



March 25th, 2025 5:00 pm
Pivotal Conference Room

- I. **Approval of Agenda** *Welcome & Preliminaries: the focus for our meeting.*
- II. **Public Comment:** *Guests and visitors can comment, with a maximum of 3 mins. per person.*
- III. **Consent Agenda** *Ratification and approval of minutes & non-debatable items ***
 - a. Contracts March 2025 pg. 2
 - b. Check Register February 2025 pg. 3
 - c. Meeting Minutes January 2025 pg.6
- IV. **Monitoring Reports** *Assuring Executive and Organizational Performance (C. Bullock)*
 - a. **Executive Limitations:** *Is the organization operating within the boundaries the Board sets?*
 - i. **V.09 – Communication and Support to the Board*** pg. 8
 - ii. **V.05 -Financials*** pg 11
 - 1. Cashflow Analysis
- V. **Performance on Ends:** *Is the organization on track with its vision? (C. Bullock)*
 - a. Report on Ends Accomplishments – N/A
 - b. Discussion on Implication of Ends Report- N/A
- VI. **Board Policy Review** *Do our existing policies reflect the board’s current values (L. Rosado)*
 - a. **III.02 – Unity of Control – Kay D** pg. 19
 - b. **III.03 – Accountability to CEO – Rick S.** pg. 20
 - c. **III.04 – Delegation to CEO – Carol** pg. 21
- VII. **Board Work on Ends, Linkage Activities, and Board Education (5-10 min)** (L. Rosado)
- VIII. **Board Decisions (Motions) Actions:** *Only the Board has the authority to make them. (L. Rosado)*
 - a. **Loan****
 - b. **CM Company****
 - c. **V.01- Global Executive Constraint*** - Missed vote in February
 - d. **V. 05- Financials February 2025***- Missed vote in February
 - e. **V.08- Compensation and Benefits*** - per Executive Committee Recommendation
- IX. **Communications:** *Keep the Board current on significant events and operations. (C. Bullock)*
 - a. **Directors Report – March 2025** pg.23
 - b. **Affinity House Minutes** pg. 24
 - c. **Wakely Memo** pg. 29
- X. **Board Process Review and Adjourn:** *How did we use our time, discuss relevant information, and make decisions according to our policies? What will we do in the next meetings to improve our preparation, debate, and process for decision-making? **

***Motion required **Roll Call Vote**

Recess is Available upon request.

IF YOU ARE UNABLE TO ATTEND, PLEASE GET IN TOUCH WITH THE BOARD OFFICE (269-467-1001 x 364) NEXT REGULAR MEETING: APRIL 29th, 5 PM PIVOTAL BOARD ROOM.

Contracts for Board Meeting 3/25/25

Clinical Contracts						
Provider Direct	Staff Responsible	Type of Service	Annual Budget Per Diem Cost	Explanation	Contract Dates	Board Approved
Radiant AFC	J. Cupp	Specialized Residential	H2016: \$245 T1020: \$233.32 T1020 (1:1): \$353.32	Specialized Residential Home	2/22/25-9/30/25	
Kathleen Morrill	C. Bullock	Consultation and Supervision	\$100 per hour	Home-based, wraparound, TF-CBT supervision and general consultation	3/14/25-9/30/25	
Roopa Singh	J. Cupp	Mobile Crisis	\$30 per hour	Mobile Crisis Clinician	3/17/25-9/30/25	
Non-Clinical Contract						
Provider Direct	Staff Responsible	Type of Service	Annual Budget Per Diem Cost	Explanation	Contract Dates	Board Approved
Parker Staffing	C. Bullock	Staffing	20% of Annual Salary (Varies by Position)	Difficulty finding positions	03/20/2025 - 09/30/2025	
MOU						
Miscellaneous						
Provider Direct	Staff Responsible	Type of Service	Annual Budget Per Diem Cost	Explanation	Contract Dates	Board Approved

Pivotal Disbursements
February 2025

*Volded	Date	Check/RM #	Vendor	Amount	Description
	02/04/25	064988	FARMERS STATE BANK	13,461.14	Monthly
	02/07/25	RM-00436	BRANDI BELCHER	300.00	Contract-Access
	02/07/25	RM-00437	CAROL NACCARATO	282.80	Board Member
	02/07/25	RM-00438	CAMERON BULLOCK	3,459.00	Tuition Reimbursement
	02/07/25	RM-00439	CRETSINGER CARE HOMES LTD	21,960.71	Specialized Residential
	02/07/25	RM-00440	PARMETER AFC	9,361.69	Specialized Residential
	02/07/25	RM-00441	HANNAH ROBERTS	1,560.00	Contract-Mobile Crisis
	02/07/25	RM-00442	ST JO CO UNITED WAY	118.00	Employee Donations
	02/07/25	RM-00443	KM MILHAM CARE, LLC	31,882.80	Specialized Residential
	02/07/25	RM-00444	TRAYBEE LLC	480.00	Contract-Mobile Crisis
	02/07/25	RM-00445	KIF LLC	1,200.00	Contract-Mobile Crisis
	02/07/25	RM-00446	JD CO HOLDINGS LLC DBA LANGUAGES INTERNATIONAL	309.00	Forms Translation
	02/07/25	RM-00447	DEAR COUNTRY AFC	13,422.80	Specialized Residential
	02/07/25	RM-00448	GREAT LAKES CLEANING SERVICE	1,150.00	Janitorial
	02/07/25	RM-00449	STACY LINIHAN	50.00	Board Member
	02/07/25	RM-00450	LUIS ROSADO	58.40	Board Member
	02/07/25	RM-00451	GIDDINGS AFC II	11,552.15	Specialized Residential
	02/07/25	RM-00452	AUTISM OF AMERICA LLC	2,953.16	Autism Provider
	02/07/25	RM-00453	NYUMBANI AFC	24,778.38	Specialized Residential
	02/07/25	RM-00454	GIDDINGS AFC HOME LLC	12,710.00	Specialized Residential
	02/07/25	RM-00455	LIFETREE BEHAVIORAL HEALTH LLC	33,536.89	Autism Provider
	02/07/25	RM-00456	INNOVATEL TELEPSYCHIATRY LLC	14,928.00	Contract-Outpatient
	02/07/25	RM-00457	JERGENS PIPING CORPORATION	490.17	Maintenance
	02/07/25	RM-00458	ELISABETH ROBERTS	50.00	Board Member
	02/07/25	RM-00459	ORBIS PARTNERS LLC	905.00	IT Subscription
	02/07/25	RM-00460	RILEY PUMPKIN FARM	475.00	Snow/Ice Removal-TR
	02/07/25	RM-00461	RIPPLE EFFECTS AUTISM LEARNING CENTER	35,298.52	Autism Provider
	02/07/25	RM-00462	THE TM GROUP INC	945.00	Consultants
	02/07/25	RM-00463	AUTISM SPECTRUM THERAPIES LLC	9,156.50	Autism Provider
	02/07/25	RM-00464	GAGAN S PC	8,652.00	Contract-Psychiatry
	02/07/25	RM-00465	FOREST VIEW HOSPITAL	6,540.00	Inpatient Services
	02/07/25	RM-00466	AIMS LLC	963.10	Inpatient Services
	02/07/25	RM-00467	PLEASANT PINES	29,292.61	Specialized Residential
	02/07/25	RM-00468	DATA GUARDIAN	80.00	Utilities
	02/07/25	RM-00469	SUPERIOR CARE OF MICHIGAN	6,463.75	Specialized Residential
	02/07/25	RM-00470	UNITY GROUP II	17,297.38	Specialized Residential
	02/07/25	RM-00471	HR ALLIANCE 1 INC	4,076.32	Fiscal Intermediary
	02/07/25	RM-00472	CATHI ABBS	186.40	Board Member
	02/07/25	RM-00473	HARBOR OAKS HOSPITAL	13,632.00	Inpatient Services
	02/07/25	RM-00474	DOCTORS NEUROPSYCHIATRIC HOSPITAL	8,491.00	Inpatient Services
	02/07/25	RM-00475	KATHERINE DECKER	71.00	Board Member
	02/07/25	RM-00476	RICHARD SHAFFER	50.00	Board Member
	02/07/25	RM-00477	RESIDENTIAL OPPORTUNITIES INC	52,121.25	Specialized Residential
	02/07/25	RM-00478	THE MEADOWS	37,392.74	Specialized Residential
	02/07/25	RM-00479	FALCO CORPORATION	10,218.84	Specialized Residential
	02/07/25	RM-00480	CLUBHOUSE INTERNATIONAL	748.96	Affinity House Dues
	02/07/25	RM-00481	ADAPT INC	98,271.21	Specialized Residential
	02/07/25	RM-00482	AGAPE AFC HOME	16,776.27	Specialized Residential
	02/07/25	RM-00483	BEACON SPECIALIZED LIVING SERVICES INC	13,538.94	Specialized Residential
	02/07/25	RM-00484	ST JOSEPH COMMUNITY CO-OP INC	9,778.86	Specialized Residential
	02/07/25	RM-00485	STUART WILSON, CPA PC	11,622.37	Fiscal Intermediary
	02/07/25	RM-00486	KENDRICK STATIONERS INC	41.56	Supplies
	02/07/25	RM-00487	REBEKAH WAGAMAN	5,040.00	Contract-Mobile Crisis
	02/07/25	RM-00488	BRONSON-ACADIA JOINT VENTURE LLC	32,200.00	Inpatient Services
	02/07/25	RM-00489	WINGS OF HOPE LLC	27,821.64	Specialized Residential
	02/07/25	064989	FRED'S PHARMACY	572.24	ACT Client Pharmacy
	02/07/25	064990	SEMCO ENERGY GAS COMPANY	1,100.39	Utilities
	02/07/25	064991	RML3 LLC	1,580.00	Contract-Mobile Crisis
	02/07/25	064992	MICHELLE CRITTENDEN LLC	1,860.00	Contract-Mobile Crisis
	02/07/25	064993	INSPIRATION STUDIO DESIGNS	1,144.00	Services/Supplies
	02/07/25	064994	DAMON KNAPP	50.00	Board Member
	02/07/25	064995	KONICA MINOLTA PREMIER FINANCE	1,875.25	Copier/Printer Lease
	02/07/25	064996	AUNALYTICS INC	403.15	IT Subscription
	02/07/25	064997	GENESIS CLUB HOUSE INC	2,000.00	Affinity House Dues
	02/07/25	064998	ASCENSION BORGESS HOSPITAL	3,216.13	Inpatient Services
	02/07/25	064999	PROMEDICA COLDWATER REGIONAL HOSPITAL	8,550.00	Inpatient Services
	02/07/25	065000	HAVENWYCK HOSPITAL	8,334.90	Inpatient Services
	02/07/25	065001	FRONTIER	488.13	Utilities
	02/07/25	065002	FIDELITY SECURITY LIFE (Eye Med)	987.61	Employee Benefits
	02/07/25	065003	SW MI BEHAVIORAL HEALTH	16,134.00	Local Match
	02/07/25	065004	TWIN COUNTY COMMUNITY PROBATION CENTER	2,620.00	DRC
	02/07/25	065005	COMCAST	813.40	Utilities
	02/07/25	065006	INDIANA MICHIGAN POWER	472.71	Utilities
	02/07/25	065007	RAUL MORALES	50.00	Board Member
	02/07/25	065008	CENTRAL MANUFACTURING SERVICES INC	6,138.17	Rent-TR
	02/14/25	RM-00490	GRYPHON PLACE	649.20	After-Hours Emergency Service
	02/14/25	RM-00491	ST JO CO UNITED WAY	118.00	Employee Benefits
	02/14/25	RM-00492	JETSY BEAN LLC	480.00	Contract-Mobile Crisis
	02/14/25	RM-00493	ISOLVED BENEFIT SERVICES	78.75	Employee Benefits

