



Board of Directors Meeting Agenda

Tuesday, May 20, 2025 at 5:30 PM

Board Room, 540 Jenner Drive, Allegan, MI 49010

*(To attend virtually via Microsoft Teams: **Click here to join the meeting**
or by audio only via telephone: **call 1-616-327-2708, and enter ID 598 536 159#**)*

1. Call to Order – Alice Kelsey
2. Pledge of Allegiance
3. Roll Call – Alice Kelsey
4. Provision for Public Comment (agenda items only, 5” limit per speaker)
5. Approval of Agenda
6. Consent Agenda
(All items listed are considered routine and will be enacted by one motion without separate discussion of each item. If discussion is desired, a board member may request the removal of any item from this list.)
 - a. **Motion** – Approval of prior minutes:
 - i. Board Meeting (04/15/2025)
 - ii. Finance Committee (04/15/2025)
 - iii. Program Committee (04/15/2025)
 - iv. Executive Committee (04/15/2025)
7. Program Committee – Alice Kelsey
8. Finance Committee Report – Beth Johnston
 - a. **Motion** – Approval of Voucher Disbursements
 - b. **Motion** – Approval of FY2025 Contracts
9. Recipient Rights Advisory Committee (Mar/June/Sep/Dec) – Glen Brookhouse
- ~~10. LRE Updates – Mary Dumas or alternate~~
11. Chairperson’s/Executive Committee Report – Alice Kelsey
12. OnPoint Chief Executive Officer’s Report – Mark Witte
13. Provision for Public Comment (any topic, 5” limit per speaker) – Alice Kelsey
14. Board Member Comments – Alice Kelsey
15. Adjournment
16. Future Meetings:
 - a. June 13, 2025 @ 3:00 pm – Executive Committee
 - b. June 17, 2025 @ 3:30 pm – Recipient Rights Advisory Committee
 - c. June 17, 2025 @ 4:00 pm – Program Committee
 - d. June 17, 2025 @ 4:30 pm – Finance Committee
 - e. June 17, 2025 @ 5:30 pm – Full Board Meeting



OnPoint Board Finance Committee Agenda

Tuesday, May 20, 2025 @ 4:30 pm

Hamilton Conference Room, 540 Jenner Drive, Allegan MI 49010

- 1) Call to Order – Beth Johnston
- 2) Public Comment (agenda items only, 5 minute limit per speaker)
- 3) Approval of Agenda
- 4) Approval of Minutes
- 5) Review of Written Reports
 - a) Facilities & Human Resources – Andre Pierre
 - b) Administrative Services Report – Andre Pierre
- 6) Action Items
 - a) Motion – to Recommend Board Approval of Voucher Disbursements
 - b) Motion – to Recommend Board Approval of Contract(s)
- 7) Informational Items
 - a) Financial Reports
- 8) Building Committee
- 9) Finance Committee Member Comments
- 10) Public Comment (any topic, 5 minute limit per speaker)
- 11) Adjournment – Next Meeting June 17, 2025 at 4:30 pm, 540 Jenner Drive, Allegan, MI

Finance Committee: Beth Johnston, Chair; Glen Brookhouse, Vice Chair; Commissioner Mark DeYoung; Krystal Diel, Commissioner Gale Dugan

OnPoint Finance Committee Minutes - DRAFT
Tuesday, April 15, 2025, at 4:30 pm
Hamilton Conference Room, 540 Jenner Drive, Allegan MI 49010

Board Members Present: Glen Brookhouse, Krystal Diel, Gale Dugan, Mark DeYoung, Beth Johnston, Alice Kelsey

Board Members Absent: None

Staff Members: Mark Witte, Andre Pierre, Nikki McLaughlin

Public Present: Bill Hirschman

1. **Call to Order** – Beth Johnston - Chairperson, called the meeting to order at 4:22 pm.

2. **Public Comment** – None

3. **Approval of Agenda**

Moved: Mr. DeYoung

Supported: Mr. Brookhouse

Approved with change of order, Roslund Prestige to present under Section 5.

Motion carried.

4. **Approval of Minutes**

Moved: Mr. Brookhouse

Supported: Mr. Dugan

Motion carried.

5. **Review of Written Reports:**

a. Mr. Hirschman from Roslund Prestige (RPC) presented the financial audit of OnPoint. No findings were reported. Mr. Hirschman gave a broad overview of the financial reports, highlighting the good working relationship that RPC and OnPoint have when the financial audit was occurring.

b. Administrative Report

Mr. Pierre reviewed the administrative report submitted.

c. Facilities & Human Resources

Information Technology – Still working with companies on fiber optic cable. Charter continues to have interruptions of internet. Frontier fiber was ran in February and connected in March. Preliminary testing indicates that speed is faster than Charter. Frontier was set up to be redundant, but will be switched to primary.

