavioral supports and services at home along with daily behavioral or medical and habilitative needs that meet requirements for the level of care for an Intermediate Care Facility for Individuals with Intellectual Disabilities.

1915(I) STATE PLAN AMMENDMENT (SPA): TARGET AUDIENCE ARE INDIVIDUALS WITH A DIAGNOSIS OF SERIOUS EMOTIONAL DISTURBANCE, SERIOUS MENTAL ILLNESS, AND INTELECTUAL / DEVELOPMENTAL DISABILITY

Through this system, CMHSPs open cases for individuals who require services not covered under the state plan or other authorities. Individuals who are eligible have a substantial functional limitation in one or more of the major life activities which include self-care, communication, learning, mobility, self-direction, economic self-sufficiency, and independent learning. Services provided include:

- Community living supports
- Enhanced pharmacy
- Environmental modifications
- Family support and Training
- Financial management services/Fiscal intermediary
- Housing assistance
- Respite
- Skill Building
- Specialized medical equipment and supplies
- Supported/integrated employment
- Vehicle modification

2024 Enrollment
by County



HEALTH SERVICES ADVISORY GROUP

Health Services Advisory Group (HSAG) contracts with the Michigan Department of Health and Human Services, they perform quality assurance and performance reviews of Medicaid managed care programs to assess the quality and appropriateness of care and services provided to Medicaid beneficiaries.

Performance Measure Validation (PMV): Ensures the performance measures used in the evaluation are accurate and valid.

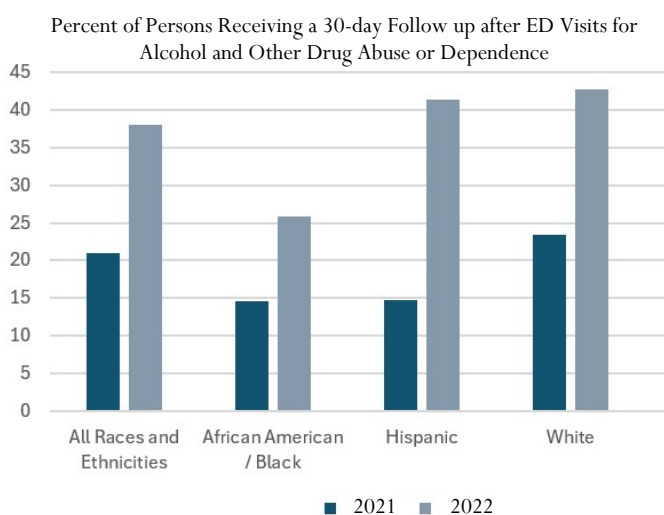
Fiscal Year	PMV Result
FY21	90%
FY22	100%
FY23	100%
FY24	100%

Strengths: SWMBH's collaboration and process improvements across all of the CMHSPs, and improvement in data quality with all CMHSPs working in the same PCE-based EHR system which includes extensive data controls and validation steps.

Performance Improvement Projects (PIP): MDHHS requires SWMBH conduct and submit PIPs annually to meet the requirements of the Medicaid Managed Care rules, 42 CFR Part 438. The quality of healthcare delivered to Medicaid members must be tracked, analyzed, and reported annually. PIPs provide a structured method of assessing and improving the processes, and thereby the outcomes, of care for the population we serve. The goal of HSAG's PIP validation is to ensure MDHHS and key stakeholders can have confidence we executed a methodologically sound improvement project, and any reported improvement is related to and can be reasonably linked to the quality improvement strategies and activities conducted during the PIP.

2024 Clinical PIP: Reduce racial disparities in follow-up after ED visits for alcohol and other drug use.

The specific aim is to eliminate any statistically significant disparity between the African American/Black and White populations. Between 2021 baseline and 2023, there are increases in follow up rates attributed to increased attention to the metric and new interventions put in place by both behavioral health providers and hospitals. Unfortunately, this did not correspond with a decrease in disparities.



Goals Met:

Increasing the proportion of Project ASSERT (Alcohol and Substance Abuse Services, Education and Referral to Treatment) contacts reported as encounters.