02/14/25	RM-00494	GREAT LAKES CLEANING SERVICE	1,150.00	Janitorial
02/14/25	RM-00495	THE VESTIGE GROUP LLC	354.90	Employee Alert Buttons
02/14/25	RM-00496	DONALD LOUIS KITCHEN JR	25.00	Committee Member
02/14/25	RM-00497	LYDIA MARIE CHAPA	1,855.00	Contract-Wraparound
02/14/25	RM-00498	RILEY PUMPKIN FARM	540.00	Snow/Ice Removal
02/14/25	RM-00499	TINA BULLARD	25.00	Committee Member
02/14/25	RM-00500	WAYNE SIMMONS	25.00	Committee Member
02/14/25	RM-00501	KENDRICK STATIONERS INC	285.61	Supplies
02/14/25	RM-00502	REHMANN LLC	46,850.86	Contract-Billing Jan/Feb, Supplies
02/14/25	RM-00503	QLER PHYSICIAN MEDICAL GROUP	4,425.00	Contract-Psychiatry
02/14/25	RM-00504	MELODY MANWELL	35.00	Employee Reimbursement
02/14/25	065009	MICHIGAN COUNCIL #25	1,438.95	Employee Union Dues
02/14/25	065010	RML3 LLC	170.00	Contract-OBRA
02/14/25	065011	WASTE MANAGEMENT OF MICHIGAN	169.50	Utilities
02/14/25	065012	PRESIDIO NETWORKED SOLUTIONS GRP LLC	404.60	Security Cards
02/14/25	065013	WEX BANK	1,002.21	Gas Cards
02/14/25	065014	STRATUS VIDEO LLC	624.99	Interpreter
02/14/25	065015	CHASE CARD SERVICES	16,817.01	Credit Card
02/14/25	065016	MEYERS MOVING & STORAGE INC	183.06	Storage Fee
02/14/25	065017	VERIZON WIRELESS	184.05	Utilities
02/14/25	065018	GAIL LECOUNT	45.31	Committee Member
02/14/25	065019	ACUITY, A MUTUAL INSURANCE COMPANY	1,040.00	Employee Benefits
02/14/25	065020	JENNIFER HENDRICKS	25.00	Committee Member
02/14/25	065021	MILLER JOHNSON	1,215.53	Legal Fees
02/21/25	RM-00505	BRANDI BELCHER	200.00	Contract-Access
02/21/25	RM-00506	HOLLY LAGO LLC	3,150.00	Contract-Mobile Crisis
02/21/25	RM-00507	ST JO CO TRANSPORTATION AUTHORITY	1,722.00	Clubhouse Members Transportation
02/21/25	RM-00508	JETSY BEAN LLC	480.00	Contract-Mobile Crisis
02/21/25	RM-00509	TRAYBEE LLC	1,280.00	Contract-Mobile Crisis
02/21/25	RM-00510	CARE FROM THE HEART	10,700.27	Specialized Residential
02/21/25	RM-00511	DEAR COUNTRY AFC	10,896.80	Specialized Residential
02/21/25	RM-00512	GREAT LAKES CLEANING SERVICE	1,000.00	Janitorial
02/21/25	RM-00513	GREATER HEIGHTS AFC	28,987.74	Specialized Residential
02/21/25	RM-00514	DELIGHT'S AFC	13,500.00	Specialized Residential
02/21/25	RM-00515	WMU CENTER FOR DISABILITIES	4,145.55	Autism Provider
02/21/25	RM-00516	AUTISM OF AMERICA LLC	2,328.98	Autism Provider
02/21/25	RM-00517	MAPLECREST LLC	3,183.00	Rent-Sturgis
02/21/25	RM-00518	LIFETREE BEHAVIORAL HEALTH LLC	36,654.77	Autism Provider
02/21/25	RM-00519	WINDSWEEP THERAPEUTIC RIDING	240.00	CLS
02/21/25	RM-00520	EVERSTREAM SOLUTIONS LLC	500.00	Utilities
02/21/25	RM-00521	RIPPLE EFFECTS AUTISM LEARNING CENTER	38,965.20	Autism Provider
02/21/25	RM-00522	AUTISM SPECTRUM THERAPIES LLC	7,281.40	Autism Provider
02/21/25	RM-00523	GAGAN S PC	16,686.00	Contract-Psychiatry
02/21/25	RM-00524	CEDAR CREEK HOSPITAL	15,498.00	Inpatient Services
02/21/25	RM-00525	FOREST VIEW HOSPITAL	9,810.00	Inpatient Services
02/21/25	RM-00526	FLATROCK MANOR	100,585.52	Specialized Residential
02/21/25	RM-00527	HR ALLIANCE 1 INC	7,753.68	Fiscal Intermediary
02/21/25	RM-00528	RESIDENTIAL OPPORTUNITIES INC	55,596.00	Specialized Residential
02/21/25	RM-00529	COMMUNITY LIVING OPTIONS	28,239.63	Specialized Residential
02/21/25	RM-00530	PLEASANT ACRES LLC	36,984.72	Specialized Residential
02/21/25	RM-00531	SPECTRUM COMMUNITY SERVICES	190.00	Specialized Residential
02/21/25	RM-00532	KONICA MINOLTA BUSINESS SOLUTIONS	60.00	Copier/Printer Lease
02/21/25	RM-00533	KSS ENTERPRISES	361.07	Supplies
02/21/25	RM-00534	STUART WILSON, CPA PC	19,354.06	Fiscal Intermediary
02/21/25	RM-00535	KENDRICK STATIONERS INC	189.32	Supplies
02/21/25	RM-00536	Diekema Hamann Architecture, Inc.	44,475.46	New Build
02/21/25	RM-00537	REBEKAH WAGAMAN	3,060.00	Contract-Mobile Crisis
02/21/25	RM-00538	BRONSON-ACADIA JOINT VENTURE LLC	66,976.00	Inpatient Services
02/21/25	RM-00539	WINGS OF HOPE LLC	29,873.55	Specialized Residential
02/21/25	RM-00540	BLUE CARE NETWORK OF MICHIGAN	386.53	Employee Benefits
02/21/25	065022	CITY OF STURGIS	1,577.30	Utilities
02/21/25	065023	CENTRAL MANUFACTURING SERVICES INC	6,138.17	Rent-TR
02/21/25	065024	TBD SOLUTIONS INC	1,478.75	Consultants
02/21/25	065025	BCA - STONECREST CENTER	14,256.00	Inpatient Services
02/21/25	065026	PROMEDICA COLDWATER REGIONAL HOSPITAL	21,538.00	Inpatient Services
02/21/25	065027	KERWIN ELECTRIC INC	275.00	Maintenance
02/21/25	065028	CENTURYLINK	146.98	Utilities
02/21/25	065029	VILLAGE OF CENTREVILLE	687.58	Utilities
02/21/25	065030	MEDICAL BEHAVIORAL HOSPITAL OF MICHIGAN LLC	16,575.00	Inpatient Services
02/28/25	RM-00541	BRANDI BELCHER	200.00	Contract-Access
02/28/25	RM-00542	CAROL NACCARATO	197.40	Board Member
02/28/25	RM-00543	LYNELLE GIRTON-THRASHER	250.00	Contract-Supervision
02/28/25	RM-00544	HANNAH ROBERTS	1,980.00	Contract-Mobile Crisis
02/28/25	RM-00545	ST JO CO UNITED WAY	118.00	Employee Donations
02/28/25	RM-00546	JETSY BEAN LLC	480.00	Contract-Mobile Crisis
02/28/25	RM-00547	TRAYBEE LLC	480.00	Contract-Mobile Crisis
02/28/25	RM-00548	GREAT LAKES CLEANING SERVICE	1,150.00	Janitorial
02/28/25	RM-00549	STACY LINIHAN	50.00	Board Member
02/28/25	RM-00550	INNOVATEL TELEPSYCHIATRY LLC	13,896.00	Contract-Outpatient
02/28/25	RM-00551	LYDIA MARIE CHAPA	2,030.00	Contract-Wraparound
02/28/25	RM-00552	ELISABETH ROBERTS	100.00	Board Member
02/28/25	RM-00553	RILEY PUMPKIN FARM	870.00	Snow/Ice Removal-TR
02/28/25	RM-00554	CATHI ABBS	109.60	Board Member

