Southwest Michigan Behavioral Health Board Meeting

Four Points by Sheraton, 3600 E. Cork St. Ct. Kalamazoo, MI 49001

July 14, 2023

9:30 am to 11:30 am

(d) means document provided

Draft: 6/28/23

1. **Welcome Guests/Public Comment**

2. **Agenda Review and Adoption (d) pg.1**

3. **Financial Interest Disclosure Handling (M. Todd)**

   - None

4. **Consent Agenda**

   - June 9, 2023 SWMBH Board Meeting Minutes (d) pg.3

5. **Operations Committee**

   a. May 24, 2023 Meeting Minutes (d) pg.8
   b. Operations Committee Quarterly Report (d) pg.10

6. **Ends Metrics Updates *(*Requires motion)***
   Is the Data Relevant and Compelling? Is the Executive Officer in Compliance? Does the Ends need Revision?

   a. *CCBHC Consumer Satisfaction Survey Results (E. Philander) (d) pg.11
   b. 24 Month Strategic Plan Review per Board Policy BG-006 Annual Board Planning Cycle (B. Casemore and E. Philander) (d) pg.22
   c. Autism Benefit Waiver – delete metric (B. Casemore)

7. **Board Actions to be Considered**

   a. Amendment 5 Retirement Savings Plan (A. Wickham) (d) pg.28
   b. Behavioral Health Workforce Stabilization Support Grant and Employer Discretionary Contributions (B. Casemore) (d) pg.31
   c. Board Finance Committee (d) pg.32
   d. Susan Radwan and Policy Governance Consultation (d) pg.43

8. **Board Policy Review**
   Is the Board in Compliance? Does the Policy Need Revision?

   - BG-002 Management Delegation (d) pg.71

9. **Executive Limitations Review**
   Is the Executive Officer in Compliance with this Policy? Does the Policy Need Revision?

   a. BEL-006 Investments (S. Sherban)
   b. BEL-009 Global Executive Constraints (E. Meny) (d) pg.72

10. Board Education

a. Fiscal Year 2023 Year to Date Financial Statements (G. Guidry) (to be displayed)
b. Certified Community Behavioral Health Clinics (G. Guidry; E. Philander) (d) pg.73
c. 2023 CMH Audit Results (M. Todd) (d) pg.84
d. House Bill 4577 (B. Casemore)

11. Communication and Counsel to the Board

a. 8th Annual Regional Healthcare Policy Forum, October 6, 2023 (B. Casemore) (d) pg.115
b. August Board Policy Direct Inspection – BEL-007 Compensation and Benefits (S. Barnes); BEL-004 Treatment of Staff (R. Perino with A. Wickham)

12. Public Comment

13. 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

Four Points by Sheraton, 3600 E. Cork St. Kalamazoo, MI 49001
August 11, 2023
9:30 am - 11:30 am

Southwest Michigan
BEHAVIORAL HEALTH

Board Meeting Minutes
June 9, 2023
Four Points Sheraton, 3600 E. Cork St. Kalamazoo, MI 49001
9:30 am-11:30 am
Draft: 6/13/23

Members Present: Edward Meny, Tom Schmelzer, Carol Naccarato, Ruth Perino, Louie Csokasy, Erik Krogh, Sherii Sherban, Susan Barnes

Members Absent:

Guests Present: Bradley Casemore, Executive Officer, SWMBH; Michelle Jacobs, Senior Operations Specialist & Rights Advisor, SWMBH; Garyl Guidry, Chief Financial Officer, SWMBH; Mila Todd, Chief Compliance Officer, SWMBH; Andy Mahler, Riverwood Center; Cameron Bullock, Pivotal; Mark Doster, Barry County; Derek Miller, Roslund Prestage; Jon Houtz, Branch County; Debbie Hess, Van Buren CMH; Jeannie Goodrich, Summit Pointe

Welcome Guests
Edward Meny called the meeting to order at 9:30 am and introductions were made.

Public Comment
None

Agenda Review and Adoption

Motion Erik Krogh moved to approve the agenda with the addition of House Bill 4577.
Second Susan Barnes
Motion Carried

Financial Interest Disclosure (FID) Handling
Mila Todd reviewed the financial disclosure information for John Ruddell, CEO of Woodlands Behavioral Health who is a member of the Regional Operations Committee noting the inherent conflict of interest.

Motion Erik Krogh moved that a conflict exists and that: The Board is not able to obtain a more advantageous arrangement with someone other than John Ruddell; The Financial Interest disclosed by John Ruddell is not so substantial as to be likely to affect the integrity of the services that SWMBH may expect to receive; and a Conflict of Interest Waiver should be granted.

Second Ruth Perino
Motion Carried

Consent Agenda

Motion Carol Naccarato moved to approve the April 14, 2023, Board minutes as presented.
Second Sherii Sherban
Motion Carried

Operations Committee

March 22, 2023 Meeting Minutes

Edward Meny noted the minutes in the packet. No questions from the Board.

April 26, 2023 Meeting Minutes

Edward Meny noted the minutes in the packet. No questions from the Board. Debbie Hess summarized how the minutes are captured and drafted.

Ends Metrics

None

Board Actions to be Considered

Agenda Revisions

Brad Casemore asked the Board to move 7a, 7b, 10a and 10b on the agenda to be covered first to accommodate the need for the CFO to depart.

Motion Erik Krogh moved to approve the agenda items noted to be covered first.
Second Tom Schmelzer
Motion Carried

Comerica J Fund Resolution

Garyl Guidry reported as documented. Discussion followed.

Motion Erik Krogh moved to approve the Comerica Resolution as found on page 16 of the Board packet.
Second Louie Csokasy
Roll Call Vote

Erik Krogh	yes
Louie Csokasy	yes
Susan Barnes	yes
Carol Naccarato	yes
Tom Schmelzer	yes
Edward Meny	yes
Sherii Sherban	yes
Ruth Perino	yes

Fiscal Year 2022 Independent Audit Report

Derek Miller external auditor from Roslund, Prestage presented the fiscal year 2022 external audit report noting accounting differences between Standard Cost Accounting (SCA) and Grant Funds Accounting. Discussion followed. Casemore complimented Derek and his firm for their technical expertise and communicativeness.

Motion Tom Schmelzer moved to receive the Fiscal Year 2022 Independent Audit Report as presented.
Second Susan Barnes
Motion Carried

Operating Agreement Review

Debbie Hess reported that after review by the Operations Committee the only revision recommended is to update the DBA for Saint Joseph Community Mental Health and Substance Abuse Services to Pivotal. Discussion followed.

Motion Erik Krogh moved to approve the Operating Agreement as presented.
Second Sherii Sherban
Motion Carried

Operations Committee Self-Evaluation

Debbie Hess reported as documented. Discussion followed. The Operations Committee will continue to address results and remediations together. Casemore stated that the Operations Committee section from the Operating Agreement would be on July Board Education Agenda.

Board Retreat Debrief and next steps

Brad Casemore reported from the graphic summary prepared by Ms. Radwan. Board discussed report and deliberated Susan Radwan's future participation with Board. Susan Radwan's reports including her Board Policy Gap Analysis will be reviewed and discussed further at the July Board meeting.

Board Policy Review

BG-012 Open Meetings Act and Freedom of Information Act

Brad Casemore reviewed the policy as documented and the State and Federal statues regarding the Open Meetings Act and Freedom of Information Act.

Motion Tom Schmelzer moved that the Board was in compliance and to remove Board Policy BG-012 Open Meetings Act and Freedom of Information Act as it is duplicative of Global Board Policy that already exist.
Second Susan Barnes
One Board Member voted no
Motion Carried

BG-010 Board Committee Principles

Edward Meny reported as documented.

Motion Erik Krogh moved that the Board is in compliance with policy BG-010 Board Committee Principles.
Second Carol Naccarato
Motion Carried

Motion Carol Naccarato moved that the policy BG-010 Board Committee Principles does not need revision.
Second Tom Schmelzer
Motion Carried

BG-011 Governing Style

Edward Meny reported as documented.
Motion Louie Csokasy moved that the Board is in compliance with policy BG-011 Governing Style and the policy does not need revision.
Second Tom Schmelzer
Motion Carried

Executive Limitations Review

BEL-006 Investments

Sherii Sherban reported as documented noting that she continues to review documents and would like to report back to the Board at the July Board meeting after meeting with SWMBH CEO and CFO. Board agreed.

Board Education

Fiscal Year 2023 Year to Date Financial Statements

Garyl Guidry reported as documented noting the end of the Public Health Emergency and funding for the Certified Community Behavioral Health Clinics are negatively affecting financials. Discussion followed and discussion of a Board Finance Committee. Discussion ensued regarding Board Committees in general and a Board Finance Committee specifically. That topic will appear on the July Board Actions Agenda.

Fiscal Year 2023 Mid-Year Contract Vendor Summary

Garyl Guidry reported as documented. Discussion followed.
Motion Louie Csokasy moved to remove the Contract Vendor Summary report from Board review as not necessary for Board review.
Motion received no support
Motion failed

Communication and Counsel to the Board

Intergovernmental Contract Status

Brad Casemore stated that the letters to county Commissions and county Administrators would go out next week.

Public Comment

None

Adjournment

Motion Tom Schmelzer moved to adjourn at 11:38am
Second Susan Barnes

Motion Carried

Southwest Michigan
BEHAVIORAL HEALTH

Operations Committee Meeting Minutes
Meeting: May 24, 2023 10:00am-12:30pm

Members Present
Cameron Bullock, Ric Compton, Jeff Patton, Debbie Hess, Richard Thiemkey, Sue Germann, Jeannie Goodrich, John Ruddell

Guests present
Brad Casemore, CEO, SWMBH; Garyl Guidry, Chief Financial Officer, SWMBH; Mila Todd, Chief Compliance Officer, SWMBH; Ella Philander, Strategic Initiatives Project Manager, SWMBH; Michelle Jacobs, Senior Operations Specialist and Rights Advisor, SWMBH; Roger Pierce, Jill Brindley, Kelly Jenkins, David Balmer, Amy Rottman, Charlotte Bowser, Tina Boyer (CMH CFOs)

Call to Order
Sue Germann began the meeting at 10:20 am.

Review and approve agenda
Agenda approved as presented.

Review and approve minutes from 4/26/23 Operations Committee Meeting
Minutes were approved by the Committee.

Fiscal Year 2023 Year to Date Financials
Garyl Guidry reported as documented, noting all finance reporting were actuals and reviewed revenue, healthcare and administrative costs. Overall there is a surplus which is projected to diminish with Medicaid redetermination that started May 11th. All autism revenue and costs are included in the Medicaid Specialty Services. SWMBH central has a deficit of 1.7 million with MI Health Link revenue gone, CCBHC and claims costs being factors in the deficit. Each CMH discussed their specific issues. Discussion followed.

Self-Evaluation
Group reviewed and approved the Operations Committee Board document self-evaluation.

Hospital Rate Adjustment (HRA) Payments
Brad Casemore reported as documented as a FYI for CMHs awareness of dollar amounts that sent to hospitals for supplemental retrospective inpatient psychiatric costs, The "HRA" program.

Public Comment – Certified Community Behavioral Health Clinics (CCBHC) Prospective Payment System (PPS) Guidance from CMS
Ella Philander reported as documented noting PPS proposed adjustment to once every three years instead of the current yearly adjustment. PPS1 is a daily rate and PPS2 is a monthly rate. Group reviewed

regional CCBHC expansions and requirements with Garyl Guidry and Ella Philander offering assistance if/when needed. Discussion followed.

Provider Network Updates
Mila Todd noted various provider updates, including new facility openings in Battle Creek and Kalamazoo for both behavioral health and substance disorder treatment and Sacred Heart in Berrien Springs moving to another location to be determined by the fall of this year.

Adjourned
Meeting adjourned at 11:30 am

Southwest Michigan
BEHAVIORAL HEALTH

Operations Committee Board Report
Quarterly Report for April, May, June 2023
Board Date 7/14/23

Action items:

- Reviewed and Approved Operating Agreement
- Reviewed and Approved Self Evaluation

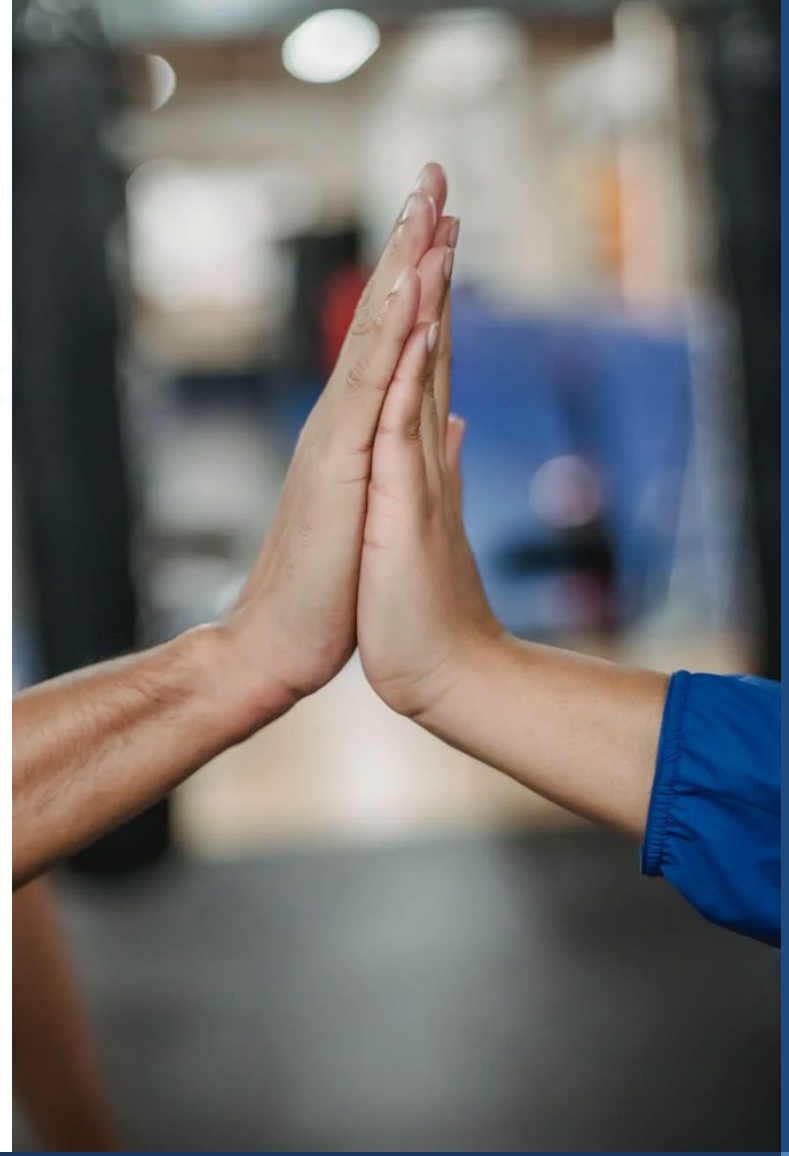
Discussion items:

- Multiple topics for information, review and updates are discussed at each meeting as we move to making recommendations for actions. Some recommendations are to SWMBH management, and some go to SWMBH Board. Much information and recommendations are taken by Operations members take back to their own CMH's. Some of the topics from this quarter included:
    - Reviewed year to date financial reports, actions being taken to decrease expenditures, and reviewed state level actions which impact financials
    - Reviewed Fiscal Year 2024 Contract Status/Updates
    - Reviewed Fiscal Year 2022 Performance Bonus Incentive Program results
    - Opioid Health Homes (OHH) status
    - Reviewed Grant Updates/Status (Block Grant, Opioid Health Homes)
    - Reviewed and discussed various State and Milliman rate setting documents, Cost Allocation Workgroup updates including Standard Cost Allocation, new administrative rules, tiered rates and managed care delegation
    - Reviewed Health Services Advisory Group (HSAG) Performance Measure Validation (PMV) and External Quality Reviews
    - Reviewed CMH Site Review results
    - Reviewed and discussed beginning Health Disparities Data
    - Reviewed MDHHS code changes
    - Discussion of CCBHC (Certified Community Behavioral Health Clinics) implementation, expansion and status
    - Discussion of Integrated Healthcare strategies
    - Discussion of Conflict Free Access and Planning and LOCUS MIFAST
    - Discussion of Adverse Benefit Determination Letters
    - Discussion of MiCAL/MICANS and EVV implementation
    - Discussion of 2022-2025 Strategic Plan and 2023-2024 Board Ends Metrics
    - Discussion of Opioid Settlement dollars and Opioid Advisory Commission
    - Discussion of Legislative Relations and Initiatives
    - Discussion of Intergovernmental Contract Renewal
    - Reviewed 2023 Regional Utilization Management Plan
    - Discussion of Public Health Emergency wind down

Southwest Michigan
BEHAVIORAL HEALTH

Certified Community Behavioral Health Clinics

2022 Survey Results

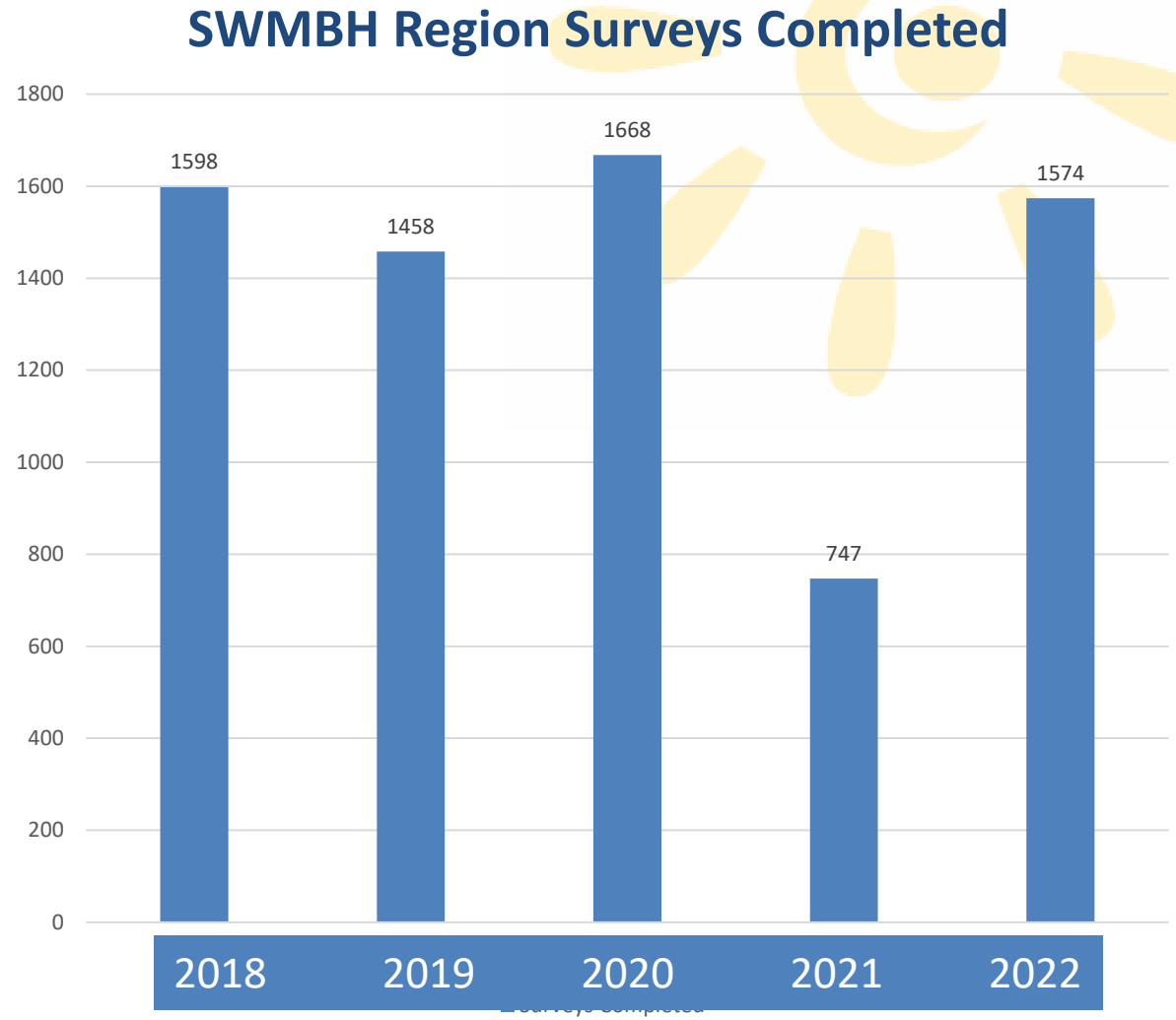


Ella Philander, Strategic Initiatives Project Manager
June 27, 2023

CCBHC Survey Requirements

Ensure Information for CCBHC-MDHHS Reporting Spreadsheet was Captured

Each CCBHC Site to Achieve 300 Completed Surveys



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What was changed

Kiaer Research

Mental Health Statistics Improvement Program (MHSIP)

Revised from 36 to 24 core items

Youth Services Survey (YSS)

Revised from 26 to 23 core items

Reconstruction of some questions using portions of the Experience of Care & Health Outcomes (ECHO) Survey

Possible responses changed

Previously: 5-point scale with a neutral option

2022: 4-point scale (agree/disagree)