At least 75% of training participants agree the trainings provided knowledge and tools to reduce healthcare disparities; participant goals met for online trainings and symposium participants.

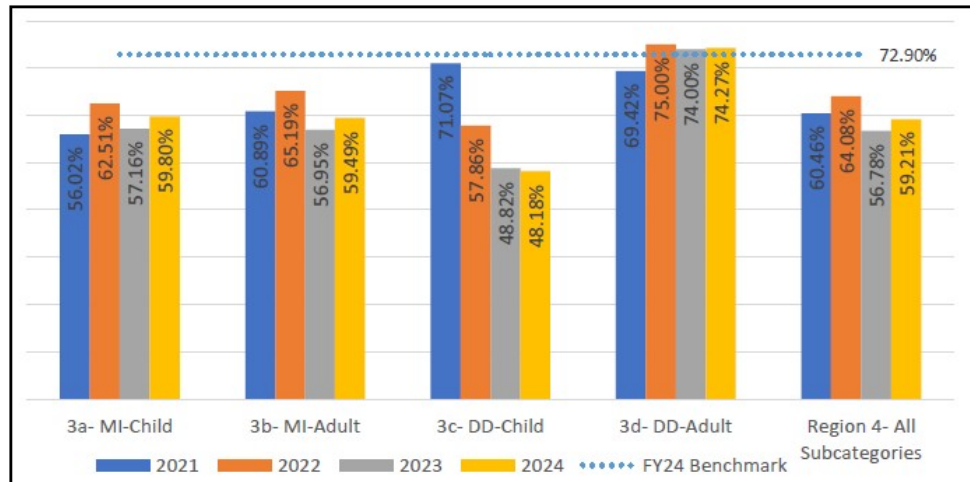
Marketing goal of streaming audio reaching at least 20,000 unique users quarterly with an audio completion rate of 95% or more, and 2) social media ads each at least 40,000 unique users quarterly with a clickthrough rate of at least 0.9%.

SWMBH did not meet the goals of racial/ethnic distribution of peer ED follow up contacts matching the racial/ethnic distribution of the FUA population or the goal of increasing the proportion of Project ASSERT (Alcohol and Substance Abuse Services, Education and Referral to Treatment) contacts reported as encounters.

HEALTH SERVICES ADVISORY GROUP (HSAG) CONTINUED

A new non-clinical PIP was chosen for Fiscal Year 2024, to improve access and timeliness of new beneficiaries starting a service by four sub-populations: adults and children diagnosed with mental illness (MI-adults & MI-children), and adults and children diagnosed with intellectual or developmental delay (I/DD-adults & I/DD-children). This was chosen due to its significant impact on the quality of services with the goal to expand access and timeliness of services for individuals starting a service.

2024 Non-Clinical PIP: Improve access and timeliness of new persons starting a service—receive their first service within 14 days of their initial biopsychosocial assessment by four sub-populations: adults and children diagnosed with mental illness (MI-adults & MI-children), and adults and children diagnosed with intellectual or developmental delay (I/DD-adults & I/DD-children).



This PIP will remain in place through Fiscal Year 2025 and SWMBH will meet with each CMHSP with results below benchmark to review local barriers and processes, as well as strategies that may be used to drive further performance improvement in access and timeliness to services.

External Quality Review: The EQR is a review completed in a 3 year cycle, half of the standard is reviewed in year 1 with the other half reviewed in year two, and year three monitors compliance with the corrective actions. State fiscal year 2024 marks the beginning of a new cycle of compliance reviews for the Behavioral Health Managed Care Program. Opportunities for improvement were identified in two areas, Member Rights & Information and Coverage & Authorization of Services. SWMBH demonstrated strong performance in the areas of Availability of Services, Assurances of Adequate Capacity & Service, and Coordination & Continuity of Care.

HSAG FY24 EQR Audit Results

The state fiscal year SFY24 compliance review was the first year of the three-year cycle.