02/28/25	RM-00555	KATHERINE DECKER	121.00	Board Member
02/28/25	RM-00556	RICHARD SHAFFER	50.00	Board Member
02/28/25	RM-00557	PETER CHANG ENTERPRISES INC	12,964.53	PCE
02/28/25	RM-00558	ADAPT INC	286,803.62	Specialized Residential
02/28/25	RM-00559	BRIDGETTE MULVANEY LMSW LLC	3,240.00	Contract-Mobile Crisis
02/28/25	065031	RML3 LLC	1,380.00	Contract-Mobile Crisis
02/28/25	065032	AMANDA MILLER	50.00	Board Member
02/28/25	065033	AMERICAN UNITED LIFE INSURANCE COMPANY	5,335.90	Employee Benefits
02/28/25	065034	CHRISTINE MAHER	52.10	Committee Member
02/28/25	065035	BENJAMIN CARMICHAEL	64.00	Committee Member
02/28/25	065036	FARMERS STATE BANK	14,134.20	Mortgage
02/28/25	065037	LARRY HENNEMAN	75.90	Committee Member
02/28/25	065038	BRANDON EAMES	69.60	Committee Member
02/28/25	065039	KAREN BURG	50.00	Committee Member
02/28/25	065040	RAUL MORALES	50.00	Board Member
Total Amount of Non-Void Checks/RMs			1,807,228.80	
2/3/2025	Electronic Debit	EMPOWER	10,175.97	Employee Benefits
2/3/2025	Electronic Debit	EMPOWER	8,753.70	Employee Benefits
2/3/2025	Electronic Debit	EMPOWER	15,740.02	Employee Benefits
2/4/2025	Electronic Debit	RETURN ITEM FEE	6.00	ACH Fees
2/4/2025	Electronic Debit	OPTUM BANK	12,317.37	Employee Benefits
2/7/2025	Electronic Debit	PAYCOR INC	4,011.30	Employee Payroll
2/13/2025	Electronic Debit	EMPOWER	10,098.22	Employee Benefits
2/13/2025	Electronic Debit	EMPOWER	8,706.54	Employee Benefits
2/13/2025	Electronic Debit	EMPOWER	15,458.78	Employee Benefits
2/13/2025	Electronic Debit	OPTUM BANK	11,964.12	Employee Benefits
2/13/2025	Electronic Debit	PAYCOR INC	178,548.60	Employee Payroll
2/13/2025	Electronic Debit	PAYCOR INC	59,120.64	Employee Payroll
2/18/2025	Electronic Debit	TRANSFER TO FLEX BENEFITS ACCOUNT	368.00	Interest Earned
2/19/2025	Electronic Debit	TRANSFER TO FLEX BENEFITS ACCOUNT	1,996.38	Interest Earned
2/24/2025	Electronic Debit	TRANSFER TO FLEX BENEFITS ACCOUNT	518.00	Interest Earned
2/27/2025	Electronic Debit	EMPOWER	9,974.62	Employee Benefits
2/27/2025	Electronic Debit	EMPOWER	8,423.72	Employee Benefits
2/27/2025	Electronic Debit	EMPOWER	15,367.43	Employee Benefits
2/27/2025	Electronic Debit	PAYCOR INC	179,278.87	Employee Payroll
2/27/2025	Electronic Debit	PAYCOR INC	59,244.02	Employee Payroll
2/28/2025	Electronic Debit	OPTUM BANK	11,793.26	Employee Benefits
2/28/2025	Electronic Debit	OPTUM BANK	284.76	Employee Benefits
2/28/2025	Electronic Debit	CENTURY BANK ACH FEES	36.24	ACH Fees
Total Amount of Electronic Debits			622,186.56	
Total Disbursements			2,429,415.36	



**MEETING MINUTES OF FEBRUARY 25, 2025
PIVOTAL CONFERENCE ROOM**

OFFICERS

PRESENT: Luis Rosado- Chair, Cathi Abbs- Vice Chair, Kay Decker- Secretary

MEMBERS

PRESENT: Carol Naccarato, Stacy Linihan, Elisabeth Roberts, Darci Skrzyniarz, Rick Shaffer, Amanda Miller, Raul Morales

MEMBERS

ABSENT: Damon Knapp

VISITORS:

CALL TO ORDER

Rosado, Chairperson, called the meeting to order at 5:00 pm

APPROVAL OF AGENDA

A MOTION WAS MADE BY SHAFFER, SUPPORTED BY ABBS, TO APPROVE THE AGENDA AS PRESENTED. ALL IN FAVOR/NONE OPPOSED. MOTION CARRIED

GUEST, VISITORS, & PUBLIC COMMENTS

Rob Tomlinson was present.

CONSENT AGENDA

Contracts February 2025

Check Register January 2025- \$3,105,843.61

Meeting Minutes from January 2025

A MOTION WAS MADE BY ABBS, SUPPORTED BY LINIHAN, TO APPROVE THE CONSENT AGENDA. ROLL CALL VOTE. ALL IN FAVOR/NONE OPPOSED. MOTION CARRIED

COMMUNICATIONS

- A. Directors Report- February 2025
- B. SWMBH Board Meeting Attendance

ADJOURNMENT

Rosado, Chairperson, adjourned the meeting.