Working with Rubix on data, making sure reports are flowing on new server.

Human Resources – There was 0 new hire, 1 separations (voluntary) and 14 active postings.

ESTA (Earned Sick Time Act) went into effect 2/21/2025. HR worked with legal to review OnPoint's PTO policy. This will not be a significant impact for OnPoint staff.

Policies continue to be reviewed and revised as needed.

Employee survey was conducted in January with an 86% response from staff. Results were shared at an all staff meeting in March. Will be working with a third party to review 2019, 2021 and current surveys and coming up with best action plan to move forward.

There will be three focus group meetings held for feedback with questions and answers on driving issues as well as asking for suggestions.

Facilities – Duct cleaning will be occurring in April followed up with carpet cleaning in high traffic areas as well as window cleaning.

6. Action Items:

- a. The Finance Committee recommends that the OnPoint Board approve the March, 2025 disbursements totaling \$3,652,322.40.

Moved: Mr. Dugan

Supported: Mr. Brookhouse

Motion carried.

- b. The Finance Committee recommends that the OnPoint Board approve the following list of provider contracts for fiscal year 2025.

Moved: Mrs. Kelsey

Supported: Miss Diel

Motion carried.

7. Informational Items

- a. **Financial Reports**

Mr. Pierre reviewed the financial statements for February.

Projected \$313,679 to be returned to the LRE. General Fund is currently projecting zero return and carryforward.

Financial statements for February were projected with a PPS1 rate of \$417/per person per day. The PPS1 rate is projected to be reduced to \$398, but could go to \$388. The FY 25 budgeted units provided annually, utilizing a PPS 1 Rate of \$417 is 27,700, which equates to 2,300/month. OnPoint, from October-February, is 1,089 units below the expected 5 month of 11,500.

The worse case scenario regarding the PPS1 rate dropping to \$388, would be a projected year end loss of \$79,548. It's Important to understand productivity and units of service. Each individual team will receive support from management to set and achieve targets.

If OnPoint were to have a financial loss in CCBHC services, we would look to offset it with General Fund. However, there may not be enough General Fund to cover.

8. Finance Committee Member Comments

None

9. Public Comment

None

10. Next Meeting – May 20, 2025, at 4:30 pm.

11. Adjournment

Moved: Mr. Dugan

Supported: Mr. Brookhouse

Motion carried.

Meeting adjourned at 5:27 pm.

Administrative Services Board Report May 2025
Submitted by Andre Pierre, Chief Administrative Officer
269.569.3238 – APierre@OnPointAllegan.org

FINANCE

This month's packet includes the monthly financial report for March 2025. The Summary Schedule of Revenues and Expenses by Fund Source shows the difference between the revenue received from the Lakeshore Regional Entity (LRE) and the State of Michigan Department of Health and Human Services (MDHHS) and the eligible expenses incurred by OnPoint. These fund sources are cost settled at the end of each year, and any unspent funds are required to be returned to the LRE or MDHHS. We are projecting to return approximately \$281,000 (MH Medicaid and SUD Medicaid combined) to the LRE and a carry forward/lapse of approximately \$252,000 in General Funds to return to MDHHS.

HUMAN RESOURCES

In Human Resources, work on the Human Resources policy review and development project continued. The majority of existing policies within the 600 Human Resources series were reviewed and revised by March 31st and submitted for approval. In addition, OnPoint completed the first pay for performance review cycle, and coordinated with Finance to calculate merit increases and lump-sum merit payments and generate notifications to all employees. During the month of March there was considerable focus on culture development activities. On March 7th, OnPoint's employee activity committee, Folks4Fun, organized the "Summer Inside" employee recognition event in conjunction with National Employee Recognition Day. The event featured lunch and other employee engagement activities. On March 25th, the results of the 2025 Climate Survey were presented to all staff at our quarterly meeting. The Human Resources Director presented trends from the three years the survey was administered (2019, 2021 and 2025) in each of the areas of employee feedback; organizational culture, communication, leadership, teamwork, manager support, work environment, staff development, compensation and recognition and overall job satisfaction. The presentation covered quantitative results, qualitative themes from the feedback, and the next steps.