Survey Methods Used

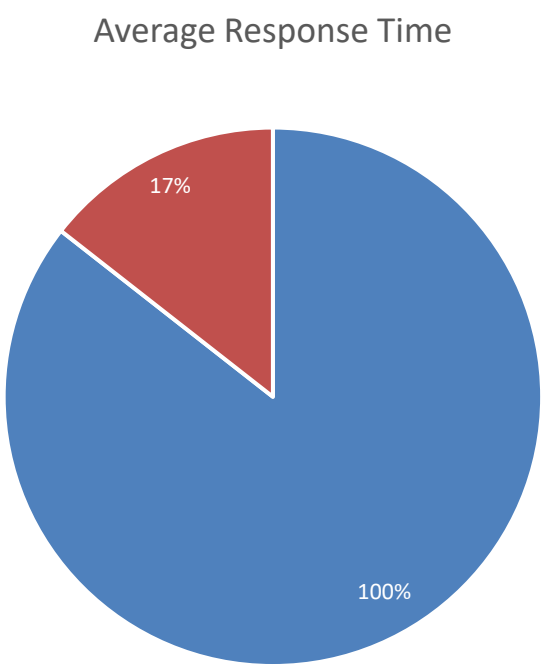
Email invitations sent

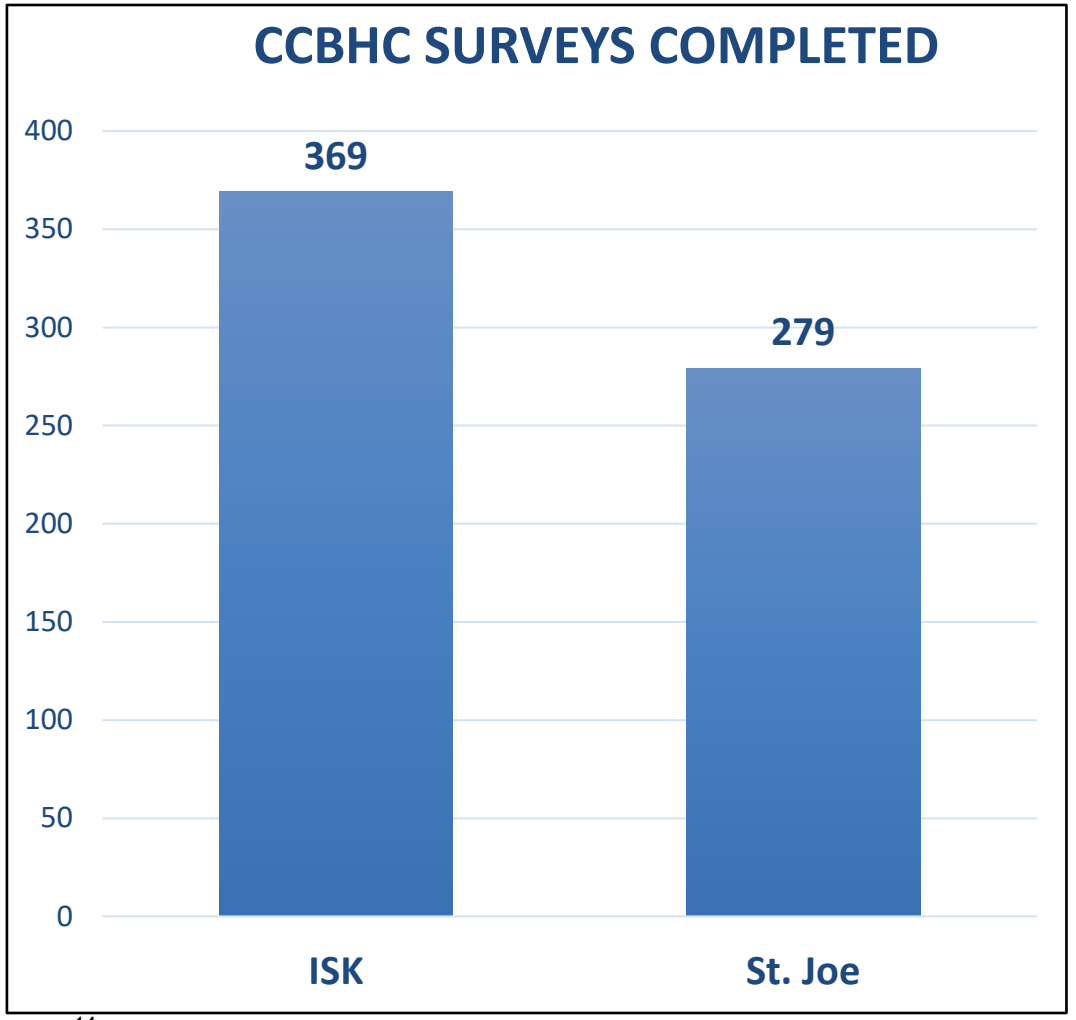
Text invitations sent

Tablets: consumers complete surveys on-site

Survey Completion Rates

Average Response Time
2021 – 29 minutes
2022 – 4.89 minutes





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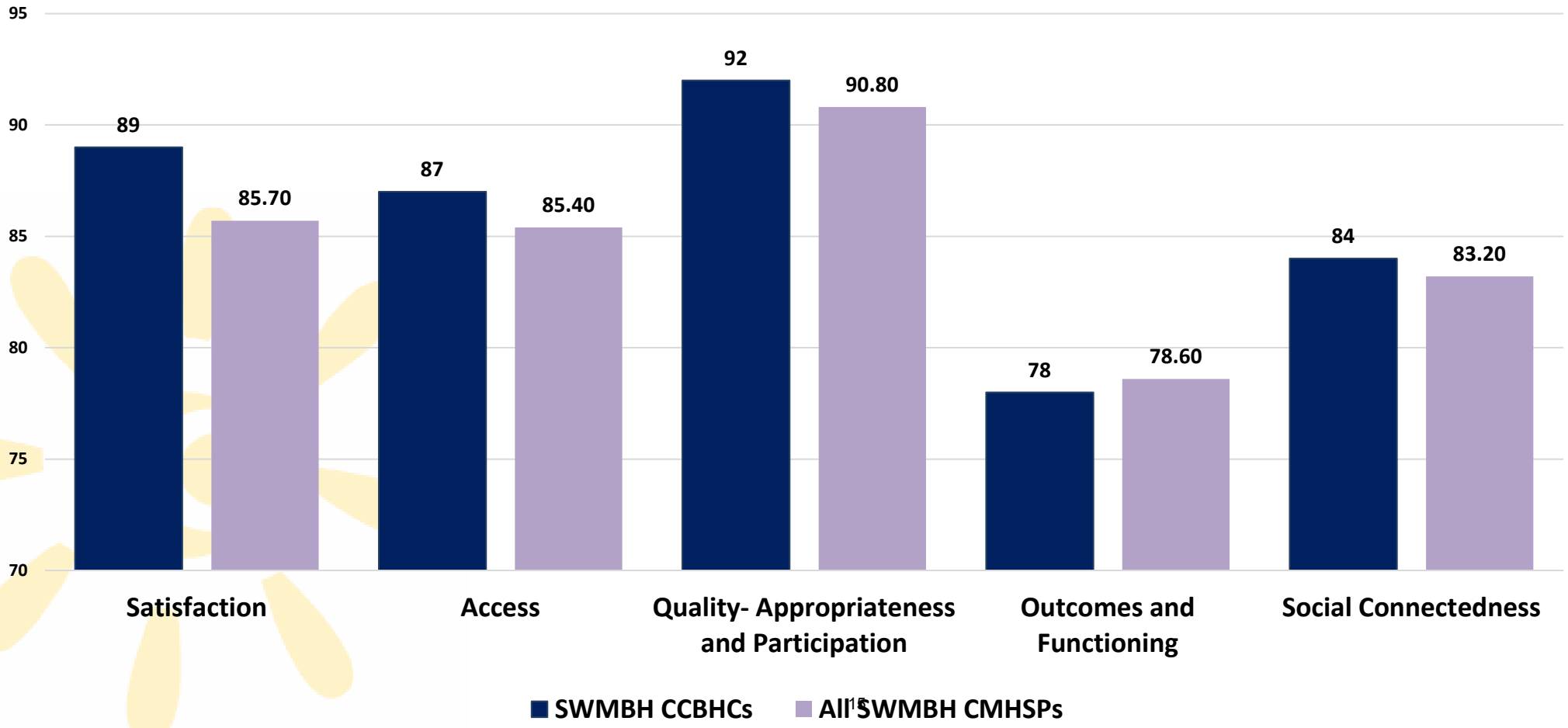
Mental Health Statistics Improvement Program (MHSIP) Constructs

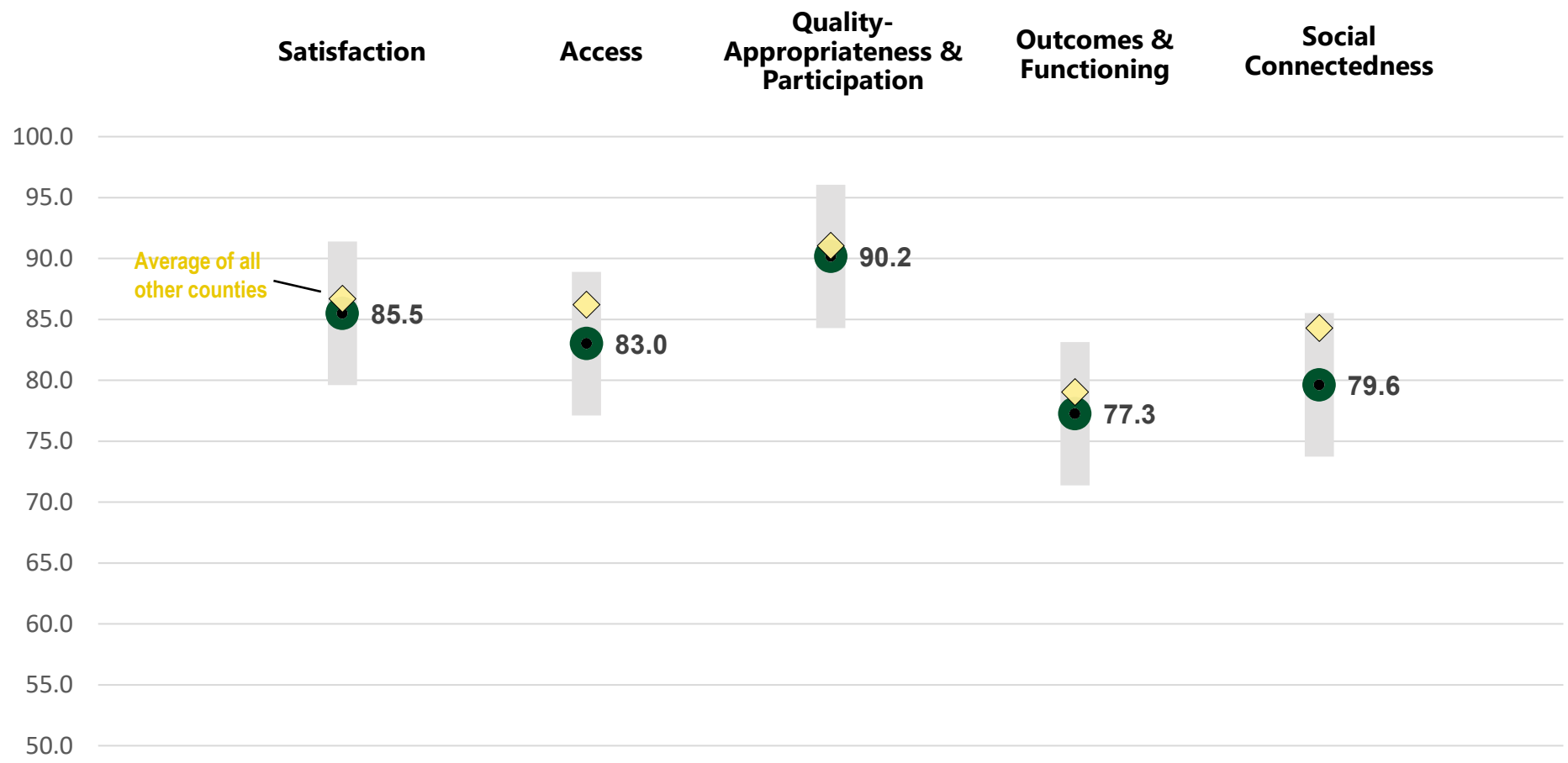
CCBHC Percentage of Responses "IN AGREEMENT" is higher in 4 of 5 MHSIP constructs
As a total CCBHCs scored 2% higher



Kalamazoo County: On par with other counties in 2022 MHSIP

Dark green denotes the percentage in agreement for that construct's items

Gray bars denote the likely range where the true percentage for all SWMBH consumers might lie (i.e., margin of error*)



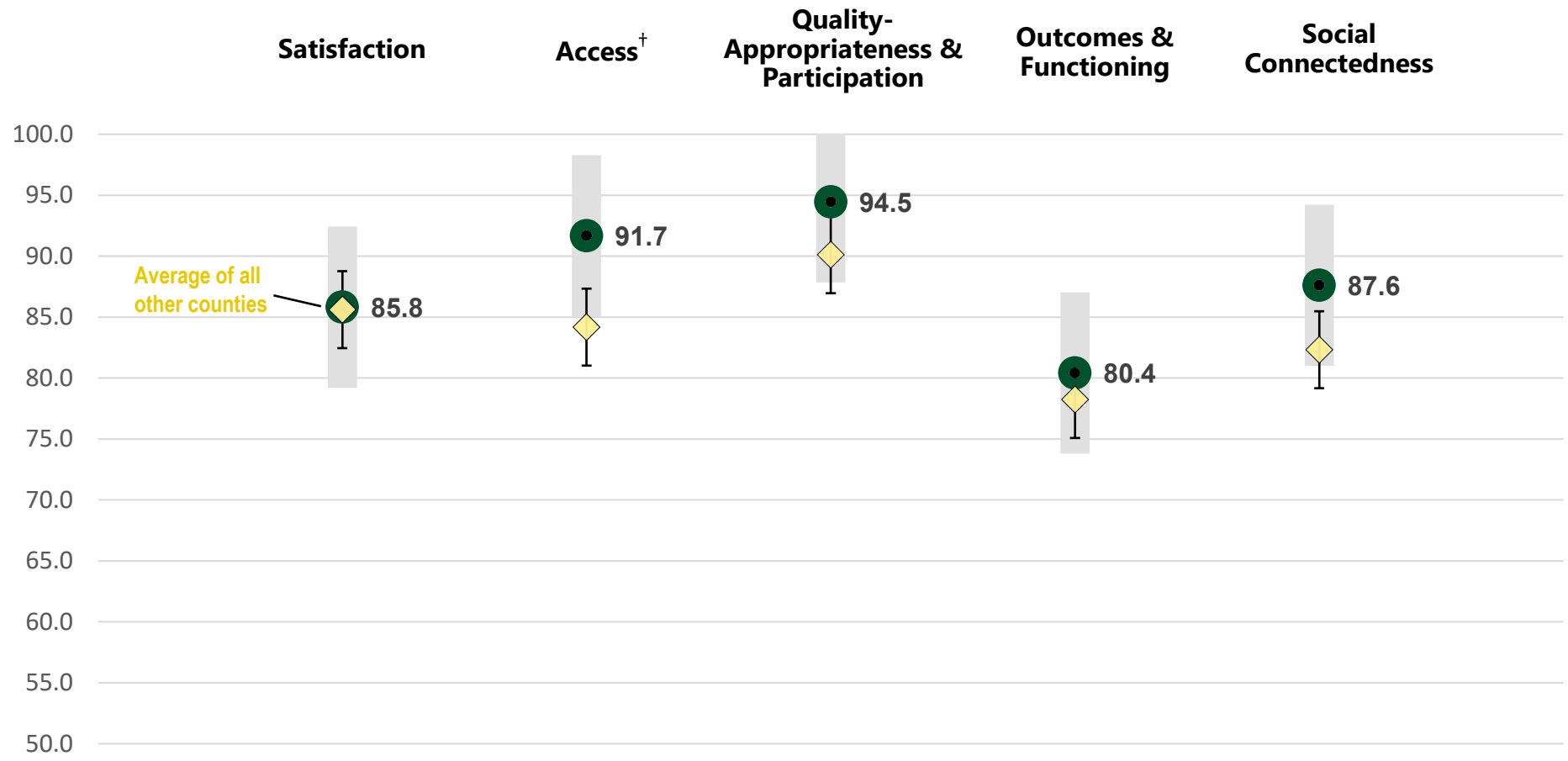
*margin of error for Kzoo County: ±5.9 pts

n = 256

St. Joseph County: Above average in 1 MHSIP construct in 2022

Dark green denotes the percentage in agreement for that construct's items

Gray bars denote the likely range where the true percentage for all SWMBH consumers might lie (i.e., margin of error*)



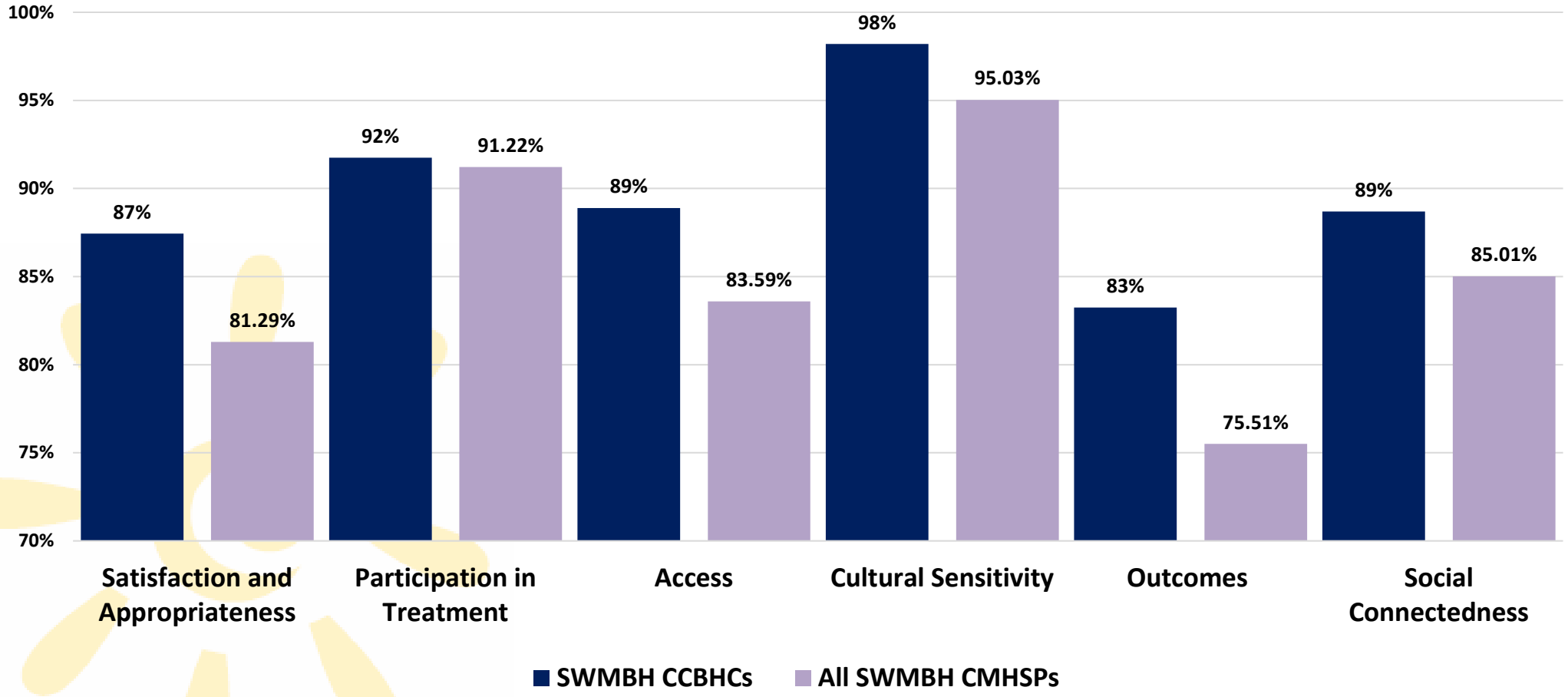
† significant difference ($p < .05$) between this county and others for construct

*margin of error for St. Jo County: ±6.6 pts

n = 177

Youth Services Survey (YSS) Constructs

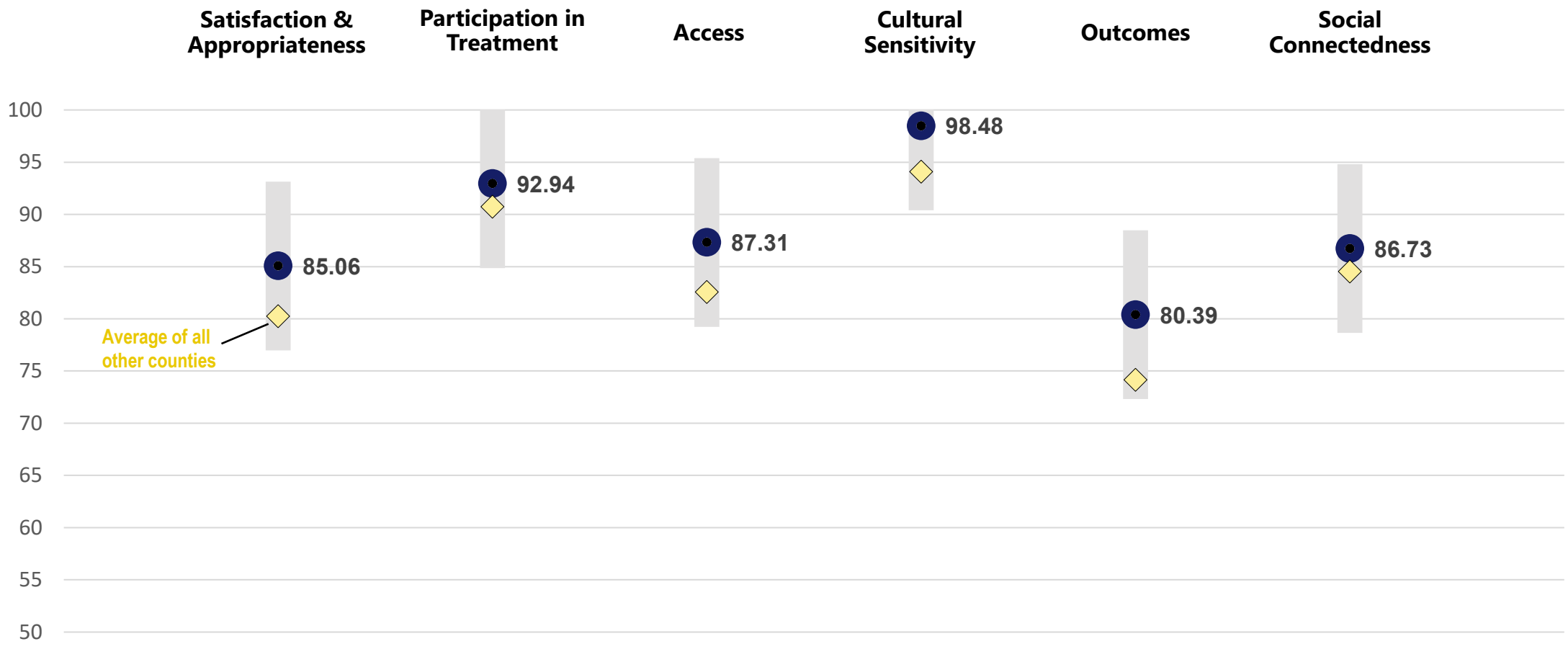
CCBHC Sites Percentage of Responses "IN AGREEMENT" is higher for all YSS constructs - As a total CCBHCs scored 5% higher



Kalamazoo: On par with other counties in 2022 YSS

Dark blue denotes the percentage in agreement for that construct's items

Gray bars denote the likely range where the true percentage for all the county's consumers might lie (i.e., margin of error*)



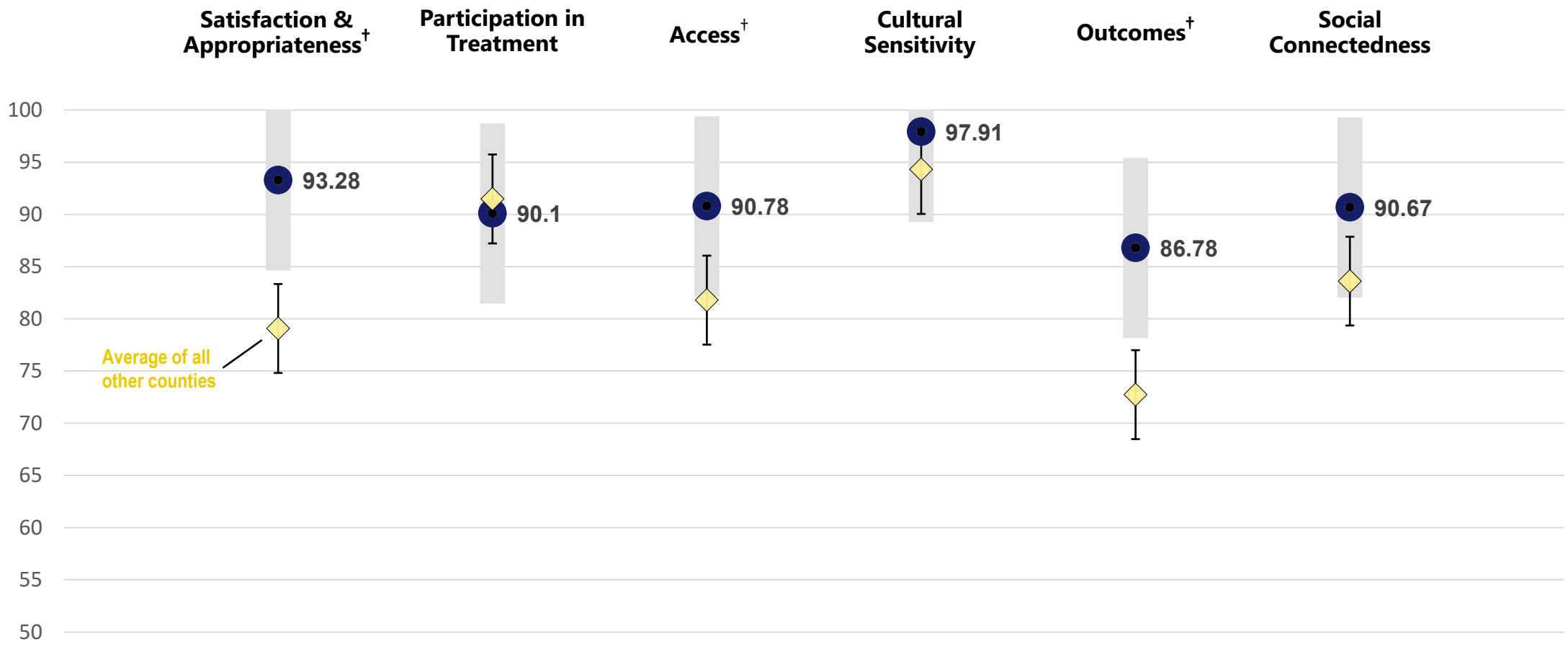
*margin of error for all CMHSPs: ±8.1 pts

n = 113

St. Joseph County: Above average in 3 YSS constructs in 2022

Dark blue denotes the percentage in agreement for that construct's items for the county

Gray bars denote the likely range where the true percentage for all the county's consumers might lie (i.e., margin of error*)



† significant difference ($p < .05$) between this county and others for construct

*margin of error for all CMHSPs: ±8.6 pts

n = 102

Questions?