MEETING ADJOURNED AT 5:54 pm

Signature _____

Kay Decker, Secretary

Date



BOARD POLICY V.09

AREA:	Governance		
POLICY TYPE:	Executive Limitations	PAGE:	1 of 1
POLICY TITLE:	COMMUNICATION AND SUPPORT TO THE BOARD	EFFECTIVE:	09/28/2022
		REVIEWED:	03/25/2025

POLICY:

The CEO will not permit the board to be uninformed or unsupported in its work.

The CEO will not

1. Withhold, impede, or confound information relevant to the board's informed accomplishment of its job.

- A. Neglect to submit monitoring data required by the board in Board-Management Delegation policy "Monitoring CEO Performance" in a timely, accurate, and understandable fashion, directly addressing provisions of board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy "Delegation to the CEO," as well as relevant data.

Executive Officer Response: Evidence supporting the monitoring of data can be located within the updates provided in the board calendar as well as in the monthly board packets. These documents include responses to the Executive Limitations as outlined in accordance with the established board calendar.

- B. Allow the board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy, regardless of the board's monitoring schedule.

Executive Officer Response: I am not aware of any expected or current noncompliance issues. However, I consistently provide the board with weekly updates on all activities within the week, offering essential information for informed decision-making when necessary. This also encompasses any potential challenges or shortcomings that may arise.

- C. Allow the board to be without decision information required periodically by the board or let the board be unaware of relevant trends.

Executive Officer Response: The board has been provided with all the necessary information to make informed decisions and fulfill its role. I have also responded promptly to any additional requests for further information from the board as a whole.

D. 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.

Executive Officer Response: The information provided is concise and straightforward. I strive to avoid unnecessary complexity and simplify when needed. However, there are instances when matters can be quite intricate, and I assist the board in navigating the thought process to clarify how things operate, as well as to weigh the pros and cons of potential actions.

E. Let the board be unaware of any incidental information it requires including anticipated media coverage, threatened or pending lawsuits and material internal changes.

Executive Officer Response: At a minimum, the board chair is kept informed of any issues that could adversely impact the agency. In collaboration with the board chair, we decide what information is shared with the full board, particularly regarding sensitive matters. Regarding internal changes, I make an effort to keep the board updated, either through weekly updates or in my monthly director's reports during board meetings.

F. Let the board be unaware if, in the CEO's opinion, the board is not in compliance with its own policies on Governance Process and Board-CEO Linkage, particularly in the case of board behavior that is detrimental to the work relationship between the board and the CEO.

Executive Officer Response: I have strong opinions about how things should be run, but I strive to be respectful of the entire board and share my thoughts when necessary.

2. Withhold from the board and its processes logistical and clerical assistance.

A. Allow the board to be deprived of a workable, user-friendly mechanism for official board, officer, or committee communications.

Executive Officer Response: We have been using iPads extensively for board activities and provide printed copies of documents to enhance the effective use of the devices. I primarily communicate with the board via email, and I send mailed copies to any members without email accounts who are unable to receive electronic versions. Additionally, board members can reach out to me through various channels if there are any concerns regarding the adequacy of my work.

- B. Allow the board to be deprived of pleasant and efficient settings and arrangements for board and committee meetings.

Executive Officer Response: To my knowledge, the board room is sufficiently comfortable and there are no current needs.

3. Impede the board's holism, misrepresent its processes and role, or impede its lawful obligations.

A. Deal with the board in a way that favors or privileges certain board members over others except when (i) fulfilling individual requests for information or (ii) responding to officers or committees with respect to duties charged to them by the board.

Executive Officer Response: I have consistently sought the insights of individual board members when making decisions that pertain to their specific areas of expertise. Official matters are typically funneled through the board chair, and any course of action is determined through a collaborative decision between myself and the chair. Occasionally, I engage in discussions with board members to explore ideas, gather additional data as needed, or gain alternative perspectives. While these conversations are not binding to my final decisions, they serve to enrich my understanding and provide varied viewpoints.

B. Allow the board to do its work without the necessary items on its Required Approvals agenda. Necessary items are those decisions delegated to the CEO yet required by law, regulation, or contract to be board-approved, along with applicable monitoring information.

Executive Officer Response: I am confident that the board is fully adhering to all pertinent rules and regulations mandated for its members. This includes a thorough understanding and implementation of the governance policies, ethical standards, and compliance requirements that guide our operations and decision-making processes. Each board member has actively engaged in ensuring that our practices align with both legal obligations and the established guidelines of our organization, demonstrating our commitment to transparency and accountability in all our actions.



BOARD POLICY V.05

AREA:	Governance		
POLICY TYPE:	Executive Limitations	PAGE:	1 of 2
POLICY TITLE:	FINANCIAL CONDITIONS/ACTIVITIES (MARCH 2025)	EFFECTIVE:	09/28/2022
		REVIEWED:	03/25/2025

POLICY:

With respect to the actual, ongoing financial condition and activities, the CEO will not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from board priorities established in Ends policies.

The CEO will not

1. Expend more funds than have been received in the fiscal year to date, with the exception of federal, state, and local required services.

Executive Officer Response: Medicaid is overspent by \$1.375 million, and Healthy Michigan is overspent by \$111,734. This represents a slight decrease from the previous report. We are still evaluating ways to reduce Medicaid deficits; however, with expenditures on Direct Care Wages, Autism Fee Schedule changes, and other factors, it is challenging to make significant reductions.

2. Use any long-term reserves.

Executive Officer Response- No long-term reserves have been expended.

3. Allow payroll and debts to be settled in an untimely manner.

Executive Officer Response- All payroll and debts have been settled timely.

4. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.

Executive Officer Response- Tax payments are paid for and through Paycor as an automatic process.

5. Make a single purchase or commitment of greater than \$20,000. Splitting orders to avoid this limit is not acceptable.

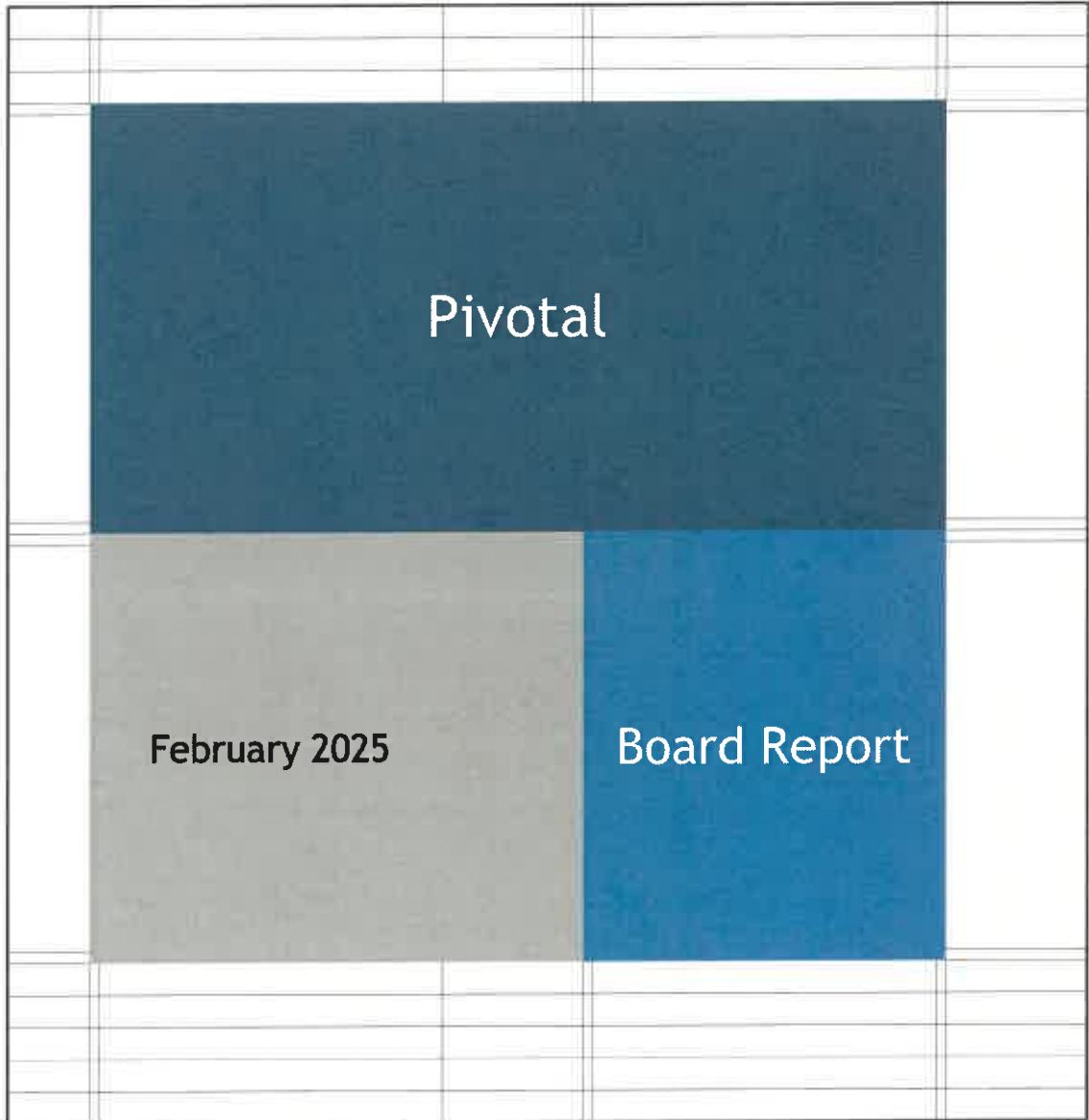
Executive Officer Response- No purchases greater than \$20,000 occurred.