In the month of March, the Human Resources department did not experience significant activity in the areas of turnover and internal transitions. The following activity occurred:

New Hires- 2

Separations- 2 separations (1 voluntary, 1 involuntary)

Active Posting- 14

INFORMATION TECHNOLOGY

In the area of Information Technology, we continue to work with Allegan County Information Technology on items in the 2025 project list. OnPoint has unfortunately suffered from random data feed outages from Charter Communications. These disruptions have been a source of employee frustration as well as negatively impacting the ability to deliver services. During March Frontier Communications completed the fiber-optic line terminal connection to the OnPoint router as well as added a Static IP address which allows for the fail over functionality. With the final connection in place, we will be testing the data speed and stability in April. Once everything is

completed, anytime that our primary Charter feed goes down, our system will automatically toggle over to Frontier. Also, during the month we began discussions with our vendor, Digital Elevation, for conducting security testing of our network. This is an annual practice where the vendor tests our networks firewalls, anti-virus, and authentication measures against harmful threats. We are scheduling the test to take place in April. Rubix IT consulting continues their active support by assisting OnPoint in the completion of ad-hoc reports that must be delivered on time. During the month of March we began discussions on the development of dashboards to provide transparent insight on our operational activities. Over the coming weeks we will identify a few select metrics to launch, clarify the statement of work, and establish an estimated timeline for the deliverable.

FACILITIES

In the area of Facilities, we had a relatively calm month with only routine maintenance actions taking place.

We officially began occupancy of the new building on May 5, 2023. We committed no construction draw of funds through the United States Department of Agriculture (USDA) loan and Michigan Economic Development Corporation (MEDC) grant. At this point the project close “punch list” of deliverables has been completed. However, the project remains open due to the delay from MDOT (Michigan Department of Transportation) in approving the final run of fiber optic cable to our building. During March we convened two update meetings for all the stakeholders (OnPoint, Allegan County, Shareco) to discuss how a path forward can be created. During our fifth meeting we discussed a plan which would allow Shareco to run the fiber line along Frontier Communications existing fiber path. Allegan county IT and Shareco plan to contact Frontier to gauge receptiveness and feasibility. Update meetings will continue on a bi-weekly basis to ensure the efforts towards a resolution do not lose momentum.

During March we entered the next step in the RFP process, regarding the buildout of the MAT area of our building. Nine vendors were targeted for the opportunity, and we received five respectable bids to select from. Three bids were the minimum requirement from the Health Resources and Services Administration (HRSA), whose grant dollars will be used to fund the project. OnPoint selected Schley Nelson Architects due to the price and time to completion. During April we will begin the work to negotiate and finalize contract details.

We have been encouraged by all the interactions we are having and feel optimistic about the end deliverables. OnPoint is in the active project launch and review stage and will provide periodic updates to key stakeholders as warranted.

Sincerely,

Andre Pierre
Chief Administrative Officer
May 12, 2025

Finance Committee ACTION REQUEST	Subject:	Voucher Disbursements	
	Meeting Date:	May 20, 2025	
	Requested By:	Beth Johnston, Finance Committee Chairperson	
<u>RECOMMENDED MOTION:</u>			
<u>The Finance Committee recommends that the OnPoint Board approve the April, 2025 disbursements totaling \$3,718,950.11.</u>			
<u>SUMMARY OF REQUEST/INFORMATION:</u>			
<u>Date Issued:</u>	<u>Voucher Number:</u>	<u>Type:</u>	<u>Amount:</u>
April 1, 2025	N/A	Loan Payment	\$21,334.00
April 11, 2025	P1755	Payroll	\$459,294.91
April 11, 2025	P1756	Payroll	\$83,027.81
April 11, 2025	P1757	HSA	\$210,000.00
April 15, 2025	V969	Vendor	\$1,920,356.77
April 25, 2025	P1758	Payroll	\$462,089.07
April 30, 2025	V970	Vendor	\$562,847.55
<u>BUDGET/FINANCIAL IMPACT</u>			
<ul style="list-style-type: none"> These disbursements are part of the approved fiscal year 2025 operating budget for OnPoint. 			
BY: Nikki McLaughlin, Accounting Manager		DATE: May 20, 2025	