Southwest Michigan
BEHAVIORAL HEALTH

Environmental Scan and Strategic Imperatives

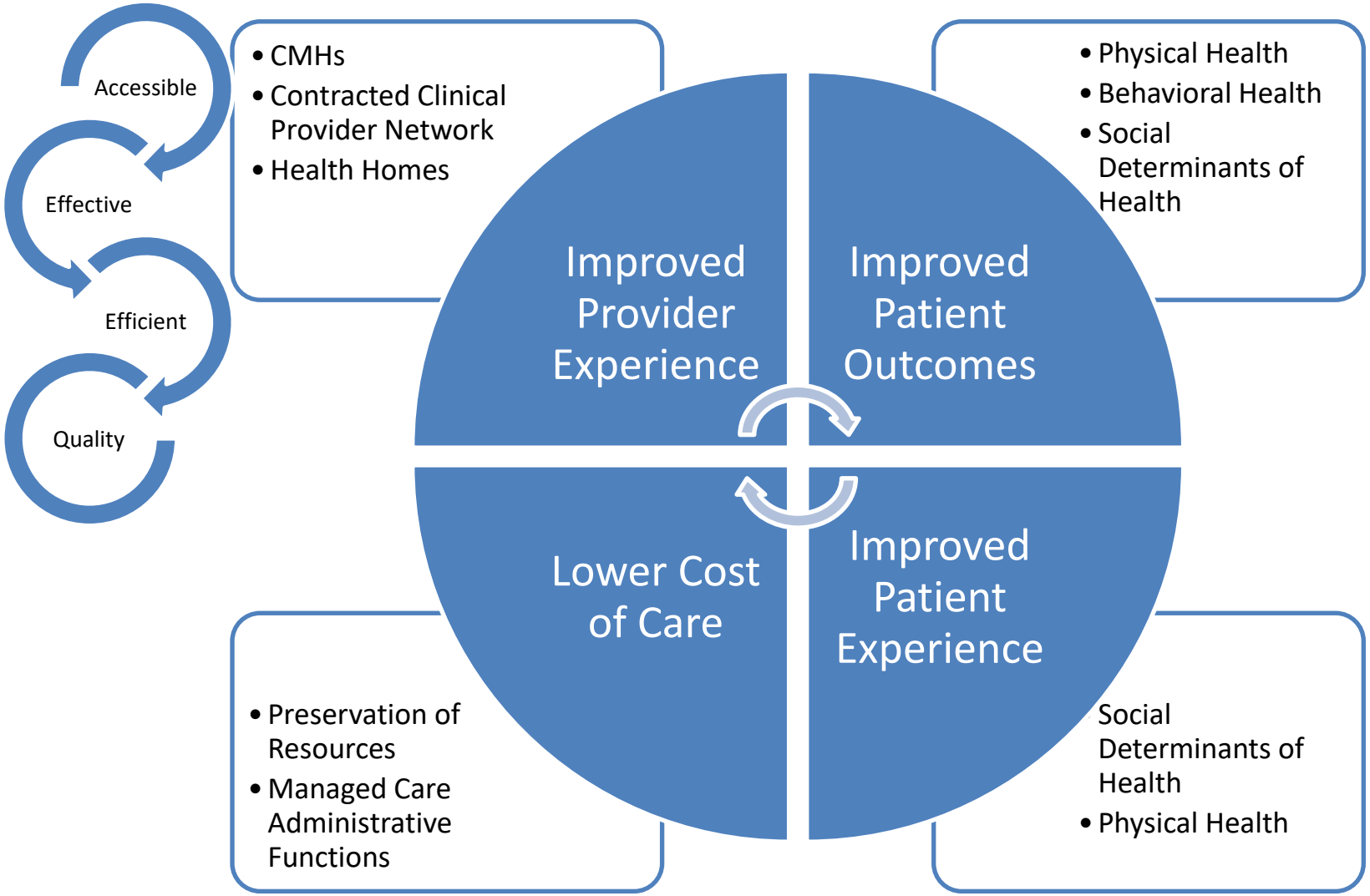
Bradley Casemore CEO
Ella Philander Strategic Initiatives Project Manager

July 14, 2023

Environmental Scan

- Renewed threat to public behavioral health system and PIHPs from HB 4576 and HB 4577
- 2024 Presidential and other federal and state election cycles underway
- Michigan DHHS Medicaid Health Plan rebid underway
- Michigan MI Health Link sunsetting to Duals Special Needs Plan
- CMS and Michigan DHHS insistence on adherence to old and newly emerging Medicaid managed care federal regulations
- Heightened scrutiny from CMS and DHHS
- Public system transition demands

Quadruple Aim: Strategic Imperatives



Strategic Imperatives

- Provider Network adequacy, access, and quality
- Cost-efficient, effective, and objectively proven central and delegated managed care administrative functions
- Improved Patient Outcomes in behavioral and physical health and in Social Determinants of Health
- Improved Patient Experience
- Improved Provider Experience
- Lower Cost of Care
- Preservation of resources
- Install and expand varying Health Homes
- Support and resource Member CMH transition needs

SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
• High performing CMHSPs & Providers • Management Team & Staff • External Subject Matter Experts	• Returning to pre-eminence in Health Services Advisory Group External Quality review areas • Administrative changes • Balancing roles and resources across SWMBH and component CMHSPs	• Certified Community Behavioral Health Centers (CCBHC) • Health Information Exchange • Healthcare Data Analytics • Collaboration with MHP on population health & integrated care	• Staff Departures • Retirements Pending • HB4577

Board-Approved Ends (for Board review soon)

Quality of Life

- Veteran's Metric Performance -Based Incentive Program
- Increased Data Sharing Performance Bonus Incentive Program (PBIP)
- FY23 Initiation and Engagement State Specified benchmarks activities
- Submit a qualitative narrative report to MDHHS
- Follow-up After Hospitalization for Mental Illness within 30 days (FUH)

Exceptional/Access to Care

- 2023 Customer Satisfaction Surveys collected by SWMBH
- Michigan Mission Based Performance Indicator System (MMBPIS) Data
- 2023 CCBHC Program Customer Satisfaction Surveys collected by SWMBH

Improved Health

- CCBHC Demonstration Year 1 Quality Bonus Payment Metrics (QBP's)
- Retain 60% of (OHH) enrollees
- Behavioral Health Treatment Episode Data Set (BH TEDS) compliance

Mission and Value Driven

- Meet or exceed FY23 contractual Critical Incident Reporting timeliness and efficiency benchmarks
- Meet or exceed MDHHS FY23 Autism Benefit Waiver Access to Care and Timeliness Standards

Quality and Efficiency

- 2023 Health Service Advisory Group (HSAG) External Quality Compliance Review (EQR)
- 2023 HSAG Performance Measure Validation (PMV) Audit Results and Improvement Strategies

Southwest Michigan Behavioral Health

Resolutions of the Board of Directors

The board of directors (the "*Board*") of Southwest Michigan Behavioral Health ("*SWMBH*") hereby takes the following actions:

WHEREAS SWMBH maintains the Southwest Behavioral Health Retirement Savings Plan (the "*Plan*"), as previously amended; and

WHEREAS the Board desires to further amend the Plan's loan provisions to permit loans from the vested portion of all participant accounts;

RESOLVED that Board hereby approves the Fifth Amendment to the Retirement Savings Plan (the "*Amendment*"), in the form presented to the Board and attached hereto; and further

RESOLVED that the Chief Executive Officer and the Retirement Plan Committee are authorized and directed to take any and all actions they deem necessary or advisable to effect the foregoing resolutions.

The foregoing resolutions are dated _____, 2023, and were adopted at a meeting of the Board as of that date.

Certified

_____

Edward Meny, Chair

#21196394v1

Southwest Michigan Behavioral Health
Retirement Savings Plan

5th Amendment

The Southwest Michigan Behavioral Health Retirement Savings Plan, as previously amended, is further amended as follows:

1. Section 6.7(a) is amended to read as follows:

(a) If approved by the plan administrator, participants may borrow money from the vested portion of their accounts. Loans are generally available for any purpose. The plan administrator may establish loan policies and procedures from time to time to supplement the provisions of the plan and related trust.

2. Section 6.7(e) is amended to read as follows:

(e) The loan must be adequately secured. The vested portion of the participant's account balance may be used as security for the loan; and the vested portion of the account balance will be considered adequate security if, at the time the loan is made, the principal balance of the loan does not exceed 50% of the vested portion of the account balance. The plan administrator and the trustee may, in their discretion, accept or reject any security offered in a particular case.

3. Section 6.7(f) is amended to read as follows:

(f) If the borrower is a participant and the borrower is married, the plan administrator may require the consent of the borrower's spouse as a condition of the loan, even if the vested portion of the participant's account balance will not be used as security for the loan.

4. Section 6.7(h) is amended to read as follows:

(h) If the vested portion of a participant's account balance is used as security for the loan, the plan administrator may reduce the account balance by the outstanding balance of the loan at any time the loan is in default.

This amendment is dated and effective _____, 2023.

Employer
Southwest Michigan Behavioral Health

By _____
Bradley P. Casemore
Chief Executive Officer

#21196005v1

To: SWMBH Board

From: Brad Casemore

RE: Behavioral Health Workforce Stabilization Support

Date: July 14, 2023

SWMBH has been awarded an American Rescue Plan Act mental health Block Grant for fiscal years 2023, 2024 and 2025 in the amount of $68,000 per year for behavioral health workforce stabilization support. We would like to apply these funds each year as discretionary employer contributions to the retirement savings plan for each staff member with an account. Per Board Policy BEL-007 Compensation and Benefits 4.e. employer discretionary contributions require Board approval.

Discretionary employer contributions are permitted under the Retirement Savings Plan and our approach has been approved by MDHHS in writing. The related fiscal year 2023 funds have already been received.

I seek approval of the Motion "Staff employed who have one year or more of seniority in September and have enrolled in the retirement savings plan in September 2023, 2024, and 2025 shall receive a one-time employer discretionary contribution to their retirement savings account in the amount of $1,000 each year provided that the necessary funds have been granted to SWMBH and the related funds have been received by SWMBH by the time of the contribution."

Board Policy Gaps Highlights

Susan Radwan GSP

For Southwest Michigan Behavioral Health Board

July 14, 2023

Board Process Gaps

In Policy Governance, the Board has three job deliverables: Ownership Linkage, Policy Development and Monitoring.

The Board does not appear to be engaged in delivering its own “job products.”

- There is no indication that the Board is doing any ownership linkage activity with the owner CMH Boards to become the informed voice and agent of the Ownership as a collective body.
- There is no indication that the Board is doing any strategic exploration to advance the organization directionally, ultimately keeping Ends policies relevant.
- There is no indication that the Board has developed any new policies in 2022. The only policy the Board revised was the internal retirement policy plan.
    - There may be a need to right-size the EL policies, i.e., remove the limitation on real estate or on payroll since the process is systems driven.

- There is no indication that the Board discusses as a whole body whether it is complying with its own Board Means policies. While all policies are being monitored by an individual, it appears that the Board does not see this effort as a path for continuous improvement in governance.

Policy Manual Gaps (from the Governance Audit)

1. Due to the archival nature of SWMBH policies, the Board cannot refer easily to relevant policies to guide their actions, nor can they easily see the interaction among the policies which is important as they review monitoring reports and bring new concerns to the Board's attention.

2. The policy manual does not capture the umbrella nature of the Global Policies. For example, the Global Executive Constraint which is number BEL-009 is an umbrella to all other BEL policies. Anything not covered explicitly in the subsequent policies IS covered by the umbrella nature of this policy.

3. There is no added value in the purpose statement that heads up each policy. Recommend deletion.

4. What is identified as *Standards* are lower-level policies to the broader statement. These policies are intended to be the Board's further interpretations of the language in the broader policy which in turn limit the range of EO interpretation.

5. In the Executive Limitations, the lead in statement says, "Accordingly, the Executive Officer may not….." However, in Executive Limitations, the lead in should be more like, "This includes but is not limited to…" This language allows for other interpretations of the language in the broader policy rather than limit it to the explicit lower-level policies. Carver's original language in this place was, "Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:…"

Policy Gaps, continued

6. There is no need to repeat Bylaws language in the policy manual. The Bylaws are a stand-alone legal agreement between the members and the organization. The Board should be as familiar with the Bylaws as they are with the Board policy manual.

7. Regarding Ends

- Ends are never about what the organization itself, but rather they focus on the intended impacts on the beneficiaries.
- Ends should begin with a global statement which encompasses all the lower-level policies.
- The Ends as identified are not clear about who is the direct beneficiary of SWMBH.
- The Ends do not identify at what cost or what worth to the organization we achieve the Ends.

I recommend a reformatting to align with Policy Governance formatting.

8. RE: Executive Limitations
    - See the revised “uninterrupted” Policy Manual to illustrate a cohesive policy manual.

Policy Governance Committee Philosophy

And Best Practices

Board Committees are Permissible with Conditions

1. Board-appointed Committees must not violate the Board's delegation to the EO.
2. Board Committees are appointed by the Board to help the Board do its own work. Board Committees are accountable to the full Board.
   - Typical Board Committees are Audit Committee, Board Leadership Development (Governance) Committee. These Committees should be identified in Policy Manual with Membership type identified (e.g., Board Chair plus 2), authority, purpose/scope and deliverables.
   - *Ad Hoc* Board Committees are generally short term "intelligence gatherers" that inform Board on issues and framers of Board discussions. These are charged with authority, scope/purpose and deliverables by the Board via Meeting Minutes.
   - Board Committees only make decisions when the Board gives them the authority to do so.
   - Board Committees should not make recommendations, but rather frame the discussion with options so the whole Board makes the decision. To do otherwise violates the principle of Board Holism.

Board Committees, continued

Board Committees shall have clear purpose, roles, authorities and longevity.

- Staff support Board Committees

Operational Committees are appointed by the EO and accountable to the EO so as not to undermine the delegation of authority from the Board which can lead to undermining the accountability of the EO.

Finance Committee

- Finance is generally considered an operational function; it is a Means not and End.

- The Board addresses finance through its Executive Limitations Policies

  - Budgeting/Financial Planning
  - Financial Conditions and Activities (Purchasing, cashflow, financial commitments)
  - Asset Protection (insurance, maintenance of physical property and skill sets, reputational risk)
  - Compensation and Benefits
  - Investments

Financial Management and Policy Governance

- Financial management is an operational Means issue.
  - Nothing in the Balance Sheet designates the recipient result, the recipients or the worth of such results (Ends).
  - Many PG Boards do not have Finance Committee. The whole Board addresses its fiduciary duty through the monitoring process.
- Responsible governance of finances is achieved by a Board becoming very clear in writing what constitutes financial jeopardy then putting in place mechanisms to prevent and discover it readily.
  - A Board should say what it wants or wants avoided rather than deciding retrospectively if it likes what it got.
- A Board Finance Committee is legitimate if
  - It intends to craft a set of options with implications concerning long term fund reserve investments from which the Board will make a choice.
  - It exists to review financial-related policies in the Executive Limitations and identify Board revisions for the Board to consider.
  - It exists to conduct direct-inspection of the financial-related policy Executive Limitations monitoring reports in relation to the EO's interpretation. For example, two or more Board members perform Executive Limitations reviews on Board financial policies.
  - Board Finance Committee members must be financially literate.

Southwest Michigan
BEHAVIORAL HEALTH

Section: Board Policy – Governance	Policy Number: BG-001	Pages: 1
Subject: Committee Structure	**Required By**: Policy Governance	**Accountability:** SWMBH Board
Application: ☒ SWMBH Governance Board ☐ SWMBH EO		**Required Reviewer:** SWMBH Board

Effective Date:	Last Review Date:	Past Review Dates:
03.14.2014	4/14/23	3.13.15, 3/11/16, 3/10/17, 3/9/18,1/11/19, 1/10/20, 1/8/21, 1/14/22

I. **PURPOSE:**

To define a SWMBH Board Committee.

II. **POLICY:**

A committee is a Board Committee only if its existence and charge come from the Board, regardless whether Board Members sit on the committee. Unless otherwise stated, a committee ceases to exist as soon as its work is complete.

III. **STANDARDS:**

1. The Board will charge the committee formed.

Southwest Michigan
BEHAVIORAL HEALTH

Section: Board Policy – Governance	Policy Number: BG-010	Pages: 1
Subject: Board Committee Principles	**Required By**: Policy Governance	**Accountability:** SWMBH Board
Application: ☒ SWMBH Governance Board ☒ SWMBH EO		**Required Reviewer:** SWMBH Board
Effective Date: 03.14.2014	**Last Review Date**: 4/8/22	**Past Review Dates**: 03.13.15, 04.10.15, 4/8/16, 4/14/17, 4/13/18, 4/12/19, 4/10/20, 4/9/21

I. **PURPOSE:**
To define SWMBH Board committee principles.

II. **POLICY:**
Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and to not interfere with delegation from the Board to the EO.

III. **STANDARDS:**
Accordingly the Committees shall:

1. Assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have direct dealings with current staff operations.

2. Not speak or act for the Board except when formally given such authority for specific and time-limited purposes.

3. Not exercise authority over staff.

4. Be used sparingly and ordinarily in an ad hoc capacity.

5. This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members. It does not apply to committees formed under the authority of the EO.

Proposed SWMBH Policy Manual Uninterrupted

Ends (Proposed to align with PG Philosophy)
June 28, 2023

1.0 Global End

SWMBH is a fiduciary for state and federal funds that exists to assure that member agencies create environments where persons with intellectual & developmental disabilities, serious emotional disturbance, autism spectrum disorders, serious mental illness, and substance use disorders in the SWMBH region see improvements in their quality of life and maximize self-sufficiency, recovery, and family preservation, *at the cost of efficient stewardship of resources available.*

1. Quality of Life
   - Persons with intellectual & developmental disabilities, serious emotional disturbance, autism spectrum disorders, serious mental illness, and substance use disorders in the SWMBH region see improvements in their quality of life and maximize self-sufficiency, recovery, and family preservation

2. Exceptional Care
   - Persons and families served are highly satisfied with the services they receive

3. Improved Health
   - Individual mental health, physical health and functionality are measured and improved •

4. Mission and Value Driven
   - CMHSPs and SWMBH fulfill their agencies' missions and support the value of the public behavioral health system

5. Quality and Efficiency
   - The SWMBH region is a learning agency where quality and cost are measured, improved, and reported

Commented [SR1]: These Ends need a review and revision to assure they are about the impact to the direct beneficiaries of SWMBH, not the CMHs.

Section 2: Executive Limitations
(reordered with recommended changes)

2.0 POLICY: Global Executive Constraint (formerly BEL009)
The Executive Officer (EO) shall not cause or allow any practice, activity, decision, or organizational circumstance which is either ~~illegal~~ *unlawful*, imprudent, in violation of commonly accepted business and professional ethics or in violation of contractual obligations.

2.1 POLICY: Treatment of Plan Members (formerly BEL005)
With respect to interactions with Plan members, the SWMBH EO shall not allow conditions, procedures, or processes which are unsafe, disrespectful, undignified, unnecessarily intrusive, or which fail to provide appropriate confidentiality and privacy.

Further, including but not limited to, the Executive Officer may not:

2.1.1. Use forms or procedures that elicit information for which there is no clear necessity.

2.1.2. Use methods of collecting, reviewing, or storing plan member information that fail to protect against improper access to the information elicited.

~~2.1.3. Fail to inform the Board of the status of uniform benefits across the region or fail to assist Participant CMHs towards compliance.~~

Commented [SR2]: This policy belongs in Communication and Support to the Board...Not here.

1

2.1.4. Fail to provide procedural safeguards for the secure transmission of Plan members' protected health information.
2.1.5. Fail to establish with Plan members a clear contract of what may be expected from SWMBH including but not limited to their rights and protections.
2.1.6. Fail to inform Plan members of this policy or to provide a grievance process to those plan members who believe that they have not been accorded a reasonable interpretation of their rights under this policy.

Commented [SR3]: These policies were originally intended for individual consumers. Do these lower level policies apply to plan members?

2.2 POLICY: Treatment of Staff (formerly BEL004)
With respect to the treatment of paid and volunteer staff, the EO shall not cause or allow conditions that are unfair, undignified, disorganized, or unclear.

Further, including but not limited to, the Executive Officer may not:
2.2.1. Operate without written personnel rules that:
a. Clarify rules for staff
b. Provide effective handling of grievances, and
c. Protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
2.2 2. Retaliate against any staff member for expression of dissent.
2.2.3. Fail to acquaint staff with the EO interpretation of their protections under this policy.
2.2.4. Allow staff to be unprepared to deal with emergency situations.

2.3 POLICY: Financial Planning and Budgeting (formerly BEL001)
Budgeting any fiscal year or the remaining part of any fiscal year shall not deviate from Board Accomplishments/Results/Ends priorities, risk fiscal jeopardy, or fail to be derived from multi-year plan.

Further, including but not limited to, the Executive Officer may not allow budgeting which:
2.3.1. Contains too little information or omits information to enable credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
2.3.2. Plans the expenditures in any fiscal year of more funds than are conservatively projected to be available for that period.
2.3.3. Provides less than is sufficient for board prerogatives, such as costs of fiscal audit, Board development, Board and Committee meetings, and Board legal fees.
2.3.4. Endangers the fiscal soundness of future years or ignore the building of organizational capability sufficient to achieve future ends.
2.3.5. Cannot be shared with the Board on a monthly basis.

Commented [SR4]: If this policy's intent is to share the budget with the board, then this policy belongs in Communication and Support to the Board.

2.4 POLICY: Financial Conditions and Activities (formerly BEL002)
With respect to the actual, ongoing condition of the organization's financial health, the Executive Officer may not cause or allow the development of fiscal jeopardy or the material negative deviation of actual expenditures from board priorities established in policies and inclusive of annual budget.

Further, including but not limited to, the Executive Officer may not:
2.4.1. Expend more funds than have been received in the fiscal year to date (including carry forward funds from prior year).
2.4.2. Incur debt in an amount greater than can be repaid by certain and otherwise unencumbered revenues in accordance with Board approved schedule.
2.4.3. Use any designated reserves other than for established purposes.

2.4.4. Conduct inter-fund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain and otherwise unencumbered revenues within ninety days.
2.4.5. Fail to settle payroll and debts in a timely manner.
2.4.6. Allow tax payments or other government-ordered payments of filings to be overdue or inaccurately filed.
2.4.7. ~~Fail to adhere to applicable generally acceptable accounting standards.~~
2.4.8. Make a single purchase or commitment of greater than $100,000 in a fiscal year, except for participant CMH contracts and Region 4 Clinical Service Providers. Splitting orders to avoid this limit is not acceptable.
2.4.9. Purchase or sell real estate in any amount ~~absent Board authorization.~~
2.4.10. Fail to aggressively pursue receivables after a reasonable grace period.
2.4.11 Assure that total direct fiscal year annual costs payable to MCHE shall not exceed $5,000.
2.4.11.1 Exception: Group purchases which in the EO's judgment are required and have more favorable terms than an independent purchase by SWMBH. In the event of an urgent payment required, EO shall contact SWMBH Board Chair for guidance.

2.5 POLICY: Asset Protection (formerly BEL003)
The Executive Officer shall not cause or allow corporate assets to be unprotected, inadequately maintained, or unnecessarily risked.

Further, including but not limited to, the Executive Officer may not:
2.5.1. Subject facilities and equipment to improper wear and tear or insufficient maintenance.
2.5.2. Fail to protect intellectual property, information and files from loss or significant damage.
2.5.3. Fail to insure adequately against theft and casualty and against liability losses to Board Members, Staff, and the Organization itself.
2.5.4. Compromise the independence of the Board's audit or other external monitoring or advice, such as by engaging parties already chosen by the Board as consultants or advisers.
2.5.5. Endanger the Organization's public image or credibility, particularly in ways that would hinder its accomplishment of mission.
2.5. 6. Change the organization's name or substantially alter its identity in the community.
2.5.7. Allow un-bonded personnel access to material amounts of funds.
2.5.8. Unnecessarily expose the Organization, its Board, or Staff to claims of liability.
2.5.9. Make any purchases:
i. Wherein normally prudent protection has not been given against conflict of interest
ii. Inconsistent with federal and state regulations related to procurement using SWMBH funds
iii. Of more than $100,000 without having obtained comparative prices and quality
iv. Of more than $100,000 without a stringent method of assuring the balance of long-term quality and cost.
v. ~~Or split orders to avoid these criteria.~~
2.5.10. Receive, process, or disburse under controls that are insufficient to meet the Board-appointed auditor's standards.
2.5.11. Invest or hold operating capital and risk reserve funds in instruments *at the expense of safety and liquidity.* ~~that are not compliant with the requirements of Michigan Public Act 20.~~

Commented [SR5]: 2.4.7 is the same as 2.5.10. Delete here.