6. Acquire, encumber or dispose of real estate.

Executive Officer Response- No real estate transactions have taken place.

7. Allow receivables to be unpursued after a reasonable grace period.

Executive Officer Response- Policies of uncollected funds are being followed and adhered to. Should the board wish to aggressively pursue collections such as collection agencies, I will do so. But current practices to bill repeatedly for 6 months, and if not able/or does not pay, the bill is then written off.



Pivotal			
Statement of Position			
Proprietary Funds			
February 28, 2025			
	Operating Fund	Balance September 30 2024	Favorable (Unfavorable)
ASSETS			
Cash position	\$ 1,977,427	\$ 470,333	\$ 1,507,094
Investments	1,499,484	86,582	1,412,902
Receivables:			
Accounts receivable	42,319	(19,053)	61,372
Due from State of Michigan	42,794	34,850	7,944
Due from SWMBH	7,972,240	5,616,215	2,356,025
Due from other governments	42,878	-	42,878
Prepaid items	251,170	31,846	219,324
Capital assets not being depreciated	-	-	-
Capital assets being depreciated, net	2,326,635	23,659	2,302,976
Total assets	14,154,947	6,244,432	7,910,515
LIABILITIES			
Accounts payable	3,597,944	94,531	3,503,413
Due to MDHHS	175,010	(18)	175,028
Due to SWMBH	(71,493)	3,643,475	(3,714,968)
Accrued liabilities	142,291	19,926	122,365
Unearned revenue	15,200	(4,373)	19,573
Long-term debt:			
Due within one year	-	-	-
Due in more than one year	693,800	(140,810)	834,610
Lease liability	325,957	(114,016)	439,973
Accrued sick and vacation	294,786	120,847	173,939
Total liabilities	5,173,495	3,619,562	1,553,933
NET POSITION			
Net investment in capital assets	1,632,835	164,469	164,469
Unrestricted	7,348,617	2,460,401	4,888,216
Total net position	\$ 8,981,452	\$ 2,624,870	\$ 6,356,582

Pivotal				
Statement of Activities				
October 1, 2024 through February 28, 2025				
	Operating Fund	Projected Total Activities	Prior Year Total Activities	Favorable (Unfavorable)
Operating revenue				
SWMBH Funding				
Medicaid capitation	\$ 7,655,505	\$ 18,373,212	\$ 17,822,516	\$ 550,696
Medicaid capitation - Settlement	1,375,107	3,300,257	3,715,220	(414,963)
MIHealth Link	-	-	-	-
MIHealth Link - Settlement	-	-	-	-
Healthy Michigan Plan	947,868	2,274,883	2,190,590	84,293
Healthy Michigan Plan - Settlement	111,734	268,162	427,054	(158,892)
CCBHC prepayment	2,120,637	5,089,529	3,326,805	1,762,724
CCBHC - Settlement	306,108	734,659	1,603,308	(868,649)
SUD Block Grant	2,243	5,383	12,781	(7,397)
Federal & State Sources				
State general fund	434,400	1,042,560	1,048,705	(6,145)
State general fund - Settlement	-	-	-	-
Federal and state grants	431,542	1,035,701	827,922	207,779
Local revenue				
County appropriation	107,195	257,268	257,268	-
Client fees	170,736	409,766	366,374	43,393
Performance Based Incentive Program	-	-	1,264,346	(1,264,346)
Rent revenue	5,410	12,984	9,960	3,024
Other revenue	31,242	74,981	114,576	(39,595)
Total operating revenue	13,699,727	32,879,345	32,987,423	(108,078)
Operating expenses				
Administration	1,889,224	4,534,138	4,263,906	270,232
Internal Services	2,604,669	6,251,206	5,664,045	(587,160)
Provider claims	8,236,396	19,767,350	19,104,179	(663,171)
Grant expenses	331,981	796,754	734,232	(62,522)
Vehicles	22,102	53,045	28,569	(24,476)
Facilities	193,963	465,511	567,621	102,110
Total operating expenses	13,278,335	31,868,004	30,362,552	(964,988)
Change in net position	421,392	1,011,341	2,624,870	(1,613,529)
Net position, beginning of year	8,560,060	8,560,060	-	
Net position, end of year	\$ 8,981,452	\$ 9,571,401	\$ 2,624,870	

Pivotal				
Statement of Activities				
Budget to Actual - October 1, 2024 through February 28, 2025				
	Original Budget	YTD Budget	YTD Actual	Over (Under) Budget
Operating revenue				
SWMBH Funding				
Medicaid capitation	\$ 16,865,376	\$ 7,027,240	\$ 7,655,505	\$ 628,265
Medicaid capitation - Settlement	-	-	1,375,107	1,375,107
MIHealth Link	-	-	-	-
MIHealth Link - Settlement	-	-	-	-
Healthy Michigan Plan	2,785,556	1,160,648	947,868	(212,780)
Healthy Michigan Plan - Settlement	-	-	111,734	111,734
CCBHC prepayment	8,933,464	3,722,277	2,120,637	(1,601,640)
CCBHC - Settlement	-	-	306,108	306,108
SUD Block Grant	78,968	32,903	2,243	(30,660)
Federal & State Sources				
State general fund	1,042,561	434,400	434,400	(0)
State general fund - Settlement	-	-	-	-
Federal and state grants	901,236	375,515	431,542	56,027
Local revenue				
County appropriation - St Joseph County	257,268	107,195	107,195	-
Client fees	250,000	104,167	170,736	66,569
Performance Based Incentive Program	-	-	-	-
Rent revenue	9,960	4,150	5,410	1,260
Other revenue	65,001	27,084	31,242	4,158
Total operating revenue	31,189,390	12,995,579	13,699,727	704,148
Operating expenses				
Administration	5,173,963	2,155,818	1,889,224	(266,594)
Internal Services	7,055,149	2,939,645	2,604,669	(334,976)
Provider claims	17,522,898	7,301,208	8,236,396	935,189
Grant expenses	858,660	357,775	331,981	(25,794)
Vehicles	50,541	21,059	22,102	1,043
Facilities	528,179	220,075	193,963	(26,112)
Total operating expenses	31,189,390	12,995,579	13,278,335	282,756
Change in net position	-	-	421,392	421,392
Net position, beginning of year	8,560,060	8,560,060	8,560,060	-
Net position, end of year	\$ 8,560,060	\$ 8,560,060	\$ 8,981,452	\$ 421,392

	Data					
Funding Source	Sum of <30 Days	Sum of 30 Days	Sum of 60 Days	Sum of 90 Days	Sum of 180+ Days	Sum of Total Due
Self Pay (blank)	\$ 2,236.55	\$ 1,802.24	\$ 2,206.85	\$ 3,761.08	\$ 4,344.73	\$ 14,351.45
Grand Total	\$ 2,236.55	\$ 1,802.24	\$ 2,206.85	\$ 3,761.08	\$ 4,344.73	\$ 14,351.45