Full Board ACTION REQUEST	Subject:	Contracts												
	Meeting Date:	May 20, 2025												
	Requested By:	Beth Johnston, Finance Committee Chairperson												
<u>RECOMMENDED MOTION:</u> <u>The Finance Committee recommends that the OnPoint Board approve the following list of provider contracts for fiscal year 2025.</u>														
<u>SUMMARY OF REQUEST/INFORMATION:</u> <table border="0"> <thead> <tr> <th>Provider</th> <th>Contracted Service(s)</th> </tr> </thead> <tbody> <tr> <td>Great Lakes Recovery Centers, Inc</td> <td>Supports & Services</td> </tr> <tr> <td>Modernistic</td> <td>Professional Services</td> </tr> <tr> <td>Zantello's Interior Care</td> <td>Professional Services</td> </tr> <tr> <td>Ask Ovell (Ovell Barbee)</td> <td>Professional Services</td> </tr> <tr> <td>Consilium (Locum Tenens)</td> <td>Professional Services</td> </tr> </tbody> </table>			Provider	Contracted Service(s)	Great Lakes Recovery Centers, Inc	Supports & Services	Modernistic	Professional Services	Zantello's Interior Care	Professional Services	Ask Ovell (Ovell Barbee)	Professional Services	Consilium (Locum Tenens)	Professional Services
Provider	Contracted Service(s)													
Great Lakes Recovery Centers, Inc	Supports & Services													
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<u>BUDGET/FINANCIAL IMPACT</u> <ul style="list-style-type: none"> The contracted service is part of the fiscal year 2025 operating budget for OnPoint. 														
BY: Nikki McLaughlin, Accounting Manager		DATE: May 20, 2025												

ONPOINT



Period Ended
March 31, 2025

Monthly Finance
Report

ONPOINT

Summary of Variances and Fluctuations

March 31, 2025

I. Assets

- Cash and cash equivalents - Increase over prior year is due to the accumulation of the fiscal year 2024 surplus Medicaid and Healthy Michigan Plan revenue, as well as the current year-to-date surplus.
- Due from other governments - Increase from prior year is primarily related to the timing of CCBHC demonstration revenue payments from the Lakeshore Regional Entity (LRE).

II. Liabilities

- Due to other governmental units - Increase over prior year is due to the accumulation of the fiscal year 2024 surplus Medicaid and Healthy Michigan Plan revenue, as well as the current year-to-date surplus.

I. Operating revenue

- Healthy Michigan has seen less disenrollments than anticipated, leading to higher than budgeted revenue.
- Certified Community Behavioral Health Clinic revenue - OnPoint has provided approximately 1,000 (or approximately 10 percent) less daily visits than budgeted, resulting in revenue coming in under budget.

IV. Operating expenses

- Supplies in grant budgets have not been purchased yet as well as one time purchase items that were built in the budget such as replacement laptops.
- Contractual services - The agency included funds in the budget to allow for the use of contractors for capital projects and during the vacancy of staff positions, until the right candidates can be hired, as well as support key initiatives including certain grant activities.
- Miscellaneous expense - Certain grant funded expenditures have been delayed due to staffing constraints.

ONPOINT

Summary Schedule of Revenues and Expenses by Fund Source

October 1, 2024 through March 31, 2025

	MDHHS Revenue	Coordination of Benefits	Grant Revenue	Expense	Redirects	Lapse or (Deficit)
Medicaid						
Medicaid - Mental Health	\$ 11,232,684	\$ -	\$ -	\$ (12,574,063)	\$ -	\$ (1,341,379)
Medicaid - Autism	2,427,790	-	-	(921,800)	-	1,505,990
Medicaid - SUD	334,053	-	-	(98,261)	-	235,792
Healthy Michigan Plan - Mental Health	608,887	-	-	(1,022,898)	-	(414,011)
Healthy Michigan Plan - SUD	574,371	-	-	(280,021)	-	294,350
Medicaid subtotal	<u>\$ 15,177,785</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,897,043)</u>	<u>\$ -</u>	<u>\$ 280,742</u>
CCBHC Demonstration						
CCBHC - Medicaid	\$ 3,231,271	\$ 34,461	\$ -	\$ (3,141,912)	\$ -	\$ 123,820
CCBHC - Healthy MI Plan	976,781	6,210	-	(899,402)	-	83,589
CCBHC - NonMedicaid	-	37,911	655,548	(662,991)	-	30,468
CCBHC Subtotal	<u>\$ 4,208,052</u>	<u>\$ 78,582</u>	<u>\$ 655,548</u>	<u>\$ (4,704,305)</u>	<u>\$ -</u>	<u>\$ 237,877</u>
General Fund	<u>\$ 853,868</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (601,574)</u>	<u>\$ -</u>	<u>\$ 252,294</u>
SUD Treatment Block Grant	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,861</u>	<u>\$ (166,861)</u>	<u>\$ -</u>	<u>\$ -</u>

This financial report is for internal use only. It has not been audited, and no assurance is provided.