Commented [SR6]: If the global EL says you can't do anything unlawful, then do you need this policy?

Commented [SR7]: This policy is already in Financial Conditions and Activities. #8.

Commented [SR8]: Again, we are quoting that you have to follow the law. No need if your global EL says so. However, are there other values that should guide investments that is not contained in the law?

2.6 POLICY: Investments

The Executive Officer will not cause or allow investment strategies or decisions that pursue a high rate of return at the expense of safety and liquidity.

Further, including but not limited to, the Executive Officer may not:

2.6.1. Fail to meet daily cash flow objectives and conform to all state statutes governing investment of public funds.

~~It is the policy of SWMBH to invest public funds in a manner which will provide the highest available investment return with reasonable and prudent security while meeting the daily cash flow objectives of the entity and conforming to all State statutes governing investment of public funds.~~

Commented [SR9]: This policy is out of proscriptive format. It needs to be in negative language.

~~1. Fail to comply with the requirements of Public Act 20 of 1943, as amended. The following types of securities are authorized by Public Act 20 of 1943, as amended: • Bonds, securities, and other obligations of the United Sates or an agency or instrumentality of the United States. • Certificates of deposit, savings accounts, deposit accounts or depository receipts of a financial institution as defined in Public Act 20 of 1943 as amended, no more than 60% of the total investment portfolio will be invested in a single security type or with a single financial institution with the exception of funds held in a CDARS account. • Commercial paper rated at the time of purchase at the highest classification established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase. • Repurchase agreements consisting of instruments in subdivision V., (A). • Banker's acceptances of United States banks. • Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than 1 standard rating service. • Obligations described in subdivision 6.1 through 6.6 if purchased through an interlocal agreement under the Urban Cooperation Act of 1967. 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512. • Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, MCL 129.111 to 129.118. • Investment pools organized under the Local Government Investment Pool Act, 1985 PA BEL 006 Page 2 of 2 121, MCL 129.141 to 129.150.~~

Commented [SR10]: The new policy 2.6.1 says you can't violate any state statutes. There is no need to repeat Public Act 20 here. Delete.

2.6.2. Neglect to diversify investment portfolio.

2.6.2 No more than 60% of the total investment portfolio will be invested in a single security type or with a single financial institution

2.6.2.1 Exceptions: Funds held in a Certificate of Deposit Account Registry Service (CDARS) account and U.S. Treasury securities and state authorized investment pools ~~as defined in Public Act 20 of 1943 as amended~~,

2.6.3. ~~Fail to meet the standard of prudence. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.~~

Commented [SR11]: What does this policy add? ALL Executive Limitations define the Board's view of what would be imprudent and/or unethical

2.6.4. Endanger safekeeping of securities.

2.6.5. Avoid providing timely and accurate investment reports

Commented [SR12]: 2.6.5 belongs in Communication and Support to the board.

4

2.7 POLICY: Compensation and Benefits
With respect to employment, compensation and benefits to employees, consultants, contract workers, Interns and volunteers, the Executive Officer (EO) shall not cause or allow jeopardy to financial integrity or to public image. ~~SWMBH shall be at or near the 75th percentile on compensation and benefits and at or near the 85th percentile on agency culture and employee satisfaction.~~

Further, including but not limited to, the Executive Officer may not:
2.7.1. Change the EO's own compensation and benefits.
2.7.2. Promise permanent or guaranteed employment.
2.7.2.1 Exception: Time-limited Executive Employment and Professional Services Agreements with termination clauses are permissible.
2.7.3. Establish current compensation and benefits which:
a. Deviate materially from the geographic and professional market for the skills employed.
b. Create obligations over a longer term than revenues can be safely projected, in no event longer than one year and in all events subject to losses in revenue.
c. Fail to solicit or fail to consider staff preferences.
2.7.4. Establish or change retirement benefits so the retirement provisions:
a. Cause unfunded liabilities to occur or in any way commit the organization to benefits that incur unpredictable future costs.
b. Provide less than some basic level of benefits to all full-time employees. Differential benefits which recognize and encourage longevity are not prohibited.
c. ~~That are instituted without prior monitoring of these provisions.~~
d. Make revisions to Retirement Plan documents ~~without prior Board approval.~~
e. Implement employer discretionary contributions to staff ~~without prior Board approval.~~

2.8 POLICY: Executive Officer Succession (formerly EO-003)
In order to protect the Board from sudden loss of the Executive Officer services, the Executive Officer will have no less than two executives identified to the Board sufficiently familiar with Board and Executive Officer issues and processes to enable them to take over with reasonable proficiency as an interim Executive Officer if called upon by the Board.

2.9 POLICY: Communication and Support to the Board (formerly BEL-008)
The Executive Officer shall not cause or allow the Board to be uninformed or unsupported in its work.

Further, including but not limited to, the Executive Officer may not:

2.9.1. Neglect to submit monitoring data required by the Board *on the schedule established by the Board* ~~in Board Policy and Direction~~ in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored, and including Executive Officer interpretations as well as relevant data.
2.9.2. Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy of the Board regardless of the Board's monitoring schedule.
2.9.3. Allow the Board to be without decision information required periodically by the Board or let the Board be unaware of relevant trends.

5

Commented [SR13]: The percentiles are a lower level policy--further defining the comp and the public image.

In actuality, the % is really more of a management prescription and could be deleted. It should be in your interpretation of the policy. Not here. If you keep it, 75%ile of what? Average compensation for the level of employment in the region?

The 85th %ile on culture or employee satisfaction does not relate to comp or benefits.

Commented [SR14]: 2.7.4.c is unnecessary. You will be monitoring ALL policies. Delete.
D. and E. do not need without prior board approval. It is implied in the nature of Executive Limitations.

2.9.4. Let the Board be unaware of any significant incidental information it requires including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes, including:
a. the status of uniform benefits across the region (from 2.1.3)
b. timely and accurate investment reports
c. information related to MCHE, including
i. semi-annual written MCHE status reports to the SWMBH Board in April and October
ii. verbal reports to the SWMBH Board if there are MCHE related items of importance which in the Executive Officer's judgment materially affect favorably or unfavorably SWMBH's core roles, strategy, or finances;
iii. MCHE Articles of Incorporation revisions and bylaws to the Board prior to voting on them and after adoption by MCHE.

2.9.5. Allow the Board to be unaware that, in the Executive Officer's opinion, the Board is not in compliance with its own policies, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the Executive Officer.

2.9.6. Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.

2.9.7. Allow the Board to be without a workable mechanism for official Board, Officer, or Committee communications.

2.9.8. Deal with the Board in a way that favors or privileges certain Board Members over others, except when fulfilling individual requests for information or responding to Officers or Committees duly charged by the Board.

2.9.9. Fail to submit to the Board a consent agenda containing items delegated to the Executive Officer yet required by law, regulation, or contract to be Board-approved, along with applicable monitoring information.

Section 3: Governance Process Policies

3.0 ??? Proposed Global Governance Commitment
The purpose of the Board, who are stewards of funding available for mental health services in the Southwest Region of Michigan, on behalf of the State of Michigan is to see to it that SWMBH achieves appropriate impacts through its Plan Members at an appropriate value and to assure that the organization avoids unacceptable situations and risks.

3.1 Governing Style and Commitment (formerly BG-011)

The Board will govern lawfully and *in compliance with the agency's bylaws*, 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.

Accordingly, the SWMBH Board shall:

3.1.1 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.

3.1.2 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.

3.1.3 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.

3.1.4 Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of process improvement.

3.1.4.1 New Board Members shall be required to complete an initial orientation for purposes of enhancing their knowledge of the roles and responsibilities of SWMBH as an agency, and their understanding to assist in governance decision-making. Specifically, they shall be provided the following information:

- Governance Documents (Hierarchical)
  - SWMBH Board Bylaws
  - SWMBH Operating Agreement
  - Michigan Consortium of Healthcare Excellence Bylaws (MCHE)
- Ends, Proofs and Strategy
  - Previous and Current Years' SWMBH Board Ends and Proofs
- Context
  - SWMBH General PowerPoint
  - Current SWMBH Board Meeting Calendar and Roster
- New Board Members will be offered a live/remote briefing for each functional area leader.

3.1.5 Allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling group obligations.

3.1.6 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.

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

3.2 POLICY: Board Member Job Description (formerly BG-008)

Specific job outputs of the Board, as informed agents of ownership, are those that ensure appropriate organizational performance.

Accordingly, to distinguish the Board's own unique job from the jobs of its staff, the Board will concentrate its efforts on the following job "products" or outputs:

3.2.1 The link between Southwest Michigan Behavioral Health and Participant counties.

3.2.2 Written governing policies which, at the broadest levels, address:
a. Ends: Organizational products, impacts, benefits, outcomes, recipients, and their relative worth (what good for which needs at what cost).
b. Executive Limitations: Constraints on executive authority, which establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
c. Governance Process: Specification of how the Board conceives carries out and monitors its own task.
d. Board-EO Delegation: How Board expectations are assigned and properly monitored; the EO role, authority and accountability.

3.2.3 The assurance of organizational and EO performance.

3.3 POLICY: Board Code of Conduct (formerly BG-007)

The Board commits itself to ethical, lawful, and businesslike conduct including proper use of authority and appropriate decorum when acting as Board Members.

Accordingly:

3.3.1 SWMBH Board Members represent the interests of Southwest Michigan Behavioral Health. This accountability supersedes any potential conflicts of loyalty to other interests including advocacy or interest groups, membership on other Boards, relationships with others or personal interests of any Board Member. As a result, Board members will follow the SWMBH Conflict of Interest Policy (contained in Appendix ____.)
3.3.1.1 Conflict of Interest is defined as any actual or proposed direct or indirect financial relationship or ownership interest between the Board Member and any entity with which SWMBH has or proposes to have a contract, affiliation, arrangement or other transaction.
3.3.1.2 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.

3.3.2 Members will respect the confidentiality appropriate to issues of a sensitive nature including, but not limited, to those related to business or strategy.
3.3.2.1 Board Members shall comply with regulations relative to confidentiality of substance abuse services, and any other applicable privacy laws.

3.3.3 Members will be properly prepared for Board deliberation.

3.3.4 Member will support the legitimacy and authority of the final determination of the Board on any matter, without regard to the Member's personal position on the issue.

3.3.5 Members will read and seek to understand the SWMBH Compliance Plan and Code of Conduct.

3.3.6 The Board will use due care not to delegate substantial discretionary authority to individuals whom they know, or should have known through due diligence, have a propensity to engage in illegal activities.

3.3.7 Persons who have been excluded from participation in Federal Health Care Programs may not serve as Board Members.
3.3.7.1 If a Board Member believes they will become an excluded individual, that member is responsible for notifying the SWMBH Compliance Department. The Board Member is responsible for providing information necessary to monitor possible exclusions.
3.3.7.1.1 SWMBH shall periodically review Board Member names against the excluded list per regulatory and contractual obligations.

3.3.8 SWMBH Board members will establish, and encourage throughout its region, cultures that promote prevention, detection, and resolution of instances of misconduct in order to conform to applicable laws and regulations.
3.3.8.1 Members have a duty to report to the SWMBH Chief Compliance Officer any alleged or suspected violation of the Board Code of Conduct or related laws and regulations by themselves or another Board Member.
3.3.8.2 SWMBH Board Members shall cooperate fully in any internal or external Medicaid or other SWMBH funding stream compliance investigation.
3.3.8.3 Failure to comply with the Compliance Plan and Board Code of Conduct may result in the recommendation to a Participant CMH Board for the member's removal from the SWMBH Board.
3.3.8.4 Members will participate in Board compliance trainings and educational programs as required.

~~Members may seek advice from the Board Chairman or the SWMBH Chief Compliance Officer concerning appropriate actions that may need to be taken in order to comply with the Code of Conduct or Compliance Plan.~~
~~Reporting Suspected Fraud: SWMBH Board must report any suspected "fraud, abuse or waste" (consistent with the definitions as set forth in the Compliance Program Plan) of any SWMBH funding streams.~~

Commented [SR15]: If these statements are included in the Compliance policy, there is no need to repeat them here.

"Conflict of Interest" (Definition): means any actual or proposed direct or indirect financial relationship or ownership interest between the Board Member and any entity with which SWMBH has or proposes to have a contract, affiliation, arrangement or other transaction.

3.4 POLICY Annual Board Planning Cycle
To accomplish its job, in December of each year, the Board will adopt an annual calendar of work which (a) completes a thorough review of Accomplishments/Ends annually, (b) continually improves its performance through attention to Board education and deliberation, (c) formally reviews all Board Policies *for relevance*, and (d) sets primary strategic *exploration around Ends concerns and* strategic imperatives for a following 12-18 month period.

The calendar shall generally follow this sequence:

January- May Preparatory Strategic Planning Work

April-May: Environmental Scan and Strategic Imperatives Review with Board.

May- Board Retreat

July – 24 month strategic plan draft review of

- Mission
- Capital
- Market
- Growth
- Products
- Alliances

September- Budget Board review and approval.

December – approval of the annual plan of Board work.

3.5 POLICY: Board Chair Role (formerly BG-005)

The Chair shall be a specially empowered member of the Board who shall be responsible for ensuring the integrity of the Board's process and represents the Board to outside parties.

Accordingly:

3.5.1. The result of the Chair's job is that the Board acts consistently with its own rules and those legitimately imposed upon it from outside the organization.

1. Meeting discussion content will consist of issues that clearly belong to the Board to decide or to monitor according to Board policy.
2. Information that is neither for monitoring Board or enterprise performance nor for Board decisions will be avoided or minimized.
3. Deliberation will be fair, open, and thorough, but also timely and orderly.

3.5.2 The authority of the Chair consists in making decisions that fall within topics covered by Board policies on Governance Process and Board-Management Delegation, with the exception of (i) employment or termination of the EO and (ii) areas where the Board specifically delegates portions of this authority to others. The Chair is authorized to use any reasonable interpretation of the provision in these policies.

3.5.3 The Chair is empowered to preside over all SWMBH Board meetings with all the commonly accepted power of that position, such as agenda review, ruling, and recognizing.

3.5.4 The Chair has no authority to make decisions about policies created by the Board within *Ends* and *Executive Limitations* policy areas. Therefore, the Chair has no authority to supervise or direct the EO.

3.5.5 The Chair may represent the Board to outside parties in announcing Board-stated positions and in stating Chair decisions and interpretations within the area delegated to that role. The Chair may delegate this authority but remains accountable for its use.

3.6 POLICY: Board Committee Principles (formerly BG-010)

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and to not interfere with delegation from the Board to the EO. This policy applies to any

group that is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members. It does not apply to committees formed under the authority of the EO.

Accordingly, the Committees shall:

3.6.1 Assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have direct dealings with current staff operations.

3.6.2 Not speak or act for the Board except when formally given such authority for specific and time-limited purposes.

3.6.3 Not exercise authority over staff.

3.6.4 Be used sparingly and ordinarily in an ad hoc capacity.

3.7 POLICY: Board Committees (formerly BG-001)

A committee is a Board Committee only if *its* existence and charge come from the Board, *and it helps the board do its own work* regardless whether Board Members sit on the committee. Unless otherwise stated, a committee ceases to exist as soon as its work is complete.

Section 4: Board-Management Delegation

4.0 POLICY: Management Delegation (formerly BG-002)

The Board's sole official connection to the operational organization, its achievements and conduct will be through its chief executive officer, titled Executive Officer.

4.0.1 The Fiscal Officer and Chief Compliance Officer shall have direct access to the Board *on matters of internal audited compliance with Board policy*.

4.1 POLICY: Delegation Unity of Control (formerly BG-003)

Only officially passed motions of the Board are binding on the EO.

4.1.1 Decisions or instructions of individual Board Members, Officers, or Committees are not binding on the Executive Officer (EO) except in instances when the Board has specifically authorized such exercise of authority.

4.1.2 In the case of Board Members or Committees requesting information or assistance without Board authorization the EO can refuse such requests that require, in the EO's opinion, a material amount of staff time or funds, or are disruptive.

4.2 POLICY: Unity of Control (formerly contained in BG-007)

The CEO is the board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the board is concerned, is considered the authority and accountability of the CEO.

Accordingly:

4.2.1 Board Members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.

4.2.2 Members' interaction with the Executive Officer or with staff must recognize the lack of authority vested in individuals except when explicitly Board-authorized.

4.2.3 Members' interaction with public, press or other entities must recognize the same limitation and the inability of any Board Member to speak for the Board unless

provided in policy, *or specifically authorized by the board through an officially passed motion of the Board.*

4.2.4 Members' commenting on the agency and Executive Officer performance must be done collectively and as regards to explicit Board policies.

4.3 POLICY: Accountability of the Executive Officer (formerly EO-001)

The EO is accountable to the board acting as a body. The Board will instruct the EO through written policies or directives consistent with Board policies, delegating to the EO the interpretation and implementation of those policies and Ends.

Accordingly:

4.3.1 The Board will not give instructions to persons who report directly or indirectly to the EO.

4.3.2 The Board will not evaluate, either formally or informally, any staff other than the EO.

4.4 POLICY: Monitoring EO Performance (formerly EO-002)

Monitoring Executive Officer performance is synonymous with monitoring organizational performance against Board policies on Ends and on Executive Limitations. Any evaluation of EO performance, formal or informal, may be derived from these monitoring data.

Accordingly,

4.4.1 The purpose of monitoring is to determine the degree to which Board policies are being fulfilled. Information that does not do this will not be considered to be monitoring.

4.4.2 A given policy may be monitored in one or more of three methods with a balance of using all of the three types of monitoring:

- Internal report: Disclosure of compliance information to the Board from the Executive Officer.
- External report: Discovery of compliance information by a disinterested, external auditor, inspector or judge who is selected by and reports directly to the Board. Such reports must assess Executive Officer performance only against policies of the Board, not those of the external party unless the Board has previously indicated that party's opinion to be the standard.
- Direct Board inspection: Discovery of compliance information by a Board Member, a Committee, or the Board as a whole. This is a Board inspection of documents, activities or circumstances directed by the Board which allows a "prudent person" test of policy compliance.

4.4.3 Upon the choice of the Board, any policy can be monitored by any method at any time. For regular monitoring, however, each Ends and Executive Limitations policy will be classified by the Board according to frequency and method.

4.4.4 Each November the Board will have a formal evaluation of the EO. This evaluation will consider monitoring data as defined here and as it has appeared over the calendar year.

4.4.4.1 The Executive Committee, (Chair, Vice Chair, and Secretary), will take data and information from the bulleted documents below upon which the annual

performance of the EO will be evaluated. The overall evaluation consists of compliance with Executive Limitations Policies, Ends Interpretation and Ends Monitoring reports and supporting documentation, (as per the Board developed schedule), and follow through on Board requests, (what we ask for in subsequent meetings and what we want to see on the agendas).

For the performance review, the following should be documents given the Executive Committee at least one month prior (October)

- Minutes of all meetings
- Ends Monitoring reports for the past year along with the Ends Interpretation for each Ends Monitoring report
- Any supporting Ends documentation
- Ends Monitoring Calendar
- Other policies monitoring calendar

SWMBH Governance Audit *revised* applying the Policy Governance Principles

Submitted by Susan S. Radwan, Policy Governance Consultant
June 28, 2023

General Commentary

This governance audit involved the following reviews:
1. Review of the Policy Manual, with significant recommendations to reorder and revise the manual to align with the Principles of Policy Governance.
2. Review of the Bylaws to assure that the Board is adhering to the stated provisions.
3. Review of the Strategic Plan documentation to understand the Board's role in the development of the operational plan as well as understanding how Board policy drove the strategic imperatives.
4. Review of the Agendas for each meeting, assessing whether the Board fulfilling its differentiated role as designed in the Policy Governance Model.
5. Review of Minutes of each meeting in 2022 to understand the direction of some of the agenda items.
6. Review of Board packets for all 2022 Board meetings.

Each review conducted offered specific observations related to alignment with the Policy Governance model. This report contains commentary from each of the reviews listed. Because the Board packets, agendas and minutes follow a templated pattern, observations that apply to one item, generally apply to all like items.

Policy Governance is a systems approach to governing. To understand the system, the board needs access to see a whole and the inter-relationship of policies, the inter-relationship of all the Ends-related Metrics to assure the Ends as a whole are being achieved. In general, everything is fragmented.

- The policies are available only in a fragmented fashion and do not follow the formatting principles.
- Ends Metrics are presented in a fragmented form and not at all tied to the Ends policy language.

It appears that the staff members who are providing monitoring reports or who may have had a hand in the creation and archiving of the policy manual need to develop some understanding how their work is connected to the policy system and how the system works.

- The Monitoring approach needs to be tweaked so that a projection of results that the organization works to achieve is incorporated into the interpretation of policy. In is not evident that an interpretation of Ends exists with system-wide projected impacts on the consumer.

The Board does not appear to be engaged in delivering its own "job products".

- There is no indication that the Board is doing any ownership linkage activity to become the informed voice and agent of the Ownership as a collective body.
- There is no indication that the Board is doing any strategic exploration to advance the organization directionally, ultimately keeping Ends policies relevant.
- There is no indication that the Board has developed any policies in 2022. The only policy the board revised was the internal retirement policy plan.
    - There may be a need to right-size the EL policies, i.e. remove the limitation on real estate or on payroll since the process is systems driven.
- There is no indication that the board discusses as a whole body whether or not it is complying with its own Board Means policies. While all policies are being monitored by an individual, it appears that the board does not see this effort as a path for continuous improvement in governance.

SWMBH Bylaws Observations

Article IV: Regional Entity Board
4.1 **General Powers.** The business, property and affairs of the Regional Entity shall be managed by the Regional Entity Board in accordance with the Policy Governance Model as made explicit by Dr. John Carver www.carvergovernance.com.

*The board governs and delegates management of the operations to the EO. The provision would be more aligned with Policy Governance if it said **governed,** not managed.*

4.3 **Appointment.** *Since the Participant CMHSP Boards appoint members of the Regional Entity Board, it might be worthwhile for SWMBH to identify desirable criteria n appointed candidates. Governance research demonstrates that careful selection of Board members is the #1 concern of a high-performing board.*

4.5 **Removal.** *The Regional Entity Board is responsible for informing the relevant Participant board if there is a lack of participation or attendance by the Participant's appointed Board members. Does this really happen?*

4.12 **Conflict of Interest Policy.** *Members will annually disclose any conflicts of interest while serving on the Regional Entity Board. Completed; reported in April minutes.*

4.13 **Compliance with Laws.** *The provision requires that the Regional Entity shall develop such compliance policies and procedures to address applicable laws, such as Open Meetings and FOIA. While the Board Policy manual has a specific policy related to Open Meetings and FOIA, it seems a bit misguided and does not address the wider compliance with all relevant laws.*

4.14 **Alternates/Designees.** *In a well executed Policy Governance environment this provision poses many problems. The Board dynamic changes when even one board member changes. If you have alternates who are not following the train of thought on strategic issues OR do not understand the Policy Governance model, this provision disrupts the playing field significantly. The result is that the Board no longer governs because we have an uneven and uncommitted board. Because the EO is the only constant, the Board often loses the "right relationship" as the commanding authority, properly delegating to the EO. In Policy Governance, the Board's job is to be the informed voice and agent of the collective ownership.*

It is not clear what the role of the alternates is exactly. It appears their only role is to sit in the gallery to be informed of the operational reports.

6.5 Removal (of Officers): *Usually, the bylaws will give legitimate reasons for removal. The SWMBH bylaws do not. How would the board know whether they should invoke removal of an officer. There should be language such as no confidence, malfeasance, etc. It is also not clear that if an officer is removed, are they also removed from representing the Participant entity? Or are they only removed as an officer but remain on the board?*

6.6 Chair: *In Policy Governance, the role of the Chair is to assure the integrity of governance which is beyond simply presiding over meetings. It means that the whole board comply with the fiduciary duties of care, loyalty and obedience. It also means that the Board operate in compliance with its bylaws and Board policies. Language should be added here to address assuring the integrity of governance.*

6.7 Vice Chair: I do recommend that the Vice Chair be the champion of Board orientation so that all participants understand the model of governance that defines the culture of the Board.