Standard	Total Elements	Total Applicable Elements	Number of Elements			Total Compliance Score
			M	NM	NA	
Standard I—Member Rights and Member Information	24	21	18	3	3	86%
Standard III—Availability of Services	20	18	18	0	2	100%
Standard IV—Assurances of Adequate Capacity and Services	11	9	9	0	2	100%
Standard V—Coordination and Continuity of Care	16	15	15	0	1	100%
Standard VI—Coverage and Authorization of Services	23	22	16	6	1	73%
Total	94	85	76	9	9	89%

M = Met; NM = Not Met; NA = Not Applicable

ADMINISTRATIVE AND DELEGATED FUNCTIONS

SWMBH completes annual monitoring of its participant CMHs to evaluate CMH performance of delegated functions, contractual requirements, and clinical quality standards. The monitoring includes a review of policies, procedures, business processes, and administrative files such as staff training and credentialing, as well as clinical record reviews that evaluate clinical service quality by reviewing records for both non-SUD services and CMH directly-operated SUD services. The results of the fiscal year 24 CMH Site Reviews are included in the table below.

ADMINISTRATIVE FUNCTIONS	
Access and Utilization Management	89.3%
Claims Management	94.5%
Credentialing	99.0%
Recredentialing	96.3%
Customer Services	96.0%
Compliance	100%
Grievances and Appeals	97.6%
Provider Network	100%
Quality	95.8%
Staff Training	95.0%
SUD EBP Fidelity and Administration	100%
CLINICAL QUALITY FILE REVIEW (NON-SUD)	
Care Coordination	90.0%
Assessment	93.5%
Treatment Plan/Person Centered Plan	87.5%
PCP Documentation Requirements	88.9%
Behavior Treatment Planning	90.7%
SUD CLINICAL FILE REVIEW	
Physician Coordination	88.5%
Assessment	84.5%
Treatment Plan/PCP	87.4%
Progress Notes	91.5%
Discharge/BH TEDS	88.2%
Michigan Department of Corrections	66.7%
Women's Specialty Services	92.6%

ANNUAL SITE REVIEWS

SWMBH directly performed annual Site Reviews for each of the contracted SUD providers. For non-SUD network providers that are contracted with one or more of SWMBH's CMHSPs, SWMBH ensured that monitoring was performed annually either by SWMBH or by a CMHSP. SWMBH directly performed the annual Site Reviews for Autism Service Providers, Crisis Residential Service Providers, and Inpatient Psychiatric Service Providers.

SWMBH's Participant CMHSPs performed annual monitoring of the remaining network provider types.

FISCAL YEAR 2024 FINANCIALS

MEDICAID AND HEALTHY MICHIGAN MENTAL HEALTH & SUBSTANCE USE DISORDER

Traditional Medicaid	
Revenues	\$ 255,204,024
Expenses	(283,099,218)
Medicaid Deficit	(27,895,194)
Healthy Michigan Plan	
Revenues	35,816,980
Expenses	(42,218,735)
Healthy Michigan Deficit	(6,401,755)
Net Deficit	\$ (34,296,949)

BLOCK GRANTS, OTHER FUNDING SOURCES, CERTIFIED BEHAVIORAL HEALTH CLINICS

Block Grants and other Funding Sources			
Block Grants	Revenue	Expenses	Net
Mental Health Block Grant Funding	775,479	795,595	(20,117)
Substance Abuse Disorder Block Grant Funding	6,108,676	6,108,676	-
State's Opioid Response	2,650,041	2,650,041	-
SUD Gambling Prevention	38,756	38,756	-
County - Specific PA2 (liquor tax) revenues	2,110,931	1,734,477	376,454
Opioid Health Home Capitation	1,567,628	1,245,949	321,679
Total	13,251,511	12,573,494	678,016
Certified Community Behavioral Health Clinics			
	Medicaid	Healthy Michigan	Total
CCBHC Base Capitation	28,069,188	7,892,274	35,961,462
CCBHC Supplemental Revenue	22,094,590	11,832,391	33,926,981
Total CCBHC Revenue	50,163,778	19,724,665	69,888,443
CCBHC Supplemental Administration Revenue	(565,622)	(302,909)	(868,531)
CCBHC Services	49,003,762	17,568,655	66,572,417
Surplus Funding Retained	8,810,496	1,315,378	10,125,874
Total CCBHC Expenses	57,814,258	18,884,033	76,698,292