ONPOINT

Statement of Net Position

March 31, 2025

	September 30, 2024	March 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,255,099	\$ 6,082,013
Accounts receivable	82,350	65,856
Due from other governmental units	2,588,342	2,726,570
Prepaid items	350,669	313,066
Total current assets	<u>8,276,460</u>	<u>9,187,505</u>
Non-current assets:		
Capital assets not being depreciated	272,878	272,878
Capital assets being depreciated, net	8,349,223	8,214,760
Total non-current assets	<u>8,622,101</u>	<u>8,487,638</u>
Total assets	<u>\$ 16,898,561</u>	<u>\$ 17,675,143</u>
Liabilities		
Current liabilities:		
Accounts payable	\$ 2,319,632	\$ 2,385,873
Accrued payroll and benefits	397,234	295,206
Due to other governmental units	2,288,784	2,736,435
Unearned revenue	298,624	303,032
Compensated absences - current portion	113,975	113,975
Notes payable - current portion	256,008	256,008
Total current liabilities	<u>5,674,257</u>	<u>6,090,529</u>
Long-term liabilities:		
Compensated absences	645,859	645,859
Notes payable	4,857,094	4,782,675
Total long-term liabilities	<u>5,502,953</u>	<u>5,428,534</u>
Total liabilities	<u>11,177,209</u>	<u>11,519,063</u>
Net position		
Invested in capital assets	3,508,999	3,448,955
Restricted for USDA loan	43,402	47,669
Unrestricted	<u>2,168,950</u>	<u>2,659,456</u>
Total Net Position	<u>\$ 5,721,352</u>	<u>\$ 6,156,080</u>

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ONPOINT

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through March 31, 2025

Percent of Year is 50.00%

	Total FY 2025 Budget	YTD Totals 3/31/25	Under/(Over) Budget	Percent of Budget - YTD
Operating revenue				
Medicaid capitation	\$ 27,645,387	\$ 13,994,527	\$ 13,650,860	50.62%
Medicaid settlement	(577,831)	(400,403)	(177,428)	
Healthy Michigan capitation	1,925,568	1,183,258	742,310	61.45%
Healthy Michigan settlement	506,577	119,661	386,916	
CCBHC capitation and supplemental	9,078,140	4,209,498	4,868,642	46.37%
State General Fund formula funding	1,707,737	853,868	853,869	50.00%
State General Fund settlement	-	(252,296)	252,296	
Grants and earned contracts	4,326,003	1,931,801	2,394,202	44.66%
Local funding	346,095	173,048	173,047	50.00%
Other reimbursements and revenue	581,967	281,846	300,121	48.43%
Total operating revenue	<u>\$ 45,539,643</u>	<u>\$ 22,094,808</u>	<u>\$ 23,444,835</u>	<u>48.52%</u>
Operating expenses				
Salaries and wages	\$ 11,908,348	\$ 5,381,424	\$ 6,526,924	45.19%
Fringe benefits	4,380,776	1,871,431	2,509,345	42.72%
Supplies and materials	279,936	53,342	226,594	19.06%
Provider Network services	24,048,125	12,571,732	11,476,393	52.28%
Contractual services	3,269,157	1,294,616	1,974,541	39.60%
Professional development	166,171	68,507	97,664	41.23%
Occupancy	293,728	145,292	148,436	49.46%
Miscellaneous expenses	515,518	77,090	438,428	14.95%
Depreciation	420,000	143,060	276,940	34.06%
Total operating expenses	<u>\$ 45,281,759</u>	<u>\$ 21,606,494</u>	<u>\$ 23,675,265</u>	<u>47.72%</u>
Nonoperating expenses				
Interest expense	115,000	53,586	61,414	46.60%
Change in net position	<u>\$ 142,884</u>	<u>\$ 434,728</u>	<u>\$ (291,844)</u>	
Beginning net position	<u>5,721,352</u>	<u>5,721,352</u>		
Ending net position	<u>\$ 5,864,236</u>	<u>\$ 6,156,080</u>		

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OnPoint Board of Directors – Program Committee Meeting Agenda

Tuesday, May 20, 2025 @ 4:00 pm

Board Room, 540 Jenner Drive, Allegan MI 49010

*(To attend virtually via Microsoft Teams: [Click here to join the meeting](#)
or by audio only via telephone: [call 1-616-327-2708, and enter ID 598 536 159#](#))*