6.8 Secretary: *It is not enough that the minutes are recorded, but the Secretary shall assure the integrity of meeting documentation….in other words, accurately recorded in writing and preserved.*

Article IX. Reports. *The bylaws should indicate when the annual report is due to each participant.*

Article XI. Administration. *Most of the provisions in this section seems to belong in the Participant agreement. The detail of allocations is not about the rights of Participants, as the bylaws are intended to define.*

11.1.6 Accountability of Funds. *This provision should be in the Board Policy Manual not in the bylaws.*

11.1.2 Capital and Operating Costs. *Typo in line 6…principle should be principal.*

11.1.8 Risk Management. *This provision requires a Financial Risk Management Plan that is approved by the Regional Entity Board. Does it exist?*

11.2 Other Administration Activities. *This committee undermines the delegated authority of the EO in a Policy Governance world. It is appropriate that IF the EO wants to have a consultation committee, that would be acceptable, but it is at the request of the EO with a clear scope of concern defined.*

SWMBH Policy Observations for Board Consideration

(See the Policy Manual Uninterrupted to demonstrate the Policy Manual as one whole document.)

1. Policies, as currently archived, fragment the nature of the policy manual which is an interdependent system. The Board cannot refer easily to relevant policies to guide their actions, nor can they easily see the interaction among the policies which is important as they review monitoring reports and bring new concerns to the board's attention.

2. The policy manual does not capture the umbrella nature of the Global Policies. For example, the Global Executive Constraint which is number BEL-009 is an umbrella to all other BEL policies. Anything not covered explicitly in the subsequent policies IS covered by the umbrella nature of this policy.

3. There is no added value in the purpose statement that heads up each policy. Recommend deletion.

4. What is identified as *Standards* are actually lower level policies to the broader statement. These policies are intended to be the Board's further interpretations of the language in the broader policy which in turn limit the range of EO interpretation.

5. In the Executive Limitations, the lead in statement says, "Accordingly, the Executive Officer may not….." However, in Executive Limitations, the lead in should be more like, "This includes but is not limited to…" This language allows for other interpretations of the language in the broader policy rather than limit it to the explicit lower level policies. Carver's original language in this place was, "Further, without limiting the scope of the foregoing by this enumeration, he or she shall not:…"

6. There is no need to repeat bylaws language in the policy manual. The Bylaws are a stand alone legal agreement between the members and the organization. The board should be as familiar with the bylaws as they are with the Board policy manual.

7. RE: Ends
   - Ends are never about what the organization itself, but rather they focus on the intended impacts on the beneficiaries.
   - Ends should begin with a global statement which encompasses all the lower level policies.
   - The Ends as identified are not clear about who is the direct beneficiary of SWMBH.

- The Ends do not identify at what cost or what worth to the organization we achieve the Ends.

I recommend a reformatting to align with Policy Governance formatting. To illustrate:

Current Ends

1. Quality of Life
   Persons with intellectual & developmental disabilities, serious emotional disturbance, autism spectrum disorders, serious mental illness, and substance use disorders in the SWMBH region see improvements in their quality of life and maximize self-sufficiency, recovery, and family preservation
2. Exceptional Care
   Persons and families served are highly satisfied with the services they receive
3. Improved Health
   Individual mental health, physical health and functionality are measured and improved •
4. Mission and Value Driven
   CMHSPs and SWMBH fulfill their agencies' missions and support the value of the public behavioral health system
5. Quality and Efficiency
   The SWMBH region is a learning agency where quality and cost are measured, improved, and reported

Ends (Proposed to align with PG Philosophy)

1.0 Global End

SWMBH is a fiduciary for state and federal funds that exists to assure that member agencies create environments where persons with intellectual & developmental disabilities, serious emotional disturbance, autism spectrum disorders, serious mental illness, and substance use disorders in the SWMBH region see improvements in their quality of life and maximize self-sufficiency, recovery, and family preservation, *at the cost of efficient stewardship of resources available.*

Furthermore, Member Agencies:

1.1 Assure that persons and families served are highly satisfied with the services they receive

1.2 *Measure and track improvement for i*ndividual mental health, physical health and functionality

1.3 Fulfill their agencies' missions and support the value of the public behavioral health system

1.4 Learn from each other, the data collected and the metrics that are tracked and reported.

8. RE: Executive Limitations
   - BEL-002 The purpose statement is the actual Financial Planning and Budgeting policy. The Financial Conditions and Activities policy governs the day-to-day transactions of the organization.
   - RE: BEL-002.9. Executive Limitations policies NEVER needs to speak to Board authorization or approval. The nature of Executive Limitations is that they limit the unilateral authority of the EO. As a result, the EO cannot do anything beyond the statements without explicit board approval.

- BEL-005 Do these policies actually relate to Plan Member Treatment?
- BEL009 is the Global Policy but it is combined in an odd way with a board means policy. As the global policy it should be the first policy to appear in the Executive Limitations Section of policy. It acts as the umbrella to all successive ELs. All other ELs are further definitions of what the board deems as imprudent or unethical.
- BEL-010 re: MCHE is completely out of format with PG Principles. Most of this policy is about communication to the board. I am debating whether it belongs in the Board-Management Delegation Section OR to institute a new EL regarding Relationships with the External Environment. But I cannot locate any info about what this organization is or who it is intended to serve. I need more information to make a determination on where it goes.
    - In the uninterrupted policy manual, I put the reporting to the board provisions in Communication and Support to the Board and the budget of $5000 belongs in Financial Conditions and Activities.

9. RE: BG-001 The policy as stated opens the door for the Board to appoint operational committees. Board committees are appointed to help the board do its own work. The EO, not the board, has the authority to appoint operational committees. When the board appoints operational committees, it undermines the accountability of the EO and violates the delegation of operations to the EO.

10. BG-002 Under what circumstances should the Board have access to the fiscal officer and Chief Compliance Officer. Let's be clear about that. It is clear that these positions report to the EO. What is the interest of the Board for them to have access?

11. BG-004 The policy as written violates the principles of Policy Governance, specifically regarding approving interpretations and adopting Ends Metrics. In practice, the board only accepts an interpretation and the metrics IF deemed reasonable. The metrics decisions are in the realm of the EO to choose what metrics will demonstrate that the system is working as interpreted. The EO "owns" these features as part of developing reasonable interpretations.

    Eliminating that language leaves the policy without purpose since it is in the Board's job description to determine Ends.

12. BG-005 No need to say the Board will abide by the bylaws. We already cover that in board means policies. No need to quote verbatim from the bylaws.

13. BG-008 Orientation. It would be more important to offer a live remote briefing on Policy Governance which is the board's job than a briefing on functional areas which are operational and under the EO's control. The functional area type of briefing opens the door to undermining the EO's authority over operations and staff relationship with Board members.

14. BG-011 #7 & 8: Following the conflict of interest policy is covered under the Board's Code of Conduct. No need here.

15. BG-012 Open Meetings Act and Freedom on Information Act. We have already said in Board Code of Conduct that the board must act lawfully. This includes Open Meetings and FOIA. No need for this policy in the Board Policy Manual. The bylaws requires that the Board create policies and procedures regarding lawful activity. I suggest that a policy be

developed regarding a grievance against a Participating member who may be violating the law with procedures broadly covered in the Policy Manual.

16. There does not appear to be a global Governance Process Statement which defines the governing role of the board on behalf of its members.
    I propose the following:
    POLICY 3.0 The purpose of the Board who are stewards of funding available on behalf of Plan Members is to see to it that SWMBH achieves appropriate impacts for its direct beneficiaries at an appropriate value and to assure that the organization avoids unacceptable situations and risks.

Observations: SWMBH Strategic Plan 2023-2025

The plan has 11 Strategic Imperatives listed, but how do these relate to Ends. There should be a direct line between strategic initiatives and Ends. The choice of programs and services belongs to the EO, as the interpretation of Ends. When you tie the Strategic Imperatives directly to Ends, then the Board can see the priorities of allocations to achieve Ends.

As a point of best practice in Strategic Planning, the Plan should revolve around strategies, rather than a list of goals to achieve. Because disruptions over the next few years are inevitable, how will the priority strategies carry the organization forward, through the disruptions? The EO interpretation of the Ends can then identify the key success measures and metrics for achievement.

In Policy Governance, the EO owns the strategic plan, not the board. The strategic plan is operational in nature and under the scope of delegation from the Board to the EO. The plan, developed by the operational team, should be directly tied to achieving progress on the Ends.

It is recommended, however, that the Board create its own Annual Plan of Work, defining a topic of shared concern for strategic exploration that could result in policy development, usually an Ends amendment.

Observations re: Minutes

Best practice in minutes recording is as follows:
1. There is no need to identify who made the motion and seconded it. Once seconded, the board owns the motion and consequently identification of the mover and seconder is superfluous.
2. The minutes should identify the exact motion made.
3. The range of discussion should be identified to communicate the sense that the board is complying with its fiduciary Duty of Care.

Embedded below is a chapter from “the Association Law Handbook” by Jerald Jacobs describing the modern approach to recording minutes.

Minutes of Meetings Article.pdf

March 2022 Minutes
When the Board is reviewing Monitoring reports, there are two questions for the board to answer: 1. Does the board accept the interpretation of the policy as reasonable? and 2. Does the data demonstrate compliance with the interpretation?

The concept of interpretation is an operational definition of the policy. In other words, how have we operationalized this policy inside our system? The EO also needs to give the rationale for why the board should see this as a reasonable application of the policy. Further, the interpretation includes the data track to be used to demonstrate that the system application is achieving organization-wide results. This data track may also need to be justified as to why the board should see it as a reasonable measure of performance in alignment with the policy interpretation. This is the interpretation that the board should determine as reasonable or not – for each lower level policy as well as the broadest policy.

Then, finally verifiable data, pulled from the data track, is presented to demonstrate performance in alignment with the interpretation.

The minutes do not show that the board questions the reasonability of the interpretation. They are only judging compliance. In Ends monitoring, the board should be assessing reasonable achievement of the Ends.

I note that the Policy BG-006 indicates that proposed Ends Metrics and final reports are proposed to the Board throughout the year, passed upon a Board- approved reporting calendar. My question is…what does the board do with that information? Do they pre-approve the metrics? If so, that would not be in alignment with Policy Governance. If the Board approves the proposed metrics, they own them, thus undermining the EO’s ability to change the metrics as appropriate.

April 2022 Minutes
The Board found that the survey was adequate to show compliance with A and C. But what is the follow up when a piece of the report is NOT compliant? This presents a governance gap.

Remove National Committee on Quality Assurance (NCQA) as an Ends Metric
Belonging to an organization is not a metric that shows results. It is not an Ends Metric.

What is the process **to review if the board is in compliance with its own Board means** policies? I see that individuals give a report and make a recommendation for compliance. Is there any discussion in case others might see it differently?

- The Board's appointment of the Operational Committee does in fact violate BG-010. The Operational Committee is not helping the board do its work. It is designed to advise the EO. This is not in alignment with Policy Governance principles.

Board Education. What was the nature of the discussion that followed the presentation? A few bullet points would be advised to indicate the direction of the discussion.

It is noted that in the meetings of first quarter 2022, none of the meetings had 100% attendance. Is board attendance a problem? Is the presence of the all staff overwhelming to the board? Is attending the meetings a good use of staff time?

May 2022 Minutes
As noted, when you don't have a quorum, the board cannot make any decisions or take any votes. You can, however, present reports and hold discuss issues. But all decisions need to be made when there is a quorum.

June 2022 Minutes
What is the nature of the Conflict of Interest with Mr. Csokasy? Such conflicts could be mitigated by having an additional conflicts of interest policy wherein the Board member must declare the specific conflict in the context of a specific board agenda item.

To be clear about Conflicts of Interest, the real concern is when the board is addressing a matter of a contract and the individual who has a vested interest in that contract award is participating in the determination of who gets the contract. This situation is a violation of the Fiduciary Duty of Loyalty. IF the board actually has delegated operations, the EO is the one who makes that award decision. So the Executive Limitations policies may need a Conflicts of Interest policy to apply to the operational decision-makers as well as the board.

Motions made without a vote recorded in the minutes:
Audit Report Fiscal Year 2021
2022 Operations Committee Self-Evaluation Report
2022 Operations Committee Self-Evaluation Report

August 2022 Minutes
Same as above re: conflicts of interest

Board Actions to be Considered
Revised SWMBH Policy BEL-007 Compensation and Benefits
There is no indication in the minutes of what the revised policy is.

September 2022 Minutes

Resolution Honoring Representative Fred Upton
Brad Casemore reported as documented.
Motion Erik Krogh moved to adopt the resolution as presented.
Second Louie Csokasy
Motion Carried

What is the resolution? It should appear in the minutes.

Executive Limitations Review: *On what basis is this review occurring? Is the whole board reviewing the reports? Is there any discussion of the interpretation or data provided?*
BEL-002 Financial Conditions Louie Csokasy stated that he is actively working on the review of the policy and corresponding documents and asked to move this review to the October Board meeting. Board agreed.
BEL-004 Treatment of Staff Ruth Perino reported as documented. Motion Ruth Perino moved that the Executive Officer is in compliance with Policy BEL-004 Treatment of Staff and the policy does not need revision.
Second Tom Schmelzer
Motion Carried
BEL-009 Global executive Constraint Susan Barnes reported as documented. Motion Susan Barnes moved that the Executive Officer is in compliance with Policy BEL-009 Global Executive Constraint and the policy does not need revision. 3 Second Erik Krogh Motion Carried

Note: Monitoring process might have room for improvement. Has it ever been discussed that perhaps the whole board should be involved in monitoring rather than a single person?

Communication and Counsel to the Board
Could this policy be better served as a written report to the board rather than a verbal update?

Board Packets

Operations Committee Report: *What is the value of the minutes of that monthly report of the board? If it doesn't add value, why is it included?*

January 2022 Agenda

152 pages of content seems excessive for a monthly meeting. Is the whole board processing that much information? Has there been any discussion around whether the board packets demonstrate compliance with Policy BEL-008, Standard #6? "Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation and other."

Ends Metrics Updates (*Requires motion)
Is the Data Relevant and Compelling? Is the Executive Officer in Compliance? Does the Ends need Revision?

The questions offered here are not complete. Critical to note is whether the Interpretation offered is reasonable, and whether the data shows compliance with the interpretation.

What is the purpose of the QAPIP Overview? Is it Board education? Is it related to policy in any way?

March 2022 Agenda

What board action is required for the budget updates, financial management plan, cost allocation plan or financial risk management plan. If anything, these should be under Communication and Counsel to the board. Because each of these reports are operational in nature, I fail to understand why the board needs to act on these reports. They are not framed as monitoring reports related to the BEL policies.

RE: Board Education – Does the staff or board determine what they need education on? The majority of these items are operational in nature…Board education could also be used for strategic exploration. For example, the House Dems Listening Tour report could be used by the Board to determine possibilities for Ends exploration.

Ends Metrics Updates:
Ends metrics should be focused on outcomes, not activity results. In the Opioid health Homes Program, what is the expected outcome? Your Ends interpretations should have a projected result, then the data should demonstrate that we achieved that result. Beware however, where possible, impacts should be the focus o projected results, not activity such as how many participants. Raw numbers mean nothing. What is the % of whole involved in treatment? What is the projection for retention in the program? What is the intended outcome of participation in the program? And how did we fare on that projection?

April 2022 Agenda

How do the Ends Metrics relate to the Ends? Where is the interpretation that demonstrates how it all connects together? You have five ends. Which of these does the survey relate to? It may be better to present all the Ends metrics in one integrated report, explicitly tying the data tracks and actual data to the Ends policies.

RE: Withdrawal from National Committee on Quality Assurance as an Ends Metric
"*Given the current circumstances; with SWMBH's withdraw from the MHL Demonstration Project. SWMBH is respectfully requesting that the Board allows/approves the removal of the above metric language from the approved 2022-2023 Board Ends Metrics."

The Board approving the metrics for Ends monitoring violates the principle of Any Reasonable Interpretation. The EO has the authority to change interpretations at any time. It is not the role of the Board to approve any interpretation. The role of the board is to examine the interpretation of Ends as reasonable of not. IF found to be reasonable, the Board ACCEPTS the interpretation as reasonable, followed by a determination of whether the Board finds the accompanying date to demonstrate achievement in alignment with the projections of performance included in the interpretation.

Board Education
Has the board asked for a financial report monthly? Unless the financial activity report or budget is on schedule for monitoring, the financial and budgeting reports are FYI for the board. In general, if the board desires a monthly financial report, that ask should be identified in the Communication and Support to the Board policy. But the board should also be clear that they are not monitoring performance on the financials, it is merely an FYI, with no action required.

June 2022 Agenda

Resolution re: Retirement Savings Plan
In this resolution, the board appointed an operational committee to oversee the retirement plan, consisting of the CEO, the CFO, and the Chief Administrative Officer. This resolution violates the board policy on committee structure (BG-010) and the delegation of operations to the EO.

August 2022 Agenda

Autism – Applied Behavior Analysis Board Ends Metric
What is the justification for 53% of parents receiving training? Why should the board think 53% is a reasonable metric?

Policy Change on BEL-007
4. Establish or change retirement benefits so the retirement provisions:
   a. Cause unfunded liabilities to occur or in any way commit the organization to benefits that incur unpredictable future costs.
   b. Provide less than some basic level of benefits to all full-time employees. Differential benefits which recognize and encourage longevity are not prohibited.
   c. That are instituted without prior monitoring of these provisions.
   d. Make revisions to Retirement Plan documents without prior Board approval.
   e.Implement employer discretionary contributions to staff without prior Board approval

Comment: Neither policy d or e is necessary because the broader policy already prohibit plan changes unilaterally by the EO. Additionally, if there is a prohibition identified, the policy NEVER has to say "without board approval". The fact that the EO is prevented from making those unilateral decisions requires the board to waive the policy to make the changes…that can only be done by the Board.

Policy Number: BEL007 Monitoring Report
Policy Name: Compensation and Benefits Board and Report
Date: June 10, 2022
In general the report is thorough, however, it lacks evidence of most statements. What evidence could be presented to prove that there is NO incidence of violation of the standards? Without evidence to prove the situation, you are asking the board simply to trust you. But the board needs to trust AND ***VERIFY****.*

As has been experienced in the network, sometimes EOs make claims that cover up the reality. That is why evidence to prove compliance is so important.

In my opinion, there is a need to do some staff training on constructing monitoring reports that can present variable evidence of compliance to the board.

September 2022 Agenda

Ends Metrics: *What End does the Follow-up after Hospitalization for Mental Illness relate to? What was the projection? Does the data meet the projected outcome?*

Executive Limitations Review:

BEL-004 Standard #2: EO Response: No retaliation against any staff member has occurred for any reason including but not limited to an expression of dissent as evidenced by an absence of staff complaints to management, Human Resources or outside agencies in this regard. No staff member has been discriminated against in any shape or fashion for expressing an ethical dissent as evidenced by the absence of verbal or written complaints by staff either internal or to external agencies. Monthly staff meetings include a call for agenda items and views, and there is a HR-confidential question and issue submission process.

How would the board know if this is true? Monitoring reports need to provide evidence beyond the EO's words. The Board needs to be able to verify if these are true statements.

November 2022 Agenda

List of SWMBH 2022 Accomplishments and Successes

This is an impressive list, but how does this all tie in to Board policy?

December 2022 Agenda

11. Communication and Support to the Board

The EO reported on revised policies BEL-002 and BEL-010. Only the board has the ability to revise policies. It is not clear in the board packet what was revised or why the revision was necessary, but IF the EO did these revisions, that would be an overstep.

Agenda Content Audit for Board Job Products

	Ownership Linkage	Policy Development	Assurance of Performance		
			Ends Monitoring	EL Monitoring	Board Means Policies Self-Assessment
Jan				BEL-003	BG-004 BG-005 BG-001
Feb No Meeting				BEL-001 Direct Insp	
Mar			ASAM Continuum Opioid Health Homes Program 2021 MI Mission-Based Performance Indicator System Results	BEL-001 Budgeting BEL-003 Asset Protect	
Apr			Consumer Survey		BG-006 BG-010
May No Quorum					
June		Retirement Plan Resolution, however, this is internal policy.	Contractual Obligations Adherence	BEL-002 BEL-006	BG-011 BG-012
Aug		Rev BEL-007 but appears as an EO revision with no board input.	Applied Behavioral Analysis	BEL-007	EO-003 Emergency Success (This policy is partially misclassified)
Sept			Follow up after Hospitalization for Mental Illness	BEL-004 Treat Staff BEL-005 Treat Plan Members BEL-009 Global	

Oct			Home Adult Benefit Waiver Health Services Performance Measure Validation Results	BEL-002 BEL-008 BEL-005	BG-008
Nov			Fulfillment of Contractual Obligations – SUD/PIHP	BEL-010	EO-002 EO-001 BG-003
Dec			2022 External Quality Review Certified CBHC Demonstration Year Report 2022 health Services Performance Improvement Project	BEL-003	BG-005

Southwest Michigan
BEHAVIORAL HEALTH

Section: Board- Policy Global Board	Policy Number: BG-002	Pages: 1
Subject: Management Delegation	Required By: Policy Governance	Accountability: SWMBH Board
Application: ☒ SWMBH Governance Board ☐ SWMBH EO		Required Reviewer: SWMBH Board

Effective Date:	Last Review Date:	Past Review Dates:
11.18.2013	09.10.21	8.08.14, 08.14.15. 8.12.16, 8.11.17, 8.10.18, 08.09.19,08.14.20

I. **PURPOSE:**

To establish official connections with SWMBH Executive Officer and other SWMBH staff.

II. **POLICY:**

The Board's sole official connection to the operational organization, its achievements and conduct will be through its chief executive officer, titled Executive Officer. *The Fiscal Officer and Chief Compliance Officer shall have direct access to the Board.

III. **STANDARDS:**

*Verbatim from Bylaws: 7.1 Executive Officer. The Regional Entity shall have at a minimum an Executive Officer, and a Fiscal Officer. The Regional Entity Board shall hire the Executive Officer; and the Executive Officer shall hire and supervise the Fiscal Officer. Both positions shall have direct access to the Regional Entity Board

Southwest Michigan
BEHAVIORAL HEALTH

Section: Board- Policy Executive Limitations	Policy Number: BEL-009	Pages: 1
Subject: Global Executive Constraint	**Required By**: Policy Governance	**Accountability:** SWMBH Board
Application: ☐ SWMBH Governance Board ☒ SWMBH EO		**Required Reviewer:** SWMBH Board
Effective Date: 11.18.2013	**Last Review Date**: 09.09.22	**Past Review Dates**: 9.12.14, 9.11.15, 9.9.16, 8.11.17,9.14.18,9.13.19,09.11.20,09.10.21

I. **POLICY:**

The Executive Officer (EO) shall not cause or allow any practice, activity, decision, or organizational circumstance which is either illegal, imprudent or in violation of commonly accepted business and professional ethics or in violation of contractual obligations.

III. **STANDARDS:**

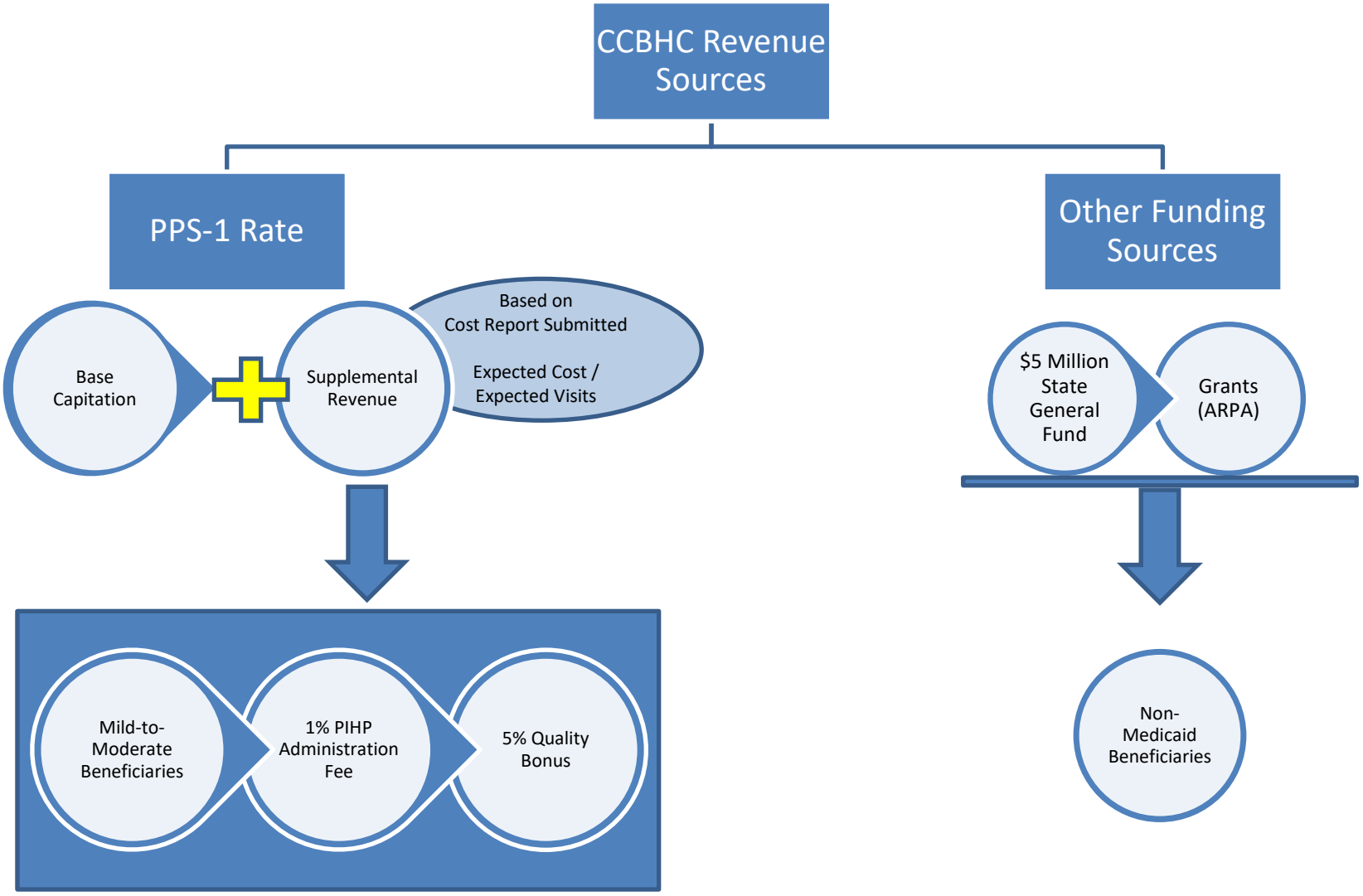
1. The EO is accountable to the Board acting as a body. The Board will instruct the EO through written policies or directives consistent with Board policies, delegating to the EO the interpretation and implementation of those policies and Ends.