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
SWMBH	\$ 3,978,626.74	\$ 1,410,285.92	\$ 3,740,888.95	\$ 1,709,327.30	\$ 1,762,510.04	\$ 1,720,329.76	\$ 1,720,329.76	\$ 1,720,329.76	\$ 1,720,329.76	\$ 1,720,329.76	\$ 1,720,329.76	\$ 1,720,329.76
CCBHC	\$ 417,893.40	\$ 420,485.38	\$ 419,667.69	\$ 429,645.76	\$ 432,954.51	\$ 424,127.35	\$ 424,127.35	\$ 424,127.35	\$ 424,127.35	\$ 424,127.35	\$ 424,127.35	\$ 424,127.35
Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,076,085.00	\$ 1,737,486.00	\$ -	\$ -	\$ -	\$ -
General Fund	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00	\$ 86,880.00
Other	\$ 77,437.77	\$ 180,025.24	\$ 182,816.70	\$ 73,364.78	\$ 82,801.09	\$ 119,289.12	\$ 119,289.12	\$ 119,289.12	\$ 119,289.12	\$ 119,289.12	\$ 119,289.12	\$ 119,289.12
County Approp	\$ 64,317.00	\$ -	\$ -	\$ 64,317.00	\$ 11,565.02	\$ -	\$ 64,317.00	\$ -	\$ -	\$ -	\$ 64,317.00	\$ -
Total Revenue	\$ 2,625,144.91	\$ 2,097,676.54	\$ 2,430,263.34	\$ 2,963,634.84	\$ 2,376,740.52	\$ 2,350,626.23	\$ 6,491,028.23	\$ 4,088,112.23	\$ 2,350,626.23	\$ 2,350,626.23	\$ 2,414,943.23	\$ 2,350,626.23
Payroll/Fringe	\$ 566,353.65	\$ 811,376.12	\$ 615,614.89	\$ 823,319.17	\$ 619,261.94	\$ 687,185.19	\$ 687,185.19	\$ 687,185.19	\$ 687,185.19	\$ 687,185.19	\$ 687,185.19	\$ 687,185.19
External	\$ 1,684,126.38	\$ 1,266,891.24	\$ 1,709,982.58	\$ 2,046,561.96	\$ 1,699,201.94	\$ 1,663,152.82	\$ 1,663,152.82	\$ 1,663,152.82	\$ 1,663,152.82	\$ 1,663,152.82	\$ 1,663,152.82	\$ 1,663,152.82
Other	\$ 235,535.98	\$ 156,969.68	\$ 259,256.37	\$ 310,713.05	\$ 233,324.80	\$ 237,960.34	\$ 237,960.34	\$ 237,960.34	\$ 237,960.34	\$ 237,960.34	\$ 237,960.34	\$ 237,960.34
Total Expenses	\$ 2,466,916.21	\$ 2,235,237.04	\$ 2,577,855.84	\$ 3,180,594.17	\$ 2,461,788.48	\$ 2,588,298.35	\$ 2,588,298.35	\$ 2,588,298.35	\$ 2,588,298.35	\$ 2,588,298.35	\$ 2,588,298.35	\$ 2,588,298.35
Net	\$ 139,128.70	\$ (137,560.50)	\$ (147,602.50)	\$ (817,059.33)	\$ (85,047.96)	\$ (237,672.12)	\$ 3,902,729.88	\$ 1,499,813.88	\$ (237,672.12)	\$ (237,672.12)	\$ (173,365.12)	\$ (237,672.12)
Beg Cash	\$ 2,751,983.10	\$ 2,891,121.80	\$ 2,753,561.30	\$ 2,805,969.89	\$ 1,788,899.47	\$ 1,703,851.51	\$ 1,466,179.39	\$ 5,368,909.27	\$ 6,868,723.14	\$ 6,631,051.02	\$ 6,393,378.90	\$ 6,220,023.78
End Cash	\$ 2,891,121.80	\$ 2,753,561.30	\$ 2,605,958.80	\$ 1,788,899.47	\$ 1,703,851.51	\$ 1,466,179.39	\$ 5,368,909.27	\$ 6,868,723.14	\$ 6,631,051.02	\$ 6,393,378.90	\$ 6,220,023.78	\$ 5,982,351.66
Investments	\$ 1,472,806.97	\$ 1,475,230.42	\$ 1,478,879.75	\$ 1,487,464.13	\$ 1,499,573.78	\$ 1,482,791.41	\$ 1,482,791.41	\$ 1,482,791.41	\$ 1,482,791.41	\$ 1,482,791.41	\$ 1,482,791.41	\$ 1,482,791.41
Total Available Cash	\$ 4,363,930.77	\$ 4,228,791.72	\$ 4,084,838.55	\$ 3,276,363.60	\$ 3,203,425.29	\$ 2,948,970.80	\$ 6,851,700.68	\$ 8,351,514.55	\$ 8,113,842.43	\$ 7,876,170.31	\$ 7,702,815.19	\$ 7,465,143.07
Actual												
Estimate												



BOARD POLICY III.02

AREA:	Governance	PAGE:	1 of 1
POLICY TYPE:	Board-Management Delegation	EFFECTIVE:	09/28/2022
POLICY TITLE:	UNITY OF CONTROL	REVIEWED:	3/25/2025

POLICY:

Only officially passed motions of the board are binding on the CEO.

Accordingly:

1. Decisions or instructions of individual board members, officers, or committees are not binding on the CEO except in rare instances when the board has specifically authorized such exercise of authority.
2. In the case of board members or committees requesting information or assistance without board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds or is disruptive.



BOARD POLICY III.03

AREA:	Governance		
POLICY TYPE:	Board-Management Delegation	PAGE:	1 of 1
POLICY TITLE:	ACCOUNTABILITY OF THE CEO	EFFECTIVE:	09/28/2022
		REVIEWED:	3/25/2025

POLICY:

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:

1. The board will never give instructions to persons who report directly or indirectly to the CEO.
2. The board will not evaluate, either formally or informally, any staff other than the CEO.
3. The board will view CEO performance as identical to organizational performance, so that organizational accomplishment of board stated Ends and avoidance of board proscribed means will be viewed as successful CEO performance.



BOARD POLICY III.04

AREA:	Governance		
POLICY TYPE:	Board-Management Delegation	PAGE:	1 of 1
POLICY TITLE:	DELEGATION TO THE CEO	EFFECTIVE:	09/28/2022
		REVIEWED:	3/25/2025

POLICY:

The board will instruct the CEO through written policies which prescribe the organizational Ends to be achieved, and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly:

1. The board will develop policies instructing the CEO to achieve specified results, for specified recipients at a specified relationship between cost and results. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Ends policies. All issues that are not Ends issues as defined above are Means issues.
2. The board will develop policies that limit the latitude the CEO may exercise in choosing the organizational means. These limiting policies will describe those practices, activities, decisions and circumstances that would be unacceptable to the board, even if they were to be effective. These policies will be developed systematically from the broadest, most general level to more defined levels; they will be called Executive Limitations policies. The board will never prescribe organizational means of the CEO.
 - a. Below the global level, a single limitation at any given level does not limit the scope of any foregoing level.
 - b. Below the global level, the aggregate of limitations on a given level may embrace the scope of the foregoing level, but only if justified by the CEO to the board's satisfaction.
3. As long as the CEO uses *any reasonable interpretation* of the board's Ends and Executive Limitations policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities. Such decisions of the CEO shall have full force and authority as if decided by the board.

The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and CEO domains. By doing so, the board changes the latitude of choice given to the CEO. But as long as any particular delegation is in place, the board will respect and support the CEO's choices.

Directors Report March 2025

Administrative

- I met with the Sturgis Hospital Management company to discuss how we could potentially partner to provide inpatient hospitalization in our area.
- Attended Policy and Legislation Conference in DC
 - Mental Health still seems to be a bipartisan issue where both believe in its value and importance.
 - All presenters stated that the news makes things appear worse than what is being experienced by members of Congress
 - There is still a real possibility of an \$ 880 billion cut to Medicaid.
 - I collaborated with Bob and Alan from the CMHA association to develop a resolution for our County Commissioners.
 - Everyone highlighted advocacy at the state and federal levels as often as possible.
- PIHP has been announced for a rebid. Not much additional information was given.

Clinical

- Met with QLER Psychiatry to assess progress. It appears we have resolved many issues and are finally on track, with preparations underway to move forward. Both hospitals are saying that it has been a benefit and they are hoping that it continues to benefit as we have fixed our issues.