- 1) Call to Order – Alice Kelsey, Chairperson
- 2) Public Comment (agenda items only; 5” limit per speaker)
- 3) Approval of Agenda
- 4) Approval of Minutes
- 5) Program Presentation:
 - a) Case Management and Supportive Services – Laura Furey & Todd Rockhill
- 6) Review of Written Reports
 - a) Customer Services – Cathy Potter
 - b) Chief Operating Officer – Jeana Koerber
- 7) Program Committee Member Comments
- 8) Public Comment (any topic; 5” limit per speaker)
- 9) Adjournment – Next Meeting June 17, 2025 at 4:00 pm, 540 Jenner Drive, Allegan, MI

Program Committee: Alice Kelsey, Chairperson; Kim Bartnick, Vice-Chairperson;
Jessica Castañeda; Jane LaBean; Debra Morse; Karen Stratton

**OnPoint Board of Directors
DRAFT Program Committee Minutes
April 15, 2025**

Board Members Present: Kim Bartnick, Vice-Chairperson; Jessica Castañeda; Alice Kelsey, Chairperson

Board Members Absent: Jane LaBean; Deb Morse; Karen Stratton

OnPoint Staff Present: Janice August (virtual); Diane Bennett (virtual); Geniene Gersh; Ashley Gow; Rob Griffith (virtual); Meagan Hamilton; Mallory Mickevich; Cori Perkins; Matt Plaska; Jennifer Taylor; Kim Thomas (virtual)

Public Present: Stephanie VanDerKooi

- 1) **Call to Order** – Ms. Kelsey called the meeting to order at 4:07pm.
- 2) **Public Comment** – No comments from members of the public.
- 3) **Approval of Agenda** – Quorum not established; approval skipped.
- 4) **Approval of Minutes** – Quorum not established; approval skipped.

Program Committee Reports – Matt Plaska, Director of Quality and Innovation, Ashley Gow, Contract Specialist, Jennifer Taylor, Provider Network Quality Specialist, Mallory Mickevich, Self-Determination Coordinator, and Cori Perkins, Contract Specialist, presented on Provider Network and Self-Determination. The team started off by introducing themselves and their roles. Next, the Provider Network responsibilities, provider contract management, and current contracts were reviewed. Also, County of Financial Responsibility (COFR) was discussed, and examples were given. Furthermore, an overview was provided on Home and Community Based Services (HCBS), Quality monitoring review process, and Provider Network challenges. Finally, overviews of Self Determination, Self-Direction, types of Self-Directed arrangements, Financial Management Service (FMS), and number of self-directed arrangements were given.

Diane Bennett, Compliance Officer, briefly reviewed her written report highlighting there are no new investigations at the moment, she has conducted two trainings this quarter, mentioned a few meetings she attended, and ongoing investigations.

- 5) **Program Committee Member Comments** – No member comments.
- 6) **Public Comment** – No comments from the public.
- 7) **Adjournment** – Meeting adjourned at 4:50pm.

Submitted by,

Meagan Hamilton

Customer Services Quarterly Status Report – May 2025

(Report covers period: February, March, April)

Submitted by Cathy Potter, Customer Service Coordinator

269-355-0500 – customerservices@onpointallegan.org

NEW HIRE ORIENTATION

During this quarter Customer Service (CS) met with 4 new hires for orientation and reviewed customer service-related items. All orientations were held in person at OnPoint. See listing below containing the number of new hires met during each month.

- None in February
- Two new hires in March: Adult Case Manager and Children Outpatient Clinician
- Two new hires in April: Crisis Clinician and Children Case Manager

CUSTOMER SATISFACTION SURVEYS

CS continues to participate in the regional Customer Satisfaction Survey (CSS) workgroup discussions. CS and QI staff provided input for the 2025 Customer Satisfaction Survey and the final version is ready to be distributed. The QR codes for this survey have also been created. These codes were tested out by OnPoint's CS staff to assure they were working correctly. Next task will be to discuss implementation of the 2025 CSS.

During this quarter, OnPoint received the LRE CSS Results 2024 report. This report is posted on the LRE's website.

GRIEVANCE, APPEALS, MEDICAID FAIR HEARINGS, LOCAL DISPUTES, 2ND OPINIONS, AND MEDIATION:

Grievances: Eight grievances have been completed during this quarter. All were completed within the 90-day required timeframe. Categories of these grievances include Attitude/Service, Access/Availability, Financial/Billing Matter, Quality of Care.

Appeals: Three local Appeals were processed and completed during this quarter. One appeal was approved and two were not approved. Service areas of these appeals include Home Based Services, and CLS.

State Medicaid Fair Hearings (SMFH): No SMFH's to report during this quarter.

Local Disputes: No Local Disputes to report during this quarter.

2nd Opinion Requests: No requests received during this quarter.