Southwest Michigan
BEHAVIORAL HEALTH

For SWMBH and CCBHC's
CCBHC Financial Review
-DRAFT- Please do not circulate

73 July 14, 2023

CCBHC Funding Sources & Expenses



CCBHC Funding Sources

Monthly Funding

- Base Capitation
- Supplemental Capitation Amount

Quarterly Funding

ARPA Grant

- Region 4 weighted average based per non-Medicaid enrolled individuals

Annual Funding

General Fund

- Proportionally state-wide, based on non-Medicaid encounters

Quality Bonus Payment – 5% of Medicaid CCBHC Costs

PPS-1 Rate

- Monthly CCBHCs receive their monthly base capitation rate + supplemental Revenue (based on WSA enrollment)
- Annual reconciliation process occurs to ensure that PPS-1 rate for daily CCBHC encounters is received by the CCBHC
- T1040 (daily encounters) X PPS-1 Rate = Due to CCBHC
- CCBHC Revenues in excess of CCBHC expenditures are **LOCAL** funds to the CCBHC.

CCBHC Risk

- Base Capitation Payment
  - The base CCBHC payment, reflects the payment that would normally be made to the PIHPs regardless of the CCBHC Demonstration and is considered "**at risk**" per current policy to the PIHP.
- Supplemental Capitation Payment
  - The supplemental CCBHC capitation payment reflects the difference between the PPS1 rate and the amount in the PIHP's base capitation based on anticipated utilization of CCBHC services for Medicaid beneficiaries enrolled in the CCBHC benefit plan. The supplemental CCBHC payment is considered "**non-risk**" to the PIHP.

2022 CCBHC Base Capitation

Integrated Services of Kalamazoo

$16,494,614 of CCBHC MCD Base Capitation

\+ $3,370,939 of CCBHC HMP Base Capitation

$19,865,553 Total 2022 ISK Base Capitation

**32% of total Medicaid/Healthy Michigan Capitated Revenue*

St. Joseph CMHSAS

$3,322,906 CCBHC MCD Base Capitation

\+ $250,568 of CCBHC HMP Base Capitation

$3,573,474 Total 2022 St. Joseph Base Capitation

**26% of total Medicaid/Healthy Michigan Capitated Revenue*

2022 CCBHC Supplemental

Integrated Services of Kalamazoo

$16,496,537 of CCBHC MCD Supplemental

+ $3,371,619 of CCBHC HMP Supplemental

$19,868,156 Total ISK Supplemental

St. Joseph CMHSAS

$1,759,903 CCBHC MCD Supplemental

+ $439,430 of CCBHC HMP Supplemental

$2,199,333 Total St. Joseph Supplemental

2022 CCBHC Daily Visits

Integrated Services of Kalamazoo

74,016 Medicaid Daily Visits

+15,127 Healthy Michigan Daily Visits

89,143 Total Daily Visits

St. Joseph CMHSAS

17,370 Medicaid Daily Visits

+2,358 Healthy Michigan Daily Visits

19,728 Total Daily Visits

Fiscal Year 2022 CCBHC PPS-1 Rates

Integrated Services of Kalamazoo

$246.63 Base Rate

+ $199.10 Supplemental Rate

$445.73 Total PPS-1 Rate

St. Joseph CMHSAS

$221.35 Base Rate

+ $71.27 Supplemental Rate

$292.62 Total PPS-1 Rate

Fiscal Year 2022 Results

Integrated Services of Kalamazoo

CCBHC Funding

$39,733,709

CCBHC Service Cost

$19,991,231

CCBHC Surplus

$19,742,478

St. Joseph CMHSAS

CCBHC Funding

$5,772,807

CCBHC Service Cost

$5,145,145

CCBHC Surplus

$627,662

QUESTIONS?

Fiscal Year 2023(October 1, 2022- September 30, 2023) SWMBH Participant Community Mental Health Site Review Summary Results

Upstream Requirements

- **Managed Care Rules require the following (42 CFR §438.230):**
  - PIHPs remain ultimately responsible for adhering to and complying with the terms of their contract with the State;
  - All contracts between the PIHP and a subcontractor must be in writing and specify:
    - Any delegated activities or obligations, and related reporting responsibilities;
    - That the subcontractor agrees to perform the delegated activities in compliance with the PIHP's contract obligations;
    - A method for revocation of the delegation of activities or obligations, or specify other remedies in instances where the PIHP determines that the subcontractor has not performed satisfactorily;
    - That the subcontractor agrees to comply with all applicable Medicaid laws, regulations, including applicable subregulatory guidance, and contract provisions.
- **MDHHS-PIHP Contract**
  - SWMBH is held "fully liable" and retains "full responsibility" for the performance and completion of all Contract requirements, regardless of whether SWMBH performs the work or subcontracts.
  - SWMBH must "monitor the performance of subcontractors on an ongoing basis" including conducting formal reviews.
  - MDHHS contracts with Health Services Advisory Group (HSAG) to perform an External Quality Review (EQR) of the PIHPs annually, to assess compliance with contractual and managed care responsibilities.

Upstream Requirements

- **Enhanced Oversight & Monitoring**
  - HSAG EQR has become increasingly more robust and rigid.
    - Includes file reviews in delegated managed care functional areas.
    - Results in Corrective Action Plans that are monitored by HSAG and reported to MDHHS
  - MDHHS reorganization has resulted in increased MDHHS staffing devoted to monitoring and oversight of PIHP contract compliance.
    - Increased data requests from the PIHP system.
    - Increased MDHHS intimate involvement in various issues.
  - MDHHS-PIHP contract has had language added increasingly PIHP reporting obligations to MDHHS when a PIHP issues a Notice of Revocation of Delegated Functions or is otherwise monitoring corrective action of a CMH as it relates to delegated managed care functions.
    - PIHPs must notify MDHHS ten (10) days in advance of issuing a Notice to Revoke a delegated function or imposing other sanctions for inadequate or deficient performance.
    - PIHPs must submit quarterly reports to MDHHS of all subcontractor (CMH) noncompliance or deficiencies as it relates to delegated functions, a brief description of the deficiency, what action the PIHP took and is taking to resolve the issue including specific monitoring, and status updates on those efforts.

Subcontractual Relationships & Delegation

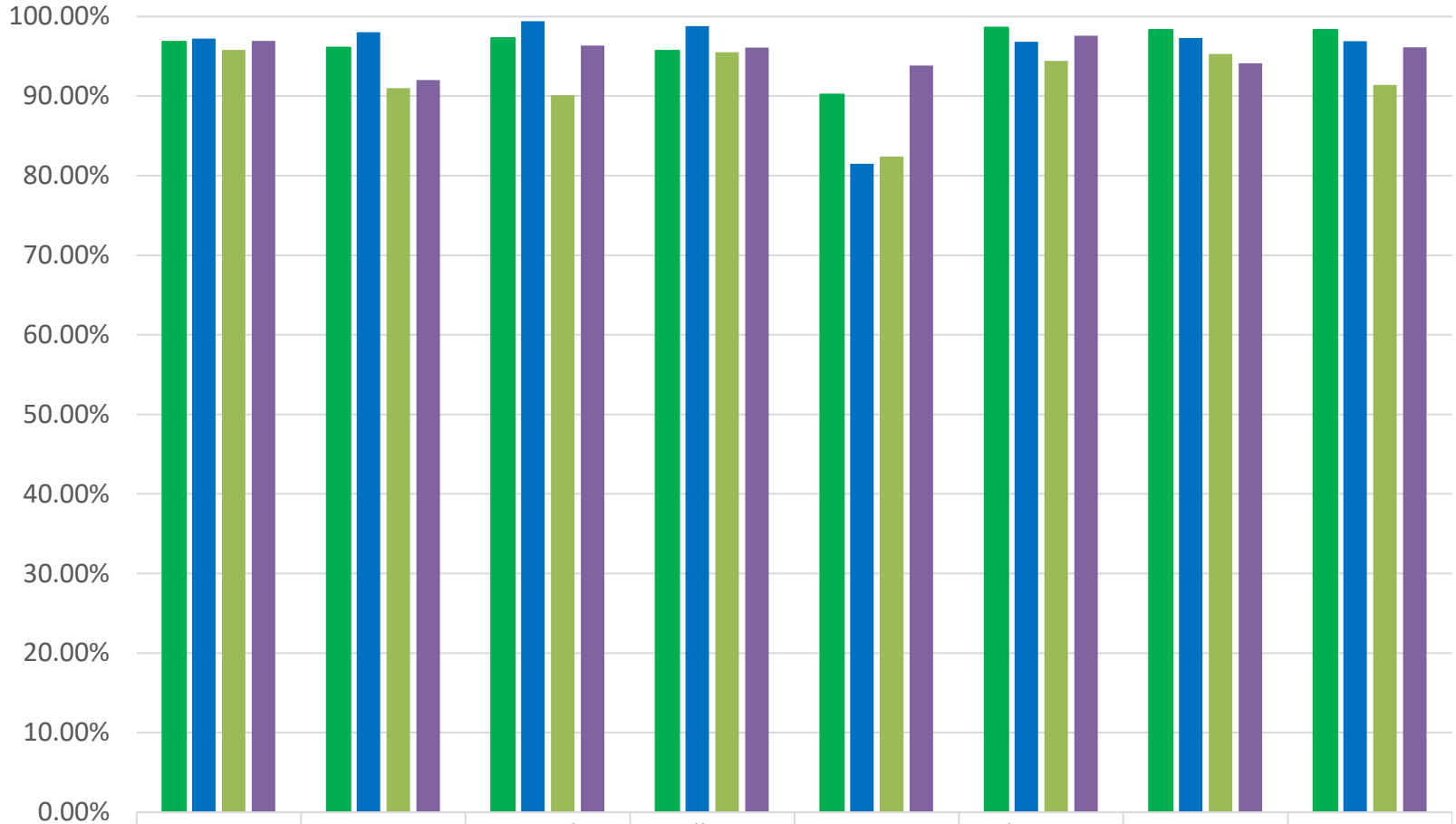
PIHP-CMHSP Monitoring

- Upstream requirements and enhanced oversight and monitoring necessarily flow downstream.
- Documentation in place to satisfy managed care and MDHHS-PIHP contract requirements for written agreements:
  - Written Delegation Memorandum Of Understanding with each participant CMHSP, which include specifics around delegated functions, reporting responsibilities, and corrective action and revocation steps.
  - Written contracts that further define requirements and monitoring.
- Annual Participant CMHSP Site Reviews
  - Monitor delegated managed care functions and contractual obligations.
  - Require Corrective Action Plans for identified deficiencies.
  - Monitoring schedule provided to CMH and used to monitor the implementation and effectiveness of CMH corrective action plans.
  - Annual Site Reviews are relied on heavily to show HSAG that SWMBH is meeting its contractual obligations by ensuring they are performed through its subcontractors.

CMHSP Site Review Process

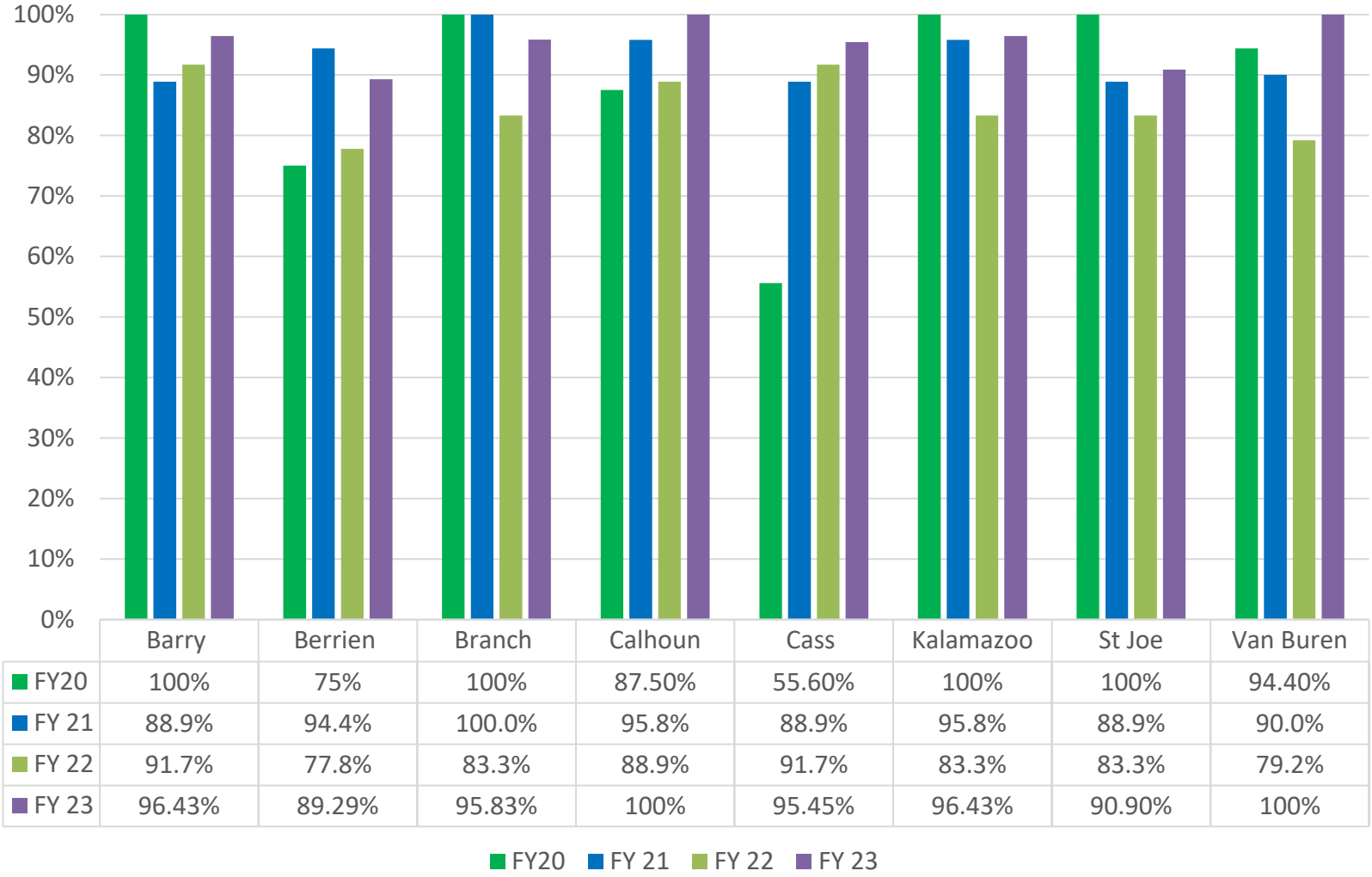
- Reviews delegated functions and contractual requirements
  - Any functions that are not in full compliance with MDHHS, 42 CFR § 438 (Managed Care), and SWMBH requirements require corrective action plans to be submitted by the participant CMHSP and approved by SWMBH
- SWMBH monitors select clinical programs each year for program and staffing fidelity, and adherence to MDHHS contractual requirements for specialty services
  - Clinical requirements not meeting 90% compliance require corrective action plans
- SWMBH monitors corrective action plan implementation at designated intervals to ensure it is occurring and assess CAP effectiveness at resolving identified deficiencies.
  - Moving to quarterly monitoring & oversight in certain functional areas (ABDs, Grievances & Appeals, etc.).

Delegated / Administrative Function Review Overall Scores by CMHSP



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St. Joe	Van Buren
Overall Score FY20	96.80%	96.10%	97.30%	95.70%	90.20%	98.60%	98.30%	98.30%
Overall Score FY21	97.2%	98.0%	99.4%	98.8%	81.5%	96.8%	97.3%	96.9%
Overall Score FY22	95.8%	91.0%	90.1%	95.5%	82.4%	94.4%	95.3%	91.4%
Overall Score FY23	96.91%	92.02%	96.35%	96.10%	93.83%	97.57%	94.14%	96.14%

Access and Utilization Management



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	100%	75%	100%	87.50%	55.60%	100%	100%	94.40%
FY 21	88.9%	94.4%	100.0%	95.8%	88.9%	95.8%	88.9%	90.0%
FY 22	91.7%	77.8%	83.3%	88.9%	91.7%	83.3%	83.3%	79.2%
FY 23	96.43%	89.29%	95.83%	100%	95.45%	96.43%	90.90%	100%

Access and Utilization Management

General Observations

- Across the region, Adverse Benefit Determinations (ABDs) were improved. Because the quarterly monitoring was already being completed for 7 of 8 CMHs based on FY22 site reviews and all CMHs attended the ABD training, no corrective action plans were required for counties falling below the 90% threshold. Quarterly monitoring will continue to monitor improvement.

- All CMHs submitted an InterRater Reliability (IRR) policy indicating annual LOCUS IRR was being completed; however, no CMHs were able to produce consistent show proofs or scores across multiple staff and the submissions received were more case consultative ensuring the appropriate Level of Care (LOC) was determined than ongoing IRR across clinical staff. This is another regional performance improvement being developed at the PIHP to bring to RUM for regional consistency for use across all UM and Clinical staff.

- CMHSPs that complete walk-in assessments MUST ensure there is a plan in place to allow individuals to set designated appointments, if requested. This is an access standard that must be followed, per MDHHS Access Standards. Access/Intake staff answering incoming phone calls require adequate training on how to handle these situations and there must be an internal process in place to accommodate appointment setting.

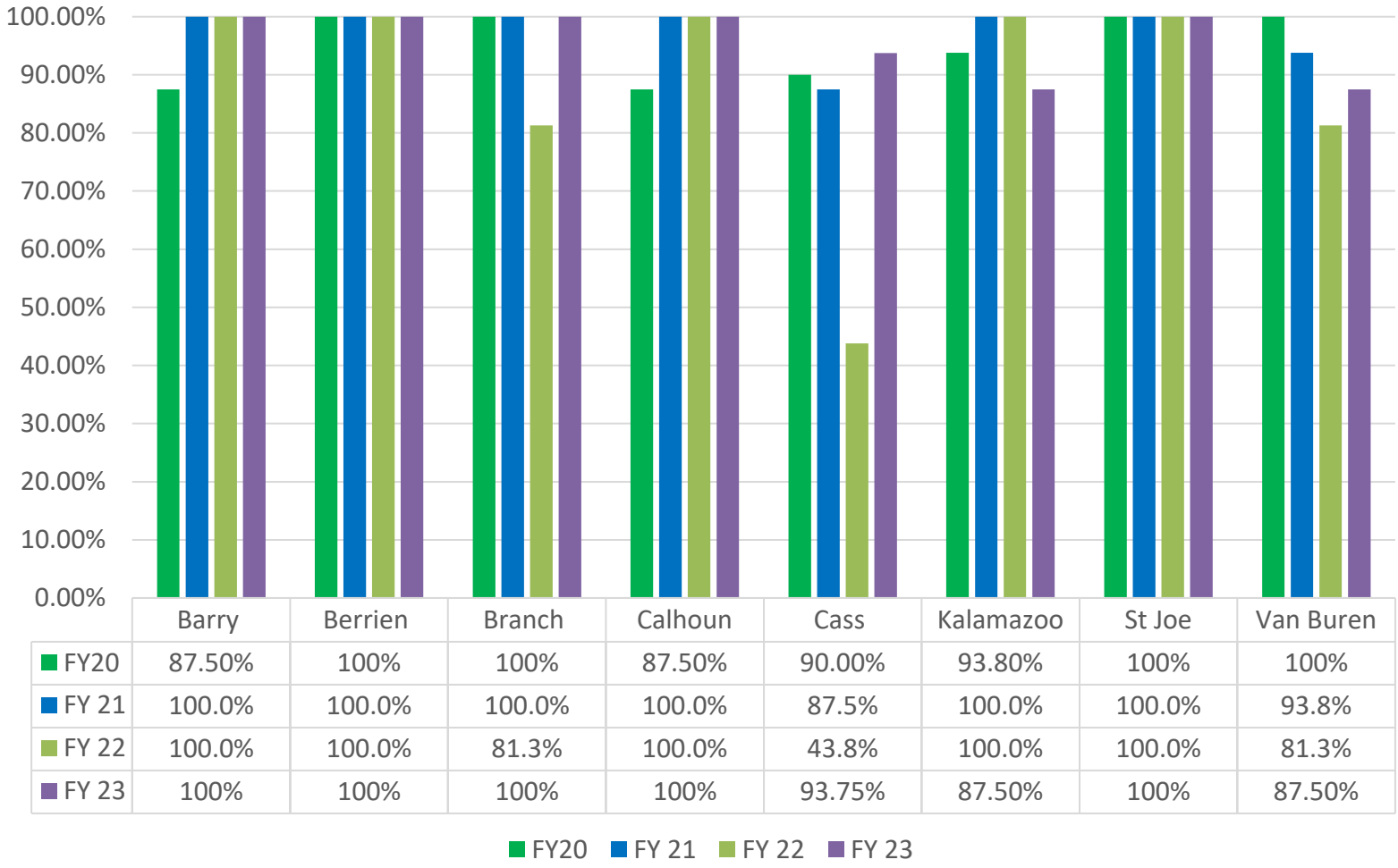
- Staff could improve through developing friendly, non-clinical language for explanations of services, intake processes, etc. A common theme noticed reviewing ABD letters and mystery calls was the difficulty staff had in providing adequate explanations and information that was needed in a non-clinical manner in letters and verbally during phone calls. Also, educate staff on questions to ask for better customer service. People calling to access services do not know what to ask for and it is imperative that access staff know the questions to ask to offer the best possible direction in a way they can understand.

- Develop a consistent approach when Adverse Benefit Determinations and 2nd Opinion Rights are being given to beneficiaries for access denials vs. diversions, to have uniformity across the region.

- Documentation, like UM Plans and Policies, should be reviewed and updated across the region for verification that most up-to-date terminology, definitions, references, etc. are current. SWMBH UM Director is willing to review/proofread policies/plans for the region and provide feedback, if requested; or allow CMHSPs to bring their plans and policies to RUM to request external eyes on documents for review.

- Access & UM quarterly monitoring will begin in July 2023. These samples will be pulled from the quarterly denial data already being submitted. The most current denial and 2nd opinion site review tools will be utilized for the samples pulled. Any changes made to the tool will be brought to RUM for transparency.

Claims Management



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	87.50%	100%	100%	87.50%	90.00%	93.80%	100%	100%
FY 21	100.0%	100.0%	100.0%	100.0%	87.5%	100.0%	100.0%	93.8%
FY 22	100.0%	100.0%	81.3%	100.0%	43.8%	100.0%	100.0%	81.3%
FY 23	100%	100%	100%	100%	93.75%	87.50%	100%	87.50%

Claims Management

General Observations

- Overall, site review results were positive across all 8 counties this year. There are still multiple counties having an issue with the requirement to send Explanation of Benefits (EOBs) to 5% of consumers on an annual basis. A solid timeline of when that will be done each year will help to improve compliance.

