

Southwest Michigan

BEHAVIORAL HEALTH

Board Meeting Minutes

July 11, 2025

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

9:30 am-11:30 am

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

Members Absent: Joyce Locke, Allen Edlefson

Guests Present: Brad Casemore, CEO, SWMBH; Mila Todd, Chief Compliance Officer, SWMBH; Garyl Guidry, Chief Financial Officer, SWMBH; Anne Wickham, Chief Administrative Officer, SWMBH; Alena Lacey, Chief Clinical Officer, SWMBH; Natalie Spivak, Chief Information Officer, SWMBH; Beth Guisinger, Director of Utilization Management, SWMBH; Michelle Jacobs, Senior Operations Specialist & Rights Advisor, SWMBH; Ella Philander, Executive Projects Manager, SWMBH; Cathi Abbs, SWMBH Board Alternate; Jon Houtz, SWMBH Board Alternate; Cameron Bullock, Pivotal; Sue Germann, Pines BH; Debbie Hess, Van Buren County CMH; Richard Thiemkey, Barry County CMH; Jeff Patton, ISK; Roger Pierce, Riverwood; Mandi Quigley, Summit Pointe; Srinidhi Nemani, SWMBH Intern; Carl Doerschler.

Welcome Guests

Sherii Sherban called the meeting to order at 9:31 am.

Public Comment

None

Agenda Review and Adoption

Motion Tom Schmelzer moved to approve the agenda with the addition of Forensic Audit discussion.

Second Lorraine Lindsey

Motion Carried

Financial Interest Disclosure (FID) Handling

None

Consent Agenda

Motion Carol Naccarato moved to approve the June 13, 2025 Board minutes, June 11, and June 25, 2025 Operations Committee Meeting minutes as presented.

Second Lorraine Lindsey

Sherii Sherban discussed changes to the June 13, 2025 Board minutes.

Motion Carried

SWMBH Retirement Plans

Carl Doerschler of Doerschler and Associates reported as documented, highlighting services provided to SWMBH staff, vendor changes, available investment funds for SWMBH staff, and recent reduction in fees. Discussion followed.

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

Garyl Guidry reported as documented, reviewed and noted:

- TANF (Temporary Assistance to Needy Families) eligibles are flat
- DAB (Disabled Aging Blind) eligibles are flat
- HMP (Healthy Michigan Plan) eligibles are flat
- Flat eligibles means flat revenue
- Reviewed Period 8 financials and noted that managed care admin is an area we must analyze for potential cost savings, managed care admin is a lever that the PIHP controls since there is not much we can do about the healthcare cost, outside of utilization management
- Could see some improvements in eligibles-anticipated starting within period 9 financial and continuing in the period 10 financials
- Additional \$1 million received – finance is researching details of new eligible in payment files (could be transferring consumers from Plan First to DAB or TANF)
- Cost settling with CMHs is decreasing SWMBH Internal Service Fund (ISF)
- State released recoup and repay schedule last Friday. This will happen July through August
- Reviewed Medicaid and Health Michigan by CMH
- Cash Settlements are happening sooner with MDHHS
- Waiting on Fiscal Year 2022, and Fiscal Year 2024 settlements with the State (Fiscal Year 2023 was zero)
- Certified Community Behavioral Health Clinics (CCBHC) revenues and expenses. CCBHCs are full risk to the CMHSPs
- Revised Fiscal Year 2025 Budget
- Fiscal Year 2026 State will use regional rates
- MDHHS is moving away from some area factors to acuity in determining rates
- Reviewed Cash Flow Analysis
- SWMBH report on financial efforts and Regional Finance work continues

Board discussion followed.

Operations Committee Update

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

Forensic Audit

Michael Seals talked with Rehmann regarding forensic audit and stated that a forensic audit is not necessary and was off the table due to cost, time constraints and no appearance of concerning activity. Rehmann recommends a financial assessment. Board Finance Committee will report back to the Board at the August Board meeting with their recommendations.

Required Approvals

None scheduled

Ends Metrics Updates

None scheduled

Board Actions to be Considered

Operating Agreement review

Mila reported as documented noting that revisions align the purposes of the Operations Committee in the Operating Agreement to the Board Ends more clearly. The Operations Committee has reviewed and endorsed the revised Operating Agreement.

Motion Lorraine Lindsey moved to approved the revised Operating Agreement with one addition of adding an apostrophe to E on page 57.

Second Michael Seals

Motion Carried

Sub Ends 1, 3 and 5 Interpretations

Brad Casemore reported as documented. Discussion followed.

Motion Tom Schmelzer moved to accept Sub Ends 1, 3 and 5 Interpretations as presented.

Second Lorraine Lindsey

Motion Carried

PIHP Procurement

Rehmann has approached the CMH CEOs to create a joint venture to bid together.

Nothing new on the Concept Paper from Mid-State Health Network. Brad mentioned the Urban Cooperation Act of 1967. SWMBH is unable to bid on any larger region due to SWMBH Bylaws limiting SWMBH to the eight-county geographic footprint. Mila noted that SWMBH pursuit of any option like the Central Region PIHP concept or other transformation requires Board and member-CMH direction and support.

Board Policy Review

BG-001 Committee Structure

Motion Tom Schmelzer moved that the Board is in compliance with policy BG-001 Committee Structure and the policy does not need revision.

Second Lorraine Lindsey

Motion Carried

BG-002 Management Delegation

Motion Tom Schmelzer moved that the Board is in compliance with policy BG-002 Management Delegation and the policy does not need revision.

Second Lorraine Lindsey

Motion Carried

BG-003 Unity of Control

Motion Tom Schmelzer moved that the Board is in compliance with policy BG-003 Unity of Control and the policy does not need revision.

Second Lorraine Lindsey

Motion Carried

BG-005 Chairperson's Role

Motion Tom Schmelzer moved that the Board is in compliance with policy BG-005 Chairperson's Role and the policy does not need revision.

Second Lorraine Lindsey

Motion Carried

BG-007 Code of Conduct

Motion Tom Schmelzer moved that the Board is in compliance with policy BG-007 Code of Conduct and the policy does not need revision.

Second Lorraine Lindsey

Motion Carried

BG-008 Board Member Job Description

Motion Tom Schmelzer moved that the Board is in compliance with policy BG-008 Board Member Job Description and the policy does not need revision.

Second Lorraine Lindsey

Motion Carried

BG-011 Governing Style

Motion Tom Schmelzer moved that the Board is in compliance with policy BG-011 Governing Style and the policy does not need revision.

Second Lorraine Lindsey

Motion Carried

Board Policies S. Radwan's uninterrupted policies and follow up

Sherii Sherban noted that she had a conversation with Susan Radwan and the uninterrupted policies that the Board approved on 6/13/2025 are complete.

Executive Limitations Review**BEL-009 Global Executive Constraint**

Carol Naccarato asked that this policy review be moved to the August Board meeting.

Board Education**Fiscal Year 2026 Budget Assumptions**

Garyl Guidry reported as documented noting a draft budget will be presented at the September Board meeting. Mila Todd discussed the FY26 provider contract rate letters that will be sent out on Monday, July 14, 2025. Discussion followed.

Communication and Counsel to the Board

Utilization Management

Beth Guisinger reported as documented. Discussion followed.

CEO Retirement Plan

Brad Casemore requested a closed session per the Open Meetings Act of Michigan PA 267 of 1976 Section 15.268 (1) (a) to consider a periodic personnel evaluation

Motion Lorriane Lindsey moved to go into closed session.

Second Michael Seals

Roll call vote

Sherii Sherban yes

Tom Schmelzer yes

Carol Naccarato yes

Edward Meny yes

Michael Seals yes

Lorraine Lindsey yes

Tina Leary yes

Motion Carried

When back in open session

Motion Michael Seals moved to go back into open session.

Second Tom Schmelzer

Motion Carried

Motion Carol Naccarato moved to accept the resignation of Mr. Casemore effective upon the execution of a mutually agreeable Separation Agreement and subject to the Employment Agreement Section 2. B. 1.

Second Michael Seals

Roll call vote

Sherii Sherban yes

Tom Schmelzer yes

Carol Naccarato yes

Edward Meny yes

Michael Seals yes

Lorraine Lindsey yes

Tina Leary yes

Motion Carried

Contracting with Rehmann

Brad Casemore reported as documented. Discussion followed.

Dispute Resolution Process

Sherii Sherban noted the document in the packet for the Board's review

Departures from Board Policies

Sherii Sherban noted the document in the packet for the Board's review and made comments related thereto.

Public Relations Materials

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

August Board Policy Direct Inspection

BEL-004 Treatment of Staff, Lorraine Lindsey; BEL-007 Compensation and Benefits, Michael Seals

Public Comment

None

Adjournment

Motion Tom Schmelzer moved to adjourn the Board meeting

Second Michael Seals

Meeting adjourned at 12:40pm