Mediation Requests: No requests received during this quarter.

NOTICE OF ADVERSE BENEFIT DETERMINATION (NABD):

CS plays a big role in NABD's and assists staff in assuring these are completed for OnPoint customers as required. During this quarter, CS worked with clinical teams to improve the NABD process and documentation. CS developed a document containing examples of acceptable language and reasons to meet the many requirements on a NABD template. This document was emailed to a variety of OnPoint staff who complete NABD's with hopes it could be used as a guide to assist in meeting the many requirements.

During this quarter, CS and COO staff met to discuss the NABD process, including the history of NABD internal audits completed by the LRE so far. The required Plan of Correction (POC) for FY24, quarter 4 was also reviewed and discussed. The LRE reviewed a total of 15 NABD's during this audit and gave us a score of 84.62%. The POC document addressed the standards that scored a "partially met" or "not met" and provided what actions OnPoint will take to meet the standard(s) in future audits.

TRANSLATION REQUESTS:

CS received a request for translation this quarter. It involved translation of Access documents used during intake appointments.

WORKSHOPS/CONFERENCES/TRAININGS:

CS attended a Crane Webinar Training on IR's, ORR, and Grievance & Appeals on February 27th, 2025.

COMMUNITY OUTREACH/EVENTS/PRESENTATIONS:

CS was invited to an IPOS meeting during this quarter and attended to provide support for this person. CS did not attend any community events during this quarter. CS created an inventory sheet of all items available for community events including a list of agency brochures. This will help decide what items we will need to purchase for upcoming events.

ONPOINT MATERIALS REQUESTED DURING THIS QUARTER

CS received two requests for materials this quarter. One was from an individual asking for information about PTSD groups. The second request came from an Orthodontics office in Plainwell. They requested OnPoint materials such as agency brochures and 988 information.

CAP (CONSUMER ADVISORY PANEL)

There was a CAP meeting held this quarter in March. Attached are the meeting notes for your review. CS attended this meeting with several individuals representing OnPoint. The group participated in voting for the CAP's new Chair and Vice Chair positions.

COAP (COMMUNITY OPPORTUNITY ADVISORY PANEL)

The COAP group met in March and there were five members in attendance including CS. The group spent the hour completing a survey. Mark Witte mentioned the survey in his March 2025 board report. The survey was communicated through a press release during this quarter stating that MDHHS launches initiative to strengthen behavioral health care access, quality and choice for Michigan families. All five members submitted their completed survey before the deadline date.

HANDOUTS:

Consumer Advisory Panel (CAP) Meeting Summary, March 13, 2025

BOARD CONSIDERATIONS/ACTION NEEDED:

None

Respectfully Submitted,

Cathy Potter
Customer Service Coordinator
May 12, 2025

CONSUMER ADVISORY PANEL MEETING SUMMARY

Thursday, March 13, 2025 – 1:00 PM to 3:00 PM

Virtual Teams Meeting or Call In

Present: Robert C., Sharon H., John M., Angie K., James S., Tamara M., Cindy B., Sharon P., Jennifer E.

Absent: Shawnee T., Lynette B.

CMH: Cathy Potter (OnPoint), Jodi Garrow (WM), Max Knoth (Ottawa), Kelly Betts (HW)

LRE: Mari Hesselink, Stephanie VanDerKooi, Michelle Anguiano

1. Welcome and Introductions.

- i. Review of the March 13, 2025, Agenda
- ii. Review of December 12, 2024, Meeting Minutes

March 13, 2025, meeting agenda and December 12, 2024, meeting minutes are accepted as presented.

2. Member Stories – Limit 5 minutes

- i. Member Experiences
 - Sharon H. went to Lansing and discussed the Medicaid/Medicare Cuts with Sen. Winnie Brinks.
 - James S. reported that he had a high score for bowling and was very proud of his accomplishment as it was his highest score.
 - Robert C. continues to take care of his health and is taking care of his dental hygiene with new teeth.

3. Community Advisory Panel -

- i. CAP Officer Election- review guidelines
 - a. Chairperson Nominations
 - Tamara M.
 - b. Vice Chairperson Nominations
 - Sharon P.

Motion: To approve Tamara M. as the 2025 Community Advisory Panel Chairperson.
MOTION CARRIED

Motion: To approve Sharon P. as the 2025 Community Advisory Panel Vice Chairperson.
MOTION CARRIED

- ii. CAP Guidelines document – add a list of exceptions for attendance under membership guidelines.
- 4. LRE Updates –
 - i. LRE Leadership Change
 - Quality Manager position was vacated and has been posted to be replaced.
 - ii. Newsletter
 - The newsletter is included in the packet. Tamara M. was included in the newsletter with a write up.
- 5. Regional Updates –
 - i. 2025 Customer Satisfaction Survey
 - Michelle reviews the CSS results. The report is posted on the LRE website.
 - [FY24 Customer Service Satisfaction Survey Report](#)
 - LRE has shortened the CSS for the next year as it is reported that there was a higher percentage of abandonment this year due to the higher number of questions. There are numerous ways that a survey can be completed, including help from CMH staff.
 - Included in the report is information from grievances that were filed with LRE. Having individuals file grievances is positive as it gives individuals a voice and shows LRE where there are areas that can be improved.
 - ii. 2025 Guide to Services
 - The updated Guide to Services has been approved by the state. LRE has the English version posted on the website. The Spanish version is being translated currently and will be posted when complete.
 - [Guide to Services](#)
- 6. State Updates –
 - i. Legislative Update
 - a. Attachment includes – Narrative, Legislative Grid, Lame Duck Tracker Update, MI Congress Members Contacts
 - ii. MDHHS Press Release
 - MDHHS issued a press release that included a survey. MDHHS will be sending out a Request for Proposal for the Michigan PIHP system.
 - Link for a request for action:
 - <https://cmham.org/advocacy>
 - iii. Statewide Community Advisory Panel Applications
 - The brochure and application are now available, and these have been shared with the CMHs, if anyone on the group is interested.
 - <https://bit.ly/MiBacApp>

7. LRE Board Meeting

March 26, 2024 – LRE Board Meeting

GVSU Muskegon Innovation Hub, 200 Viridian Dr, Muskegon, MI 49440

Call-in information will be posted on the LRE website

8. Upcoming CAP Meetings for 2025 (2nd Thursday of every third month [Quarterly] -
1:00 pm to 3:00 pm)

March 13, June 12, September 11, December 11

9. Other

- HW is making informational videos about how important it is for Medicaid not to be cut. These videos will be on the Facebook page.

FUTURE AGENDA ITEMS

Program Committee Board Report May 2025
Submitted by Jeana Koerber, Ph.D., Chief Operating Officer
269-550-6649 – Jkoerber@OnPointAllegan.org

COMMITTEE WORKGROUPS

Policy Oversight Committee. The policy oversight committee continues its annual review of agency policies and procedure while updating internal processes for the review/revision and development of policies/procedures. The committee is currently meeting monthly.

Health and Safety Committee. The health and safety committee meets monthly and is focused on agency improvements on community and building practices for emergency situations. There were several items noted on the most recent employee climate survey that have been directed to the health and safety committee. That will remain the focus for the remainder of the year.

PROGRAM UPDATES

Organizational Structure. We continue to review the organizational structure and have continued to add/on-board roles to a variety of teams. Most recently, the adult case management team restructured some roles to add an Intensive Case Manager to provide more targeted case management for consumers. We have also restructured some roles on the housing team to allow the team to bill Medicaid for services. Heidi Denton has been assigned to the housing supervisor part time and the Prevention supervisor part time for the remainder of the fiscal year. We will re-evaluate this plan to ensure it is manageable for Heidi and both programs. Job descriptions on the clinical team are also being evaluated to ensure proper experience and credentials align and core responsibilities are addressed.

Leadership Training. We have signed a contract to offer leadership training to the clinical team leadership at the group level. The training will also have an individual coaching aspect for select supervisors to address team dynamics or other leadership challenges. As we've added supervisors, we want to ensure a consistent approach to supervision and managing difficult situations across the teams. We'll also be implementing more secondary trauma training and follow-up to address individual's burnout and compassion fatigue.

Sincerely,

Jeana Koerber, Ph.D.
Chief Operating Officer
May 12, 2025

OnPoint Board of Directors Minutes - DRAFT
Tuesday, April 15, 2025, at 5:30 PM
Board Room, 540 Jenner Drive, Allegan, MI 49010

Board Members Present: Kim Bartnick; Glen Brookhouse; Jessica Castañeda; Commissioner Mark DeYoung; Krystal Diel; Commissioner Gale Dugan; Beth Johnston; Alice Kelsey; Deb Morse

Board Members Absent: Jane LaBean; Karen Stratton

OnPoint Staff Present: Janice August (virtual); Diane Bennett (virtual); Geniene Gersh; Rob Griffith (virtual); Meagan Hamilton; Kelsey Newsome; Andre Pierre; Matt Plaska; Mark Witte

Public