- Historic trends show that a CMH's results in this area typically decrease in the review that follows a CMH's change in EHR vendor.

Compliance Program

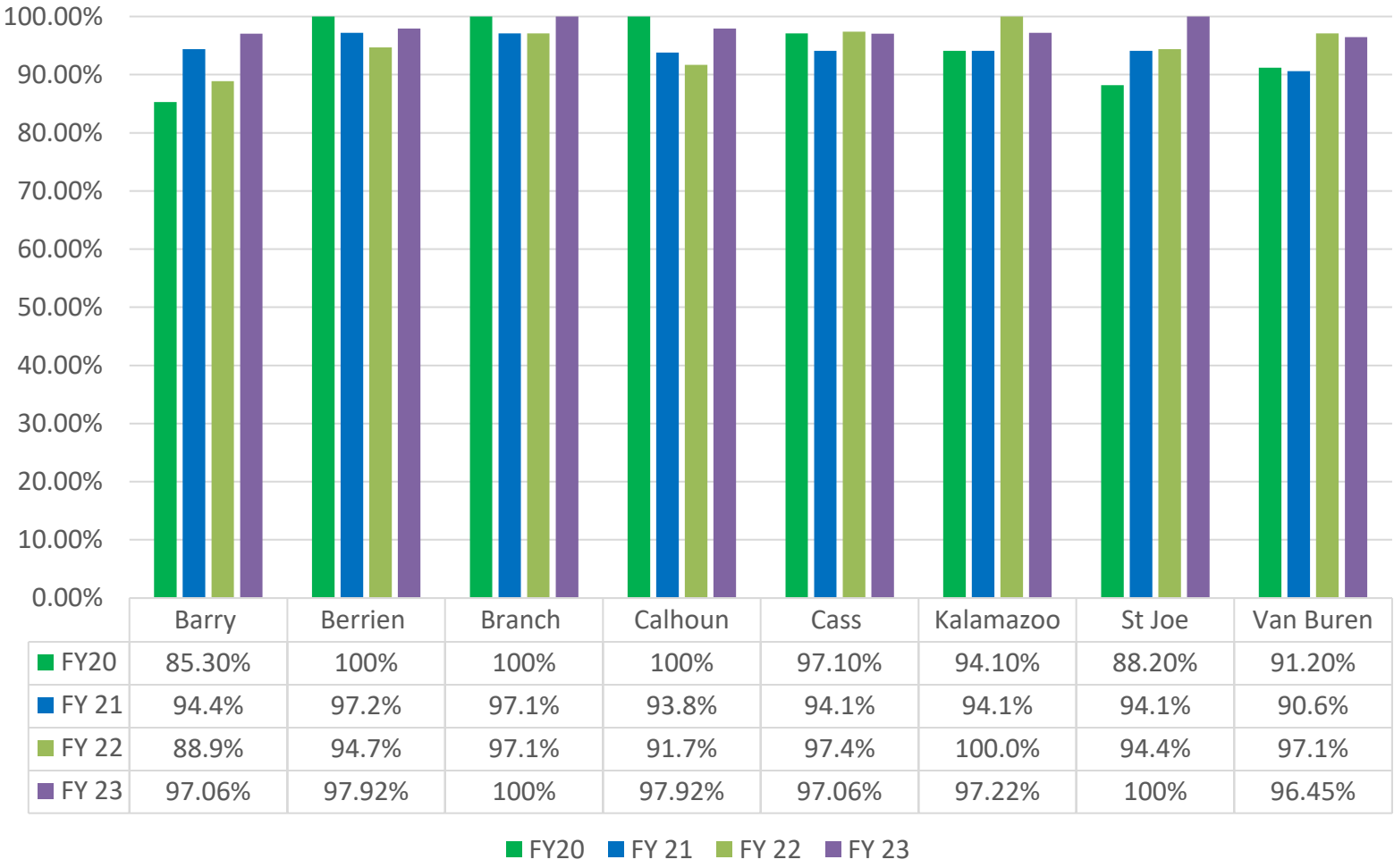
	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	100%	100%	100%	100%	100%	93.80%	100%	100%
FY 21	100.0%	100.0%	100.0%	100.0%	83.3%	100.0%	94.4%	100.0%
FY 22	93.8%	100.0%	94.4%	100.0%	83.3%	93.8%	100.0%	100.0%
FY 23	100%	100%	100%	100%	100%	100%	100%	94.44%

Compliance Program
General Observations

- Excellent communication and collaboration across the Region in the area of Program Integrity and Compliance.

- CMHs performed well in this area.

Credentialing & Re-Credentialing



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	85.30%	100%	100%	100%	97.10%	94.10%	88.20%	91.20%
FY 21	94.4%	97.2%	97.1%	93.8%	94.1%	94.1%	94.1%	90.6%
FY 22	88.9%	94.7%	97.1%	91.7%	97.4%	100.0%	94.4%	97.1%
FY 23	97.06%	97.92%	100%	97.92%	97.06%	97.22%	100%	96.45%

Credentialing & Re-Credentialing

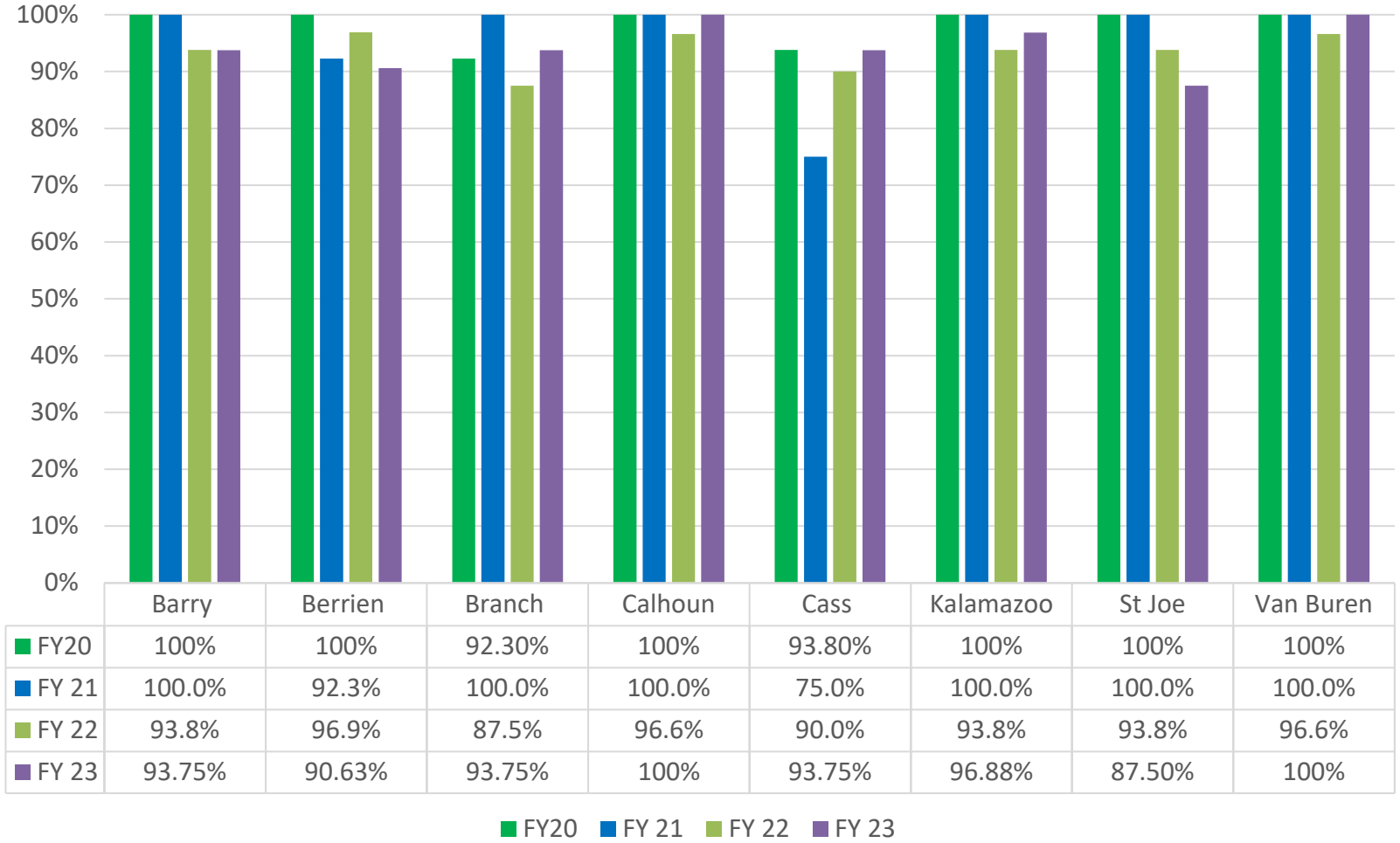
General Observations

- The feedback provided to CMHs during the FY22 review was implemented as evidenced by the general improvement in the quality of credentialing files review.

- Overall, credentialing and recredentialing files were well organized. The majority of CMHs incorporated the Regional Credentialing Application and Checklist.

- All CMHs included Quality Assurance items as part of recredentialing. This standard was consultative in FY22.

Customer Services



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	100%	100%	92.30%	100%	93.80%	100%	100%	100%
FY 21	100.0%	92.3%	100.0%	100.0%	75.0%	100.0%	100.0%	100.0%
FY 22	93.8%	96.9%	87.5%	96.6%	90.0%	93.8%	93.8%	96.6%
FY 23	93.75%	90.63%	93.75%	100%	93.75%	96.88%	87.50%	100%

Customer Services

General Observations

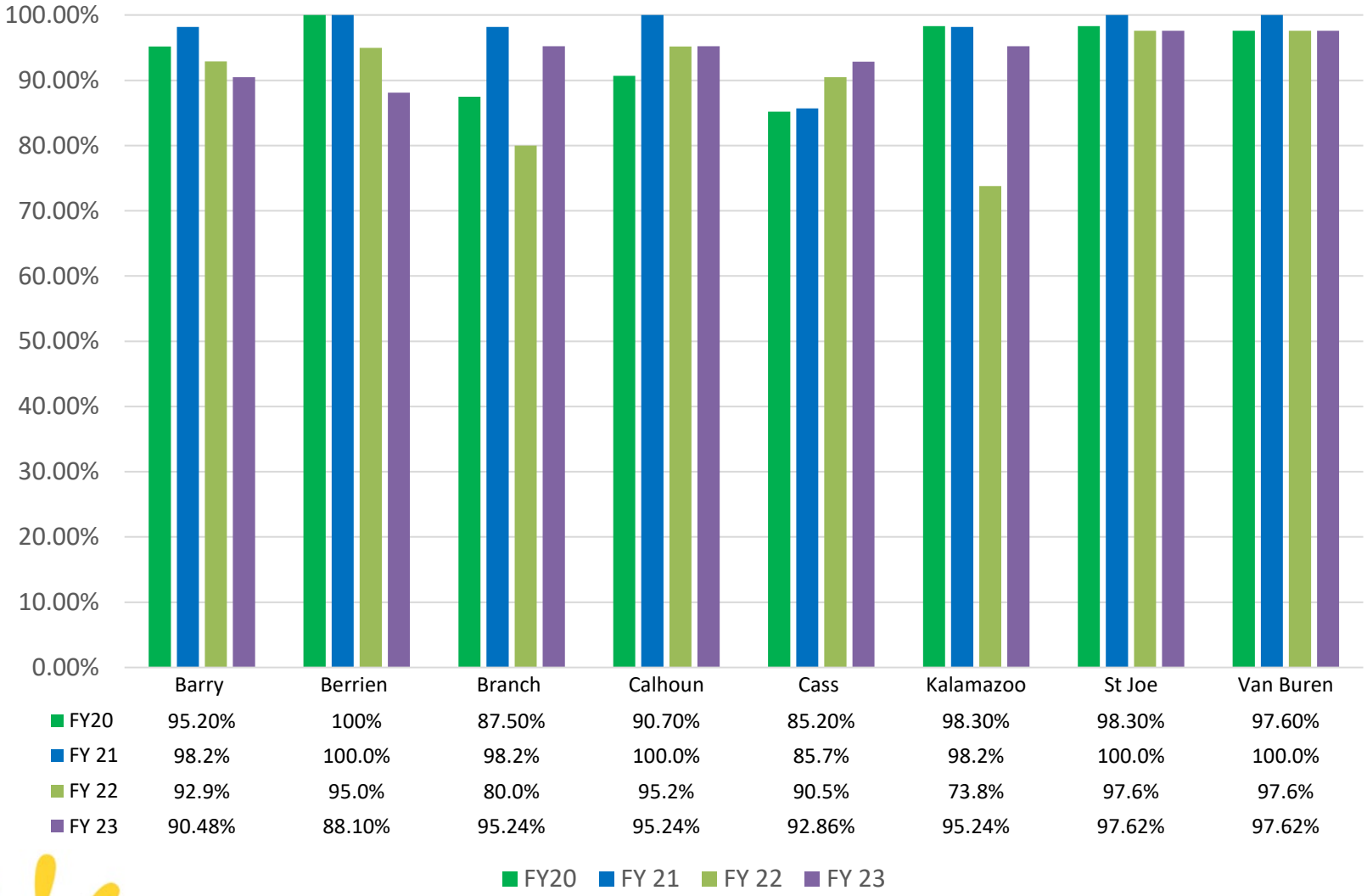
Top areas requiring CAPs or Recommendations:

- Regional opportunities to enhance the display of the TTY/MRC numbers on agency brochures, websites, and public informational materials. This has been an area of focus during annual reviews for a few years now.

- Policy language and implementation of materials being provided electronically. This is an area the federal regulations has enhanced in the last few years. Policy language needs to reflect when, how, where, and in what format the electronic materials will be offered/provided, including the SWMBH Member Handbook. Websites need to include the documents the CMH states they offer electronically as well as ensuring the links to the documents are active.

- Required taglines in conspicuously visible font were missing on member materials and websites. We are working with the Region to define what those taglines need to be and where they need to be included.

Grievances and Appeals



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	95.20%	100%	87.50%	90.70%	85.20%	98.30%	98.30%	97.60%
FY 21	98.2%	100.0%	98.2%	100.0%	85.7%	98.2%	100.0%	100.0%
FY 22	92.9%	95.0%	80.0%	95.2%	90.5%	73.8%	97.6%	97.6%
FY 23	90.48%	88.10%	95.24%	95.24%	92.86%	95.24%	97.62%	97.62%

Grievances and Appeals

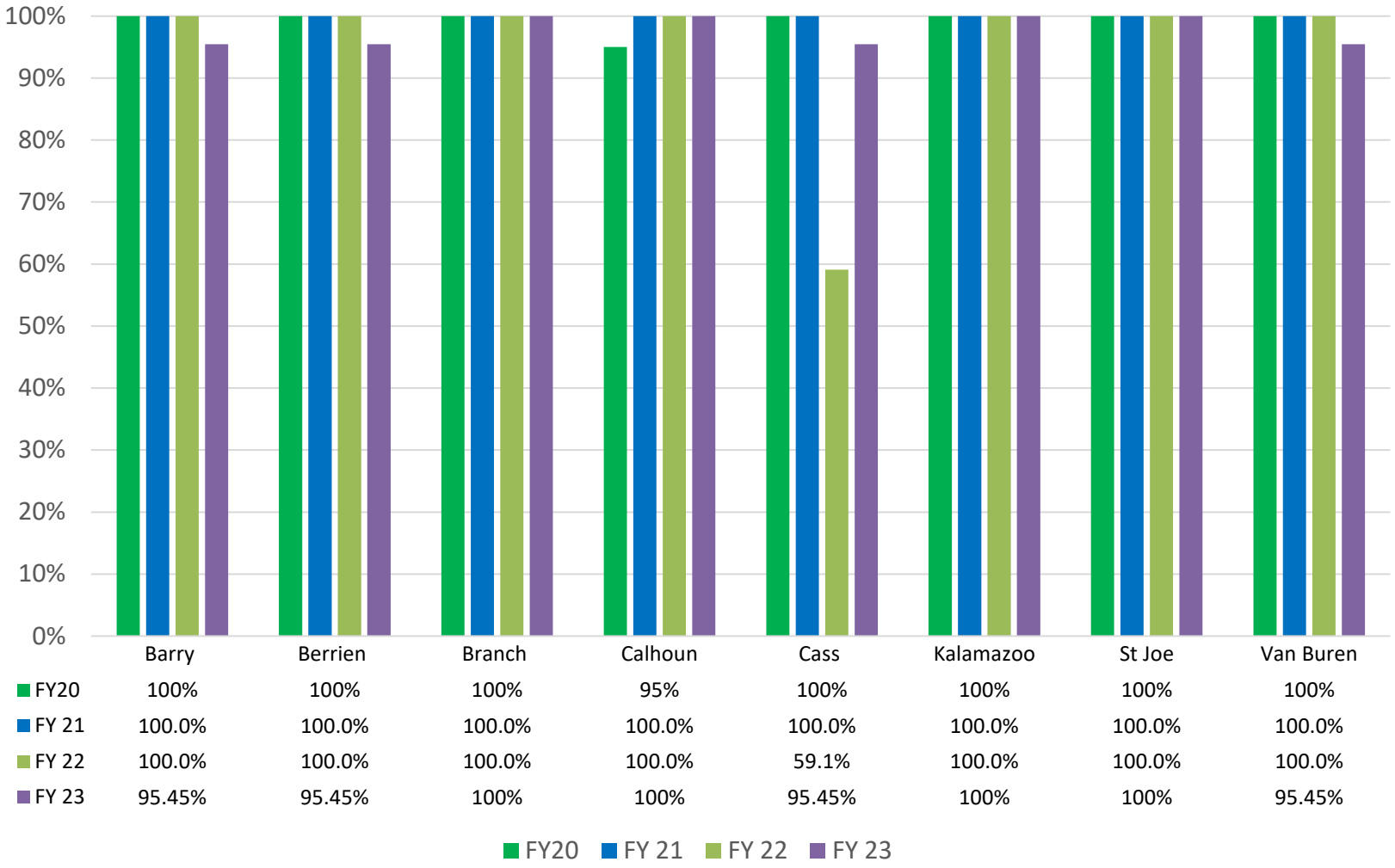
General Observations

Top areas requiring CAPs or Recommendations:

- The Region continues to struggle with getting the grievance and appeal acknowledgement and resolution letters to meet 42 CFR 438.10 i.e., "…in a manner and format that may be easily understood and is readily accessible by such enrollees and potential enrollees," meets the needs of those with limited English proficiency and or limited reading proficiency. We continue to see the use of acronyms, long sentence structures and multi-syllable words in the letters. We will monitor this area through quarterly monitoring of the G&A files.

- Overall documentation of the complaint/investigation is an area of opportunity for the Region as well. This is an area that HSAG focused on in 2022 and continues to focus on. Overall trends of areas of opportunity revolved around;
  - missing dates
  - results of review meetings for G&A
  - incomplete documentation of the reason for the complaint
  - incomplete documentation of investigation of the stated concern (i.e. - ORR referral or staff change only is not a resolution).
  - document the reviewer's name/credentials to support appropriate level of review for clinical complaints.

Provider Network

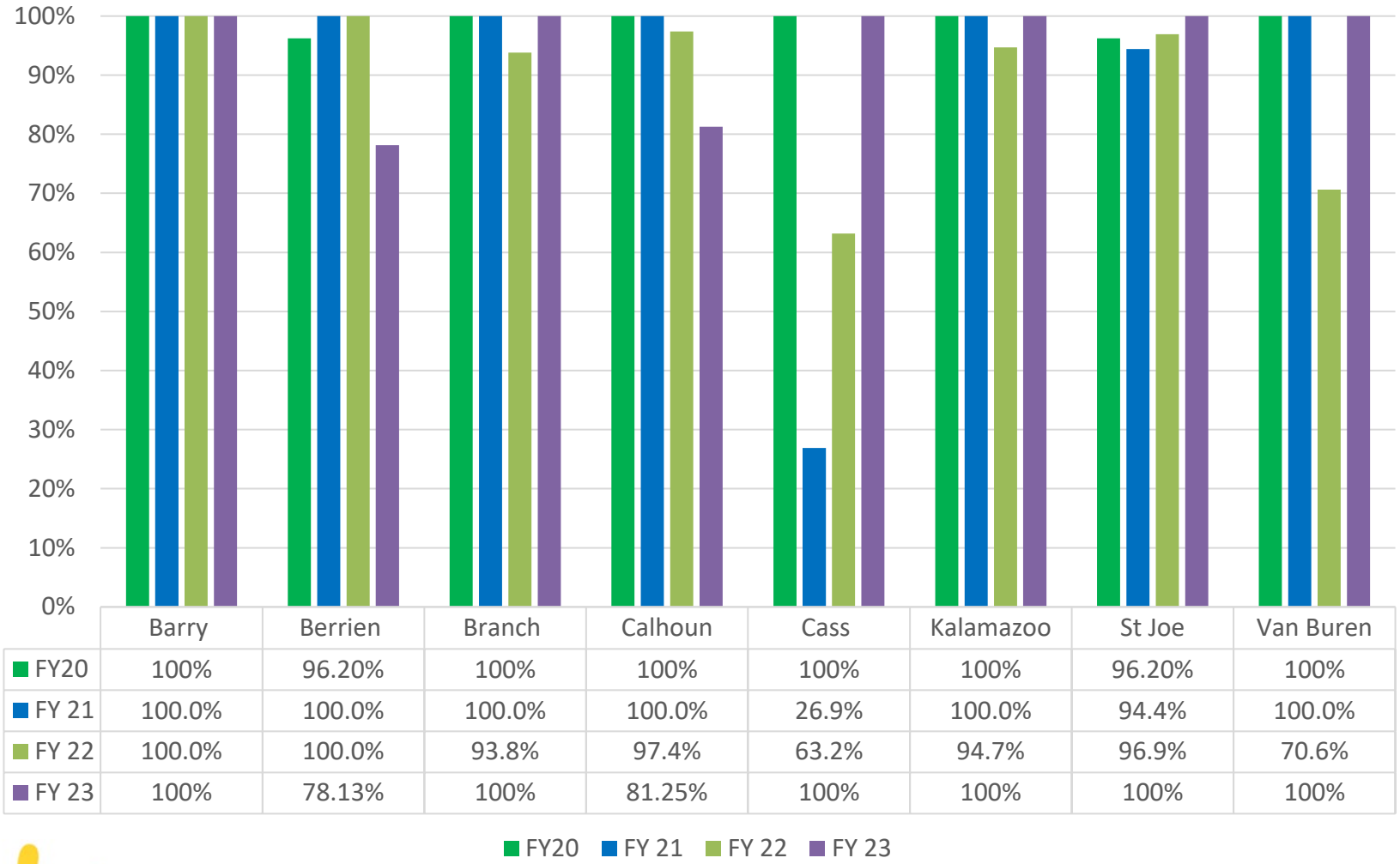


	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	100%	100%	100%	95%	100%	100%	100%	100%
FY 21	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
FY 22	100.0%	100.0%	100.0%	100.0%	59.1%	100.0%	100.0%	100.0%
FY 23	95.45%	95.45%	100%	100%	95.45%	100%	100%	95.45%

Provider Network
General Observations

- Excellent communication and collaboration across the Region in the area of Provider Network Management.
- CMHs performed well in this area.
- Noted deficiencies were in the Network Adequacy evaluation, and were the result of Parent Support Partner and/or Youth Peer Support services not being available. Some CMHs had already implemented steps to remediate this network deficiency, while others had not.

Quality Improvement



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	100%	96.20%	100%	100%	100%	100%	96.20%	100%
FY 21	100.0%	100.0%	100.0%	100.0%	26.9%	100.0%	94.4%	100.0%
FY 22	100.0%	100.0%	93.8%	97.4%	63.2%	94.7%	96.9%	70.6%
FY 23	100%	78.13%	100%	81.25%	100%	100%	100%	100%

Quality Improvement
General Observations

Critical Incidents

- The CMHSPs have a good handle on the Critical Incident process and most of the issues that were found during the site reviews had already been corrected throughout the year and did not require a CAP.