Human Resources

Open Positions:

- **Infant Mental Health CSM**
- **Access Care Manager II X 2**
- **Clubhouse Specialist**
- **Outpatient Therapist**

Pending:

- Customer Service
- Support Staff
- Children's Clinical Director

Transfers:

- **HR Director**- Michelle Crittenden from Executive Assistant
- **Mild/Moderate** – Missy Taylor from Outpatient Therapist

Resignations:

- **HR Director** - Peggy Jepson – Retirement
- **Children's Clinical Director** Kathleen M – Bronson Healthcare

Affinity House Advisory Board Agenda

January 15, 2025

- Jessica (Absent)	- T.J.
- Holly	- Gina
- Ron	- Jo (Absent)
- Gail	- Liz
- Travis	- Cory
- Rick (Absent)	- Jill
- Adam (Absent)	- Luke (Absent)

1. **Call to Order:** 12:07 PM
2. **Approval of Agenda:** Liz made a motion to approve the agenda, TJ supported.
3. **Approval of Minutes:** Gina made a motion to approve the minutes, Holly supported.
4. **Banking Account:**
 - a. Total Cash: \$994.40
 - b. Total Restricted Donations: \$10,927.41
 - c. FY '23/'24 Budget: \$212,144.41
 - d. FY '24/'25 Budget: \$205,654.00
 - e. Meijer \$5,000 donation was received and deposited in restricted funds
 - f. Changes made to budget sheet to make it easier to understand
5. **Accreditation Updates:**
 - a. Affinity House has started self-study and is scheduled for a site visit in January of 2026. The self-study is due in September of 2025.
6. **Employment:**
 - a. Three Active TEP's with St. Joseph County Transportation: One is cleaning buses in Three Rivers. The other two are assisting with the Circle Line in Sturgis.
 - b. Met with Glen Oaks, in December of 2024, and working on TEP for cleaning the weight room
 - c. TJ Baker stated he is going to ask if we can have a TEP position at the County cleaning the training room
7. **Education:**
 - a. One member is enrolled in obtaining there GED. This member utilizes Clubhouse for Wi-Fi and computers to be able to complete school work.
8. **Advisory Board:**
 - A. Jill is to present on Hope United services to see how her agency can assist Clubhouse individuals.
9. **Fundraising:**
 - A. Meijer deposited the \$5,000 into Pivotal account
 - B. Med-Clinic donated \$475.00
 - C. Holly will start working on the Sturgis Foundation Grant
10. **Advocacy:**
 - a. Holly sent an email to all schools in St. Joseph County to conduct YA outreach
 - b. Holly sent an email to Elks Club Sturgis for a presentation
 - c. Holly sent an email to suicide foundation for a presentation

11. For the good of the order:

- A. Vanburen Clubhouse to send members to Affinity House. Cameron is working with their CEO on making that happen
- B. Affinity Clubhouse 2025 goal is to partner with Cass and Kalamazoo Counties to bring members to St. Joseph County
- C. The feral cat issue was resolved and there are only 1-3 cats left. Worked with a group out of Constantine to remove the cats

12. Meeting Adjourned: 12:50

Next Meeting: February 19, 2025

***Standard 33 – International Clubhouse** - The Clubhouse has an independent board of directors, or if it is affiliated with a sponsoring agency, has a separate advisory board comprised of individuals uniquely positioned to provide financial, legal, legislative, employment development, consumer and community support and advocacy for the Clubhouse.

Advisory Board Mission Statement - 'The Advisory Board will be comprised of individuals who are actively engaged in supporting Affinity House to become integrated into the community through employment, advocacy, and fundraising events.'

Affinity House Advisory Board Agenda

February 19, 2025

1. Call to Order:
2. Approval of Agenda
3. Approval of Minutes:
4. Banking Account:
 - a. Total Cash on hand: 376.90
 - b. Restricted Funds from Pivotal: **\$10,975.41**
 - c. FY '24/'25 Budget: \$205,654.00
5. Accreditation Updates:
6. Employment:
7. Education:
8. Advisory Board:
9. Fundraising:
10. Advocacy:
11. For the good of the order:
12. Meeting Adjourned:

Next Meeting: March 19, 2025

***Standard 33 – International Clubhouse** - The Clubhouse has an independent board of directors, or if it is affiliated with a sponsoring agency, has a separate advisory board comprised of individuals uniquely positioned to provide financial, legal, legislative, employment development, consumer and community support and advocacy for the Clubhouse.

Advisory Board Mission Statement - 'The Advisory Board will be comprised of individuals who are actively engaged in supporting Affinity House to become integrated into the community through employment, advocacy, and fundraising events.'

Affinity House
Statement of Revenues and Expenditures
October 2024-December 2025

	24-Oct	24-Nov	24-Dec	25-Jan	25-Feb	25-Mar	25-Apr	25-May
Savings Account	\$6,484.06	\$6,582.06	\$10,975.41	\$10,975.41				
Cash on Hand	\$ 640.51	\$ 420.00	\$ 994.40	\$ 376.90				
	\$ -	\$ -						
	\$7,124.57	\$7,002.06	\$11,969.81	\$ 11,352.31	\$ -	\$ -	\$0.00	\$0.00
Colleague Charges	\$923.84	\$374.63	\$411.50	\$ 560.75				
Revenues								
CH Sales								
Lunch Orders	\$ 195.30	\$ 322.25	\$ 116.10	\$ 211.09				
Café	\$ 263.33	\$ 280.33	\$ 261.93	\$ 310.18				
Member Payments	\$ 514.66	\$ 375.80	\$ 438.75	\$ 457.47				
Clerical Copies /bottles	\$ 0.91	\$ 30.70	\$ 0.40	\$ 31.46				
Total Revenues	\$ 974.20	\$ 1,009.08	\$ 817.18	\$ 1,010.20	\$ -	\$ -	\$ -	\$ -
Expenditures								
Groceries	\$ 1,331.97	\$ 749.24	\$ 884.80	\$ 538.98				
Colleague Withdrawals	\$ 42.00	\$ -	\$ -	\$ 15.00				
Other	\$ -	\$ -	\$ -	\$ -				
Total Expenditures	\$ 1,373.97	\$ 749.24	\$ 884.80	\$ 553.98	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over expenditures	\$ (399.77)	\$ 259.84	\$ (67.62)	\$ 456.22	\$ -	\$ -	\$ -	\$ -

Affinity House

Restricted Donations

<u>Donor</u>	<u>Amount</u>	<u>Received</u>
Constantine American Legion	300.00	Apr 2023
Sturgis Bank & Trust	425.00	Jun 2023
BPOE 1248	2,500.00	Aug 2023
Sturgis Area Community Foundation	1,152.06	Sep 2023
Edward Jones Trust - David E Bell	100.00	Dec 2023
Edward Jones Trust - Georgina C Austermann	250.00	Dec 2023
Bruce E and Leslie M Van Gelder	25.00	Jan 2024
Fraternal Order of Police Lodge 106	150.00	Apr 2024
Bill Parker Memorial	100.00	May 2024
Bohm's Adult Foster Care	48.00	Jul 2024
St Joseph County Sheriff Mount Division	500.00	Aug 2024
Myra Hampton in Memory of Laura Willis	50.00	Aug 2024
Walmart Spark Good Local Grant	500.00	Sep 2024
Bohm's Adult Foster Care	48.00	Sep 2024
St Joseph County United Way	336.00	Nov 2024
Bohm's Adult Foster Care	24.00	Nov 2024
Bohm's Adult Foster Care	24.00	Nov 2024
Marcus Evans - Lunches at Affinity	50.00	Nov 2024
Meijer Grant	5,000.00	Dec 2024
Bohm's Adult Foster Care	48.00	Jan 2025
Total Restricted Donations	<u>11,630.06</u>	

<u>Vendor / Items purchased</u>	<u>Amount</u>	<u>Paid</u>
Bofa Inc - T-shirts for 5K	146.30	Oct 2024
Holly Cerny - Reimbursement for John Ball Zoo Outing	292.35	Nov 2024
Holly Cerny - Reimbursement for Gilmore Car Museum	216.00	Dec 2024
Total Payments from Restricted Donations	<u>654.65</u>	
Account Balance	<u>10,975.41</u>	

December 19, 2024

Keith White
Actuarial Division Director
Michigan Department of Health & Human Services
400 S Pine St.
Lansing, MI 48933

RE: MIDYEAR SFY 2025 CAPITATION RATE CONCERNS

Dear Keith:

Wakely was retained by the Michigan Consortium for Healthcare Excellence (MCHE) to provide actuarial support to MCHE and the ten prepaid inpatient health plan (PIHP) contracts related to the behavioral health managed care program, which is administered by the Michigan Department of Health and Human Services (MDHHS). MDHHS has contracted with Milliman to develop and certify the capitation rates for its behavioral health managed care program.

This letter documents the PIHPs' outstanding rate concerns related to the State Fiscal Year (SFY) 2025 behavioral health capitation rates. This letter is not intended to be exhaustive list of concerns but is intended to inform Milliman and MDHHS of the primary PIHP concerns to ensure that they are considered as Milliman evaluates midyear rate amendments.

Wakely does not intend to create a reliance to third parties, and these materials may not be released to third parties without Wakely's prior written consent. When consent is granted, the materials should be provided in their entirety. Wakely hereby grants permission for MCHE to distribute this letter to MDHHS and Milliman. We relied on information provided by MCHE and Milliman to develop this letter.

SFY 2025 Behavioral Health Rate Concerns

Inaccurate PIHP Area Factors

Milliman's SFY 2025 behavioral health rate certification report summarizes SFY 2023 Medical Loss Ratios (MLRs) as reported in Figure 12. This summary indicates a wide variance of loss ratios across the ten PIHPs.

Table 1: SFY 2023 FSR Reported Adjusted Loss Ratios

PIHP	HMP		Non-HMP		All Populations	
	MLR	Difference from 'All Regions'	MLR	Difference from 'All Regions'	MLR	Difference from 'All Regions'
Northcare	71.8%	3.7%	96.3%	-3.8%	92.8%	-3.5%
Northern MI	90.5%	15.0%	98.4%	-1.7%	97.3%	1.0%
Lakeshore	79.4%	3.9%	93.2%	-6.9%	91.2%	-5.1%
Southwest	82.8%	7.3%	112.3%	12.2%	107.4%	11.1%
Midstate	78.0%	2.5%	105.6%	5.5%	101.1%	4.8%
Southeast	82.3%	6.8%	99.6%	-0.5%	97.3%	1.0%
Detroit-Wayne	72.3%	-3.2%	99.7%	-0.4%	95.4%	-0.9%
Oakland	68.7%	-6.8%	103.2%	3.1%	98.4%	2.1%
Macomb	64.9%	-10.6%	90.4%	-9.7%	87.0%	-9.3%
Region 10	67.7%	-7.8%	93.3%	-6.8%	89.3%	-7.0%
All Regions	75.5%		100.1%		96.3%	

The table above indicates an MLR range of 25.6% for HMP (from 64.9% to 90.5%), 21.9% for non-HMP (from 90.4% to 112.3%), and 20.4% on all populations (from 87.0% to 107.4%). The regional adjustment factors, otherwise known as area factors, are intended to adequately account for differences in regional populations and benefits. The large variance in regional MLRs above indicates that these area factors did not sufficiently account for regional differences in SFY 2023.

PIHPs have compiled the interim SFY 2024 FSRs and initial findings indicate that MLRs continue to vary widely across the PIHPs, further highlighting the need for updates to Milliman’s area factor methodology.

Actuarial standard of practice (ASOP) 49, Section 3.2.2 states:

“Capitation rates are usually separately developed and paid in individual capitation rate cells based on characteristics that cause costs to differ materially. Examples of these characteristics include age, gender, qualifying event (for example, maternity delivery), geographic region, Medicaid eligibility group, eligibility for Medicare benefits, diagnosis or risk adjustment factors, and MCO differences.”

While the capitation rates are not certified individually for each PIHP, the area factors are intended to adjust for geographic region differences. The results in Table 1 above clearly indicate that the area factors are not accurately accounting for cost differences in each region.

Insufficient Risk Margin

The SFY 2025 behavioral health rates include a composite risk margin component of 0.75%. Table 1 above indicates the SFY 2023 adjusted composite loss ratio was 96.3%, well above the target loss ratio of 93%. In addition, several PIHPs experienced a loss ratio well above 100%. At these rates, savings and surplus were significantly depleted in SFY 2023. Initial SFY 2024 results indicate similarly high loss ratios, further depleting surplus for many of the PIHPs.

ASOP 49, Section 3.2.12(b) states:

“The actuary should include a provision for underwriting gain, which is typically expressed as a percentage of the premium rate, to provide for the cost of capital and a margin for risk or contingency. The underwriting gain provision provides compensation for the risks assumed by the [PIHP]. These risks may include insurance, investment, inflation, and regulatory risks, as well as risks associated with social, economic, and legal environments. The actuary should consider the effect of any risk sharing arrangements discussed in section 3.2.14, and performance withholds and incentives discussed in section 3.2.15.

The methods used to develop the underwriting gain provision of the capitation rate should be appropriate to the level of capital required and the type and level of risk borne by the [PIHP].”

MDHHS's contract with the PIHPs establishes a minimum MLR of 85.0% and maintains a risk sharing mechanism for the behavioral health managed care program, which limits the surplus that each PIHP can build in any given year. However, losses are not similarly limited. As Table 1 indicates, recent losses have been significant for several of the PIHPs. The asymmetrical nature of the MLR risk mechanism, combined with the extreme variation in MLRs reported above, elucidates the concern that current risk margin rates are not sufficient.

We request that Milliman provide sufficient documentation supporting the development of the 0.75% risk margin. We suggest the Society of Actuaries (SOA) Medicaid risk margin underwriting model¹ as a helpful starting point for further discussion in determining the appropriate level as well as generating sufficient documentation for the risk margin. We also request that Milliman please confirm recent experience (post-PHE unwinding) has been considered in the determination of the risk margin.

Insufficient SFY 2025 Capitation Rates

Table 1 above indicates an overall adjusted MLR of 96.3%, well above the target of 85%. In their December 13 response to MCHE questions, Milliman states:

“The capitation rates have been developed such that the PIHP would reasonably achieve a MLR of at least 85% by using actual managed care program data as the basis for developing the benefit expense component of the rates and by including non-benefit

¹ <https://www.soa.org/49d28d/globalassets/assets/files/resources/research-report/2022/medicaid-underwriting-margin-model.pdf>

expense costs of less than 15%, which are assumed to be reasonable, appropriate, and attainable. We reviewed the medical loss ratio reports submitted to CMS and considered these past medical loss ratios when setting the actuarially sound capitation rates. We considered the historical medical loss ratios, capitation rate changes, and emerging benefit expense trends when developing the SFY 2025 capitation rates as required by 42 CFR §438.5(b)(5)."

Due to the historically high medical loss ratio (MLR) of 96.3%, we request that Milliman provide detailed explanations regarding how this historical MLR was incorporated into the development of SFY 2025 rates. Both the SFY 2024 and early SFY 2025 data suggest that MLRs will remain elevated, indicating that the target 85% MLR ratio is unlikely to be met for the third consecutive year. We urge Milliman to revisit the emerging MLRs for SFY 2023 and SFY 2024, as a further review may justify a substantial increase in SFY 2025 capitation rates.

Conclusion

This letter was developed on the behalf of the PIHPs to present the concerns related to the SFY 2025 behavioral health capitation rates. We relied on the SFY 2025 rate certification provided by Milliman and on discussions with MCHE and the PIHPs to develop this letter. Suzanna-Grace Tritt is responsible for this communication. I am a Member of the American Academy of Actuaries and a Fellow of the Society of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to issue this letter. I analyzed the SFY 2022 and SFY 2023 summary experience using sound actuarial practice. To the best of my knowledge, the letter and methods used in the analysis are in compliance with the appropriate Actuarial Standards of Practice with no known deviations.

Outside parties receiving this work should retain their own experts and form their own opinions. Wakely does not intend to create a reliance to these outside parties, and these materials may not be released to third parties without Wakely's prior written consent, and when consent is granted, the materials should be provided in their entirety.

Users of the results should be qualified to use them and understand the results and the inherent uncertainty. There are no known relevant events subsequent to the date of information received that would impact the results of this letter. Wakely provides actuarial services to a variety of clients throughout the health industry. Our clients include commercial, Medicare, and Medicaid health plans, the federal and state governments, medical providers, and other entities that operate in the domestic and international health insurance markets. Wakely has implemented various internal practices to reduce or eliminate conflict of interest risk in serving our various clients. Except as noted here, the responsible actuaries are financially independent and free from conflict concerning all matters related to performing the actuarial services underlying this analysis. In addition, Wakely is organizationally and financially independent from MCHE.

Please do not hesitate to call if you have any questions or if we may be of additional assistance. Thank you for the opportunity to work on this important project.

Sincerely,



Suzanna-Grace Tritt, FSA, MAAA
Senior Consulting Actuary
Wakely Consulting Group, LLC, an HMA
Company
(720) 627-8671
suzannagrace.tritt@Wakely.com