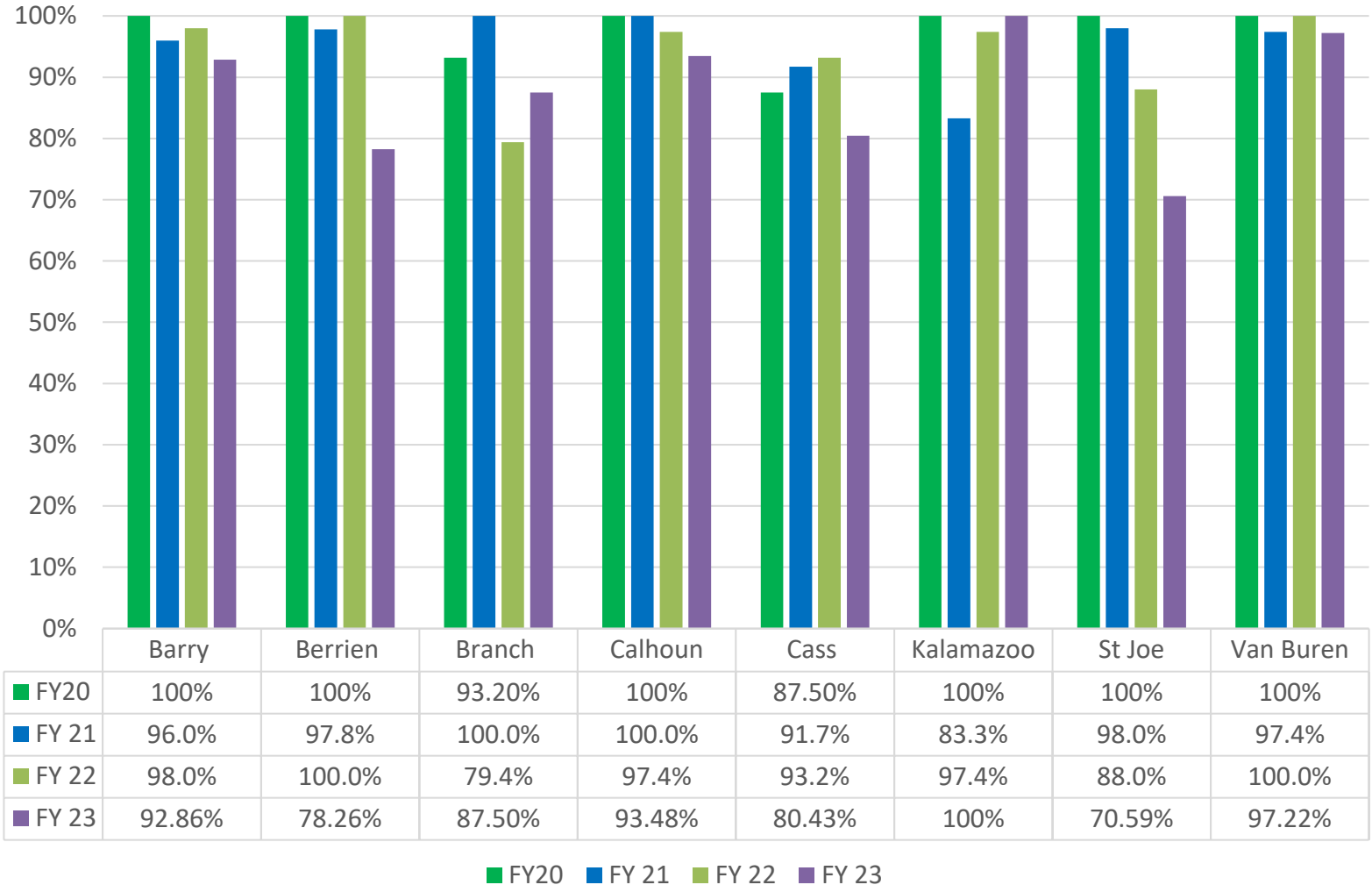
Quality Plans-

- The CMHSP Quality Plans across the region are meeting expectations but we will work to bring some standardization to them for development of the FY24 plans.

MMBPIS Indicators-

- The CMHSPs all have a great understanding of MMBPIS codebook standards and communicate with SWMBH if event-specific clarification is needed. Ensuring performance indicator exception reasons are both accurately documented, and codebook approved was a common finding in this year's reviews.

Staff Training



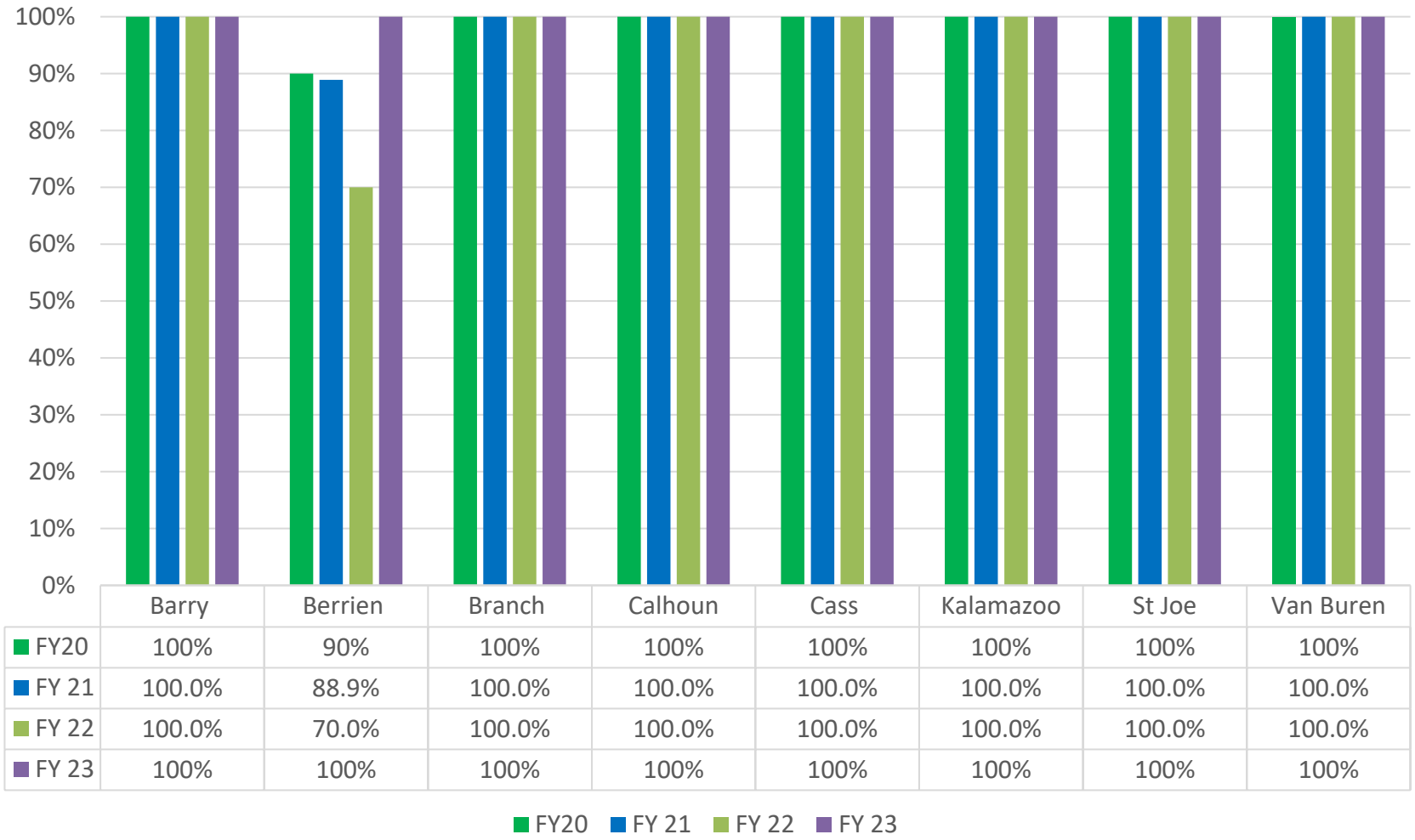
	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	100%	100%	93.20%	100%	87.50%	100%	100%	100%
FY 21	96.0%	97.8%	100.0%	100.0%	91.7%	83.3%	98.0%	97.4%
FY 22	98.0%	100.0%	79.4%	97.4%	93.2%	97.4%	88.0%	100.0%
FY 23	92.86%	78.26%	87.50%	93.48%	80.43%	100%	70.59%	97.22%

Staff Training
General Observations

- Overall the CMHs performed well on this standard.

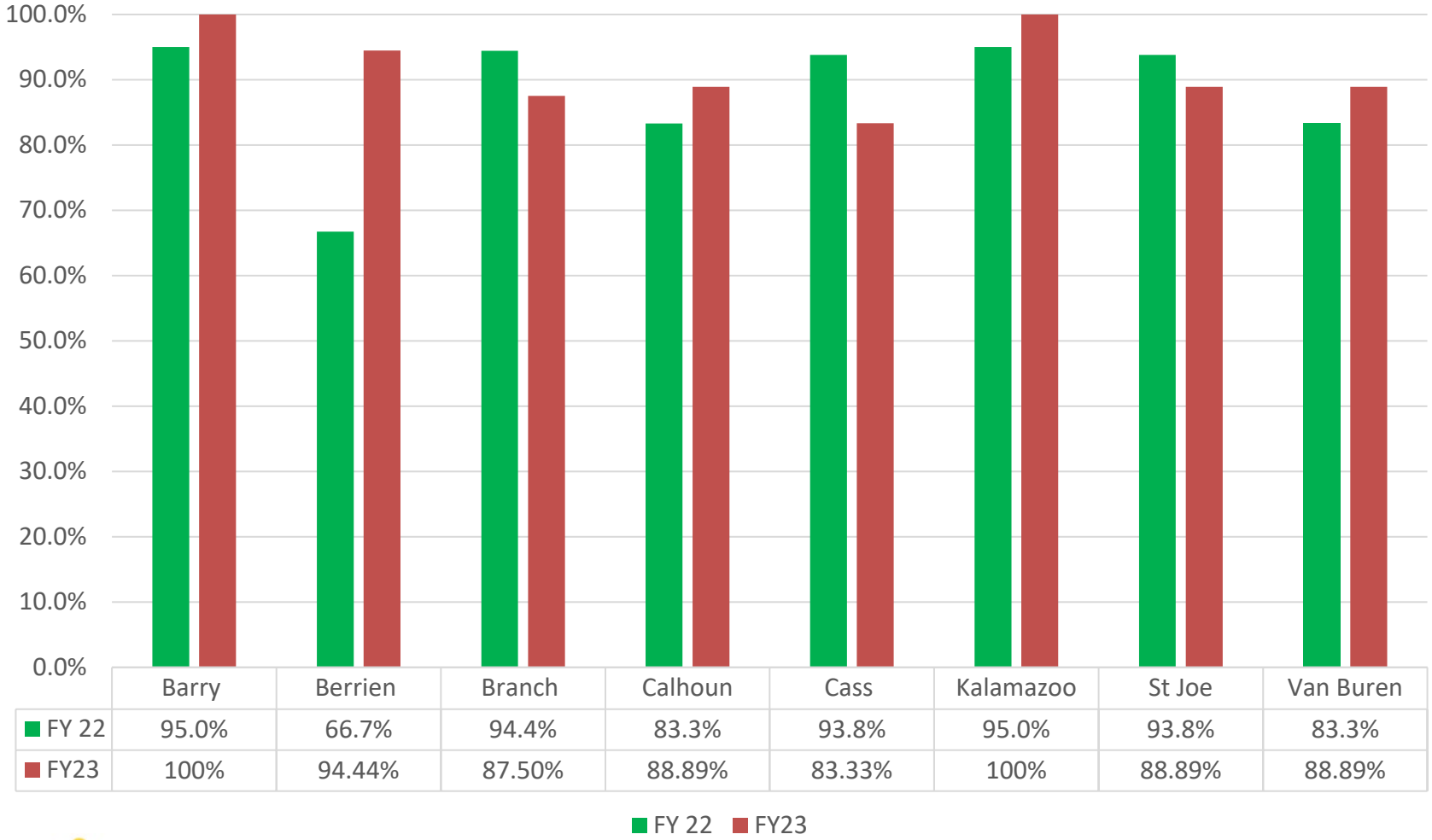
- SWMBH is re-evaluating the scoring methodology for the Staff Training File Review. Currently, scores are assigned by required training. If a single staff member from the sample is missing multiple trainings, this lowers the score for each of the affected trainings, resulting is a disproportionate affect on the CMH's overall score.

SUD Administrative –EBP Fidelity



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY20	100%	90%	100%	100%	100%	100%	100%	100%
FY 21	100.0%	88.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
FY 22	100.0%	70.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
FY 23	100%	100%	100%	100%	100%	100%	100%	100%

Clinical Administrative



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY 22	95.0%	66.7%	94.4%	83.3%	93.8%	95.0%	93.8%	83.3%
FY23	100%	94.44%	87.50%	88.89%	83.33%	100%	88.89%	88.89%

Clinical Administrative

General Observations

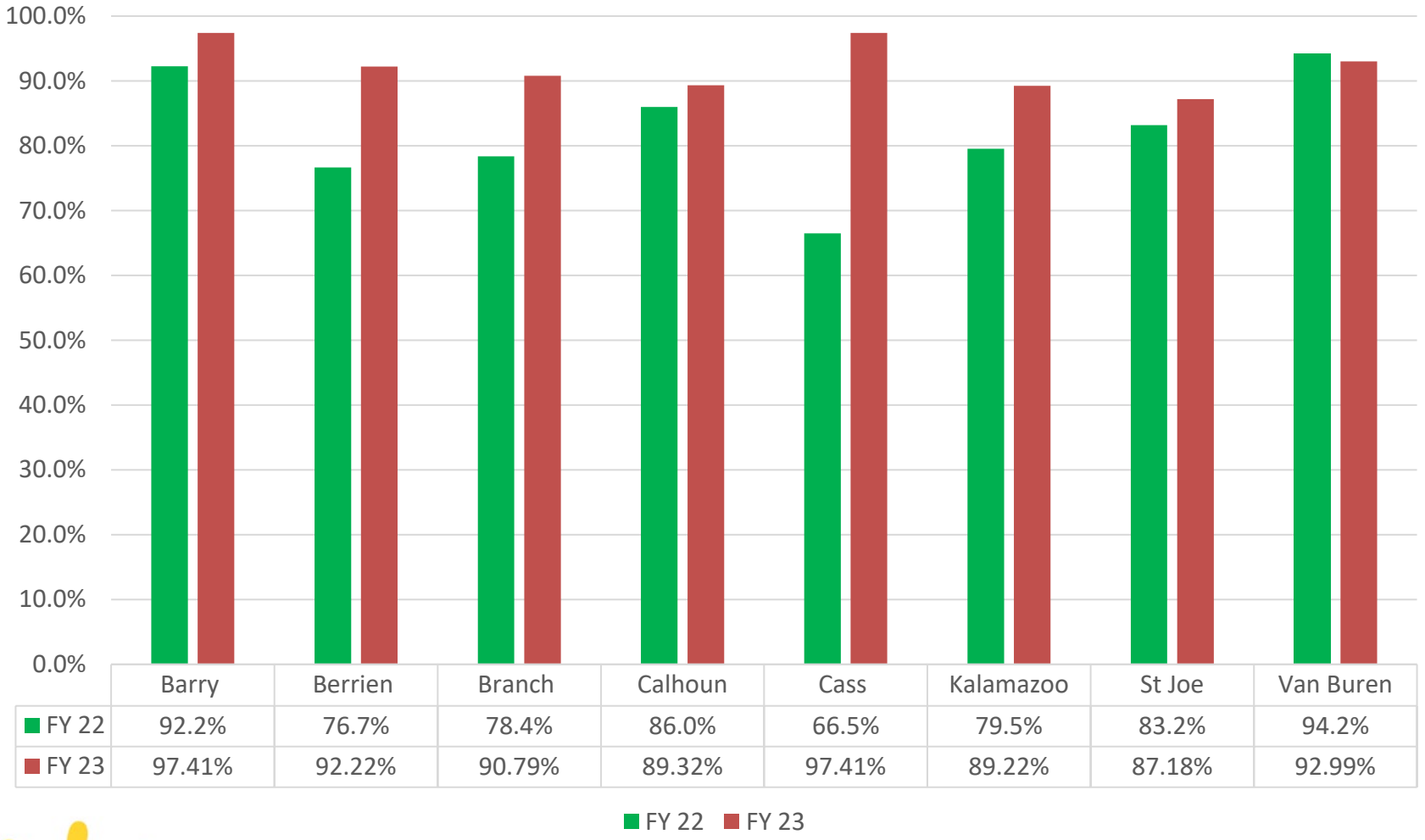
HCBS policies

- Policies and procedures need to be updated to more closely align with the HCBS final rule, specifically regarding the documentation of Freedom of Choice and resident satisfaction with a chosen provider.

Behavior Treatment Plans

- There were Regional inconsistencies in obtaining parent/client/guardian signatures on behavior treatment plans before the plan's implementation. An area for improvement is to ensure all required elements are present on a behavior treatment plan. Consistently missed elements were in providing cited literature for the identified concerns/methods being recommended for the consumer and documentation of previously attempted interventions that were less restrictive but unsuccessful.

Clinical Quality File Review



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY 22	92.2%	76.7%	78.4%	86.0%	66.5%	79.5%	83.2%	94.2%
FY 23	97.41%	92.22%	90.79%	89.32%	97.41%	89.22%	87.18%	92.99%

Clinical Quality File Review

General Observations

Primary Care Coordination-

This section had the most significant improvement for the Region.

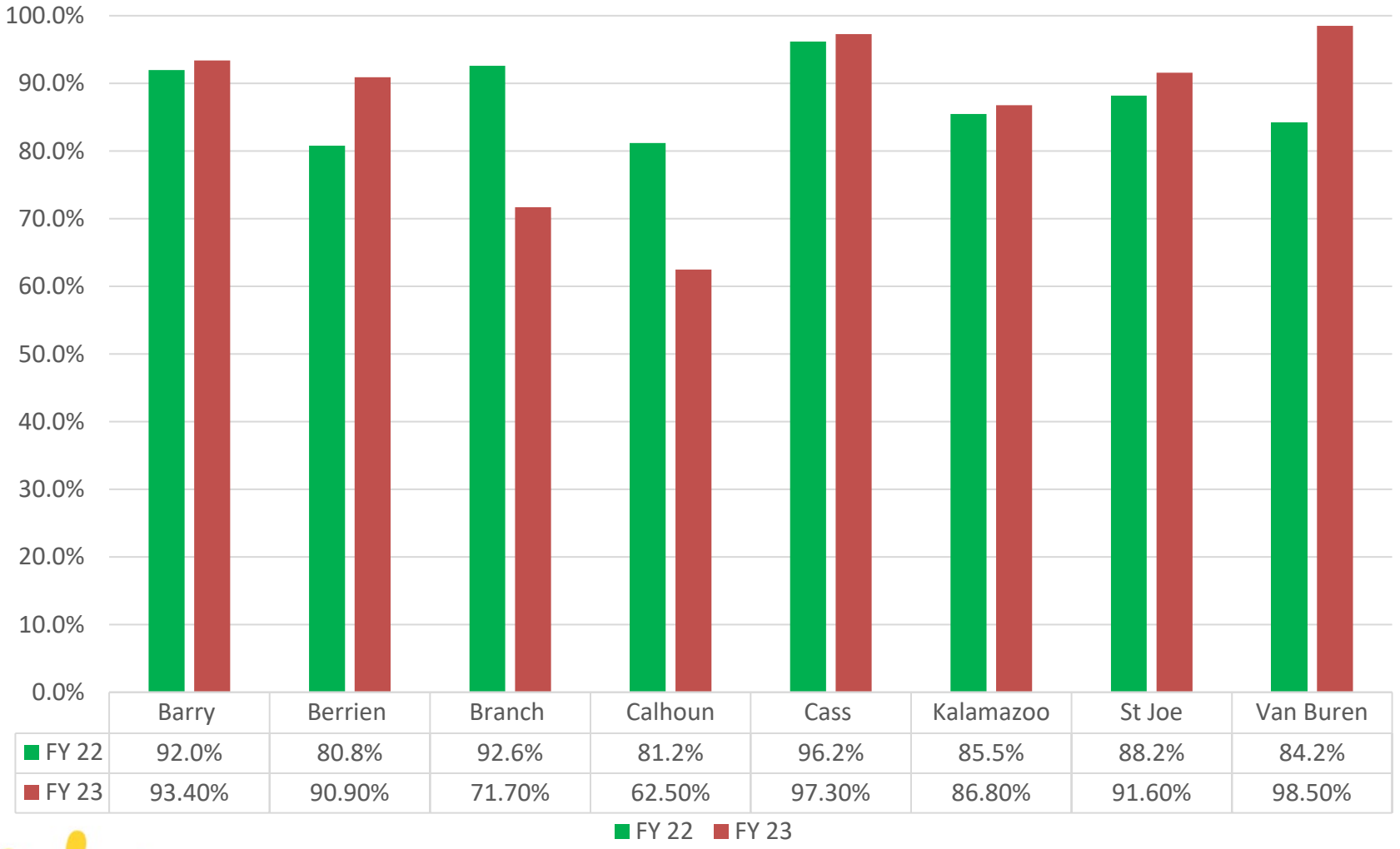
Person Centered Planning Process-

Overall, this section had the most standards that were citated, with several being repeat citations. Common areas for improvement are in identifying natural supports to assist in goal achievement, writing measurable treatment objectives, and identifying specific interventions for each objective.

Periodic Reviews-

This section had fewer standards that were cited, but there was consistency across the Region regarding which standards needed remediation. Common areas for improvement are in ensuring that services and interventions identified in the IPOS are provided as specified. If services are not being utilized as planned, the IPOS has been amended or there is documentation of appropriate exceptions for the lack of service provision.

SUD Clinical File Review



	Barry	Berrien	Branch	Calhoun	Cass	Kalamazoo	St Joe	Van Buren
FY 22	92.0%	80.8%	92.6%	81.2%	96.2%	85.5%	88.2%	84.2%
FY 23	93.40%	90.90%	71.70%	62.50%	97.30%	86.80%	91.60%	98.50%

SUD Clinical File Review

General Observations

- Overall, aggregate, score of CMHs was 87%
- 10 elements met or exceeded the 90% standard
- 16 elements were below the 90% standard

Strongest scores were:

- Signed release for PCP, or refusal to sign
- Coordination of care at significant change
- Individualized treatment plan
- Individualize progress notes
- Progress notes were connected to goals/objectives

Areas of improvement:

- Coordination of care at discharge
- ASAM Continuum completed and uploaded to SWMBH MCIS (69.1%)
- Biopsychosocial contains strengths (33.9%)
- Objectives are measurable.
- BH TEDS Discharge completed within 45 days

8th Annual Regional Healthcare Policy Forum:

V 6/28/23

Invitees: **Community Mental Health Service Providers and Persons Served**

Elected and Appointed State, County, Local Officials and Health and Human Services Leaders

Date: **Friday, October 6, 2023**

Time: **8:30 am to 3:00 pm**

Location: **Four Points by Sheraton Kalamazoo, 3600 E Cork St Ct, Kalamazoo, MI 49001**

Panelists:

Meghan Groen, Senior Deputy Director, Behavioral and Physical Health and Aging Services Administration (confirmed)

State Representative Julie Rogers, Chair, House Health Policy (confirmed)

Cara Poland, M.D.. M.Ed., FACP, Chair Opioid Advisory Commission (confirmed)

Kevin Fischer, Executive Director, NAMI-MI (confirmed)

Amy Dolinky, Michigan Association of Centers, Technical Advisor, Opioid Settlement Funds (confirmed)

Special Guest

U.S. Senator Debbie Stabenow, speaker and awardee (invited)

Purpose/Objectives
Looking to the Future . . .

Explore:

- **Legislative Initiatives**
- **CCBHCs, OHHs, BHH**
- **Integrated Care**
- **PIHPs and CMHs**
- **Michigan Department of Health and Human Services**

Facilitator: TBD

Agenda

8:30— 9:15 am **Continental Breakfast**

9:15— 9:30 am **Welcome**

9:30— 9:45 am **US Senator Debbie Stabenow's retirement - *Senator Stabenow invited**

9:45 am-12:15 pm Panel Discussion

Meghan Groen, Senior Deputy Director, Behavioral and Physical Health and Aging Services Administration

State Representative Julie Rogers, Chair, House Health Policy

Cara Poland, M.D.. M.Ed., FACP, Chair Opioid Advisory Commission

Kevin Fischer, Executive Director, NAMI-MI

Amy Dolinky, Michigan Association of Centers, Technical Advisor, Opioid Settlement Funds

12:15—12:45 pm Heavy Hors d'oevres

***All federal, state and county public office candidates are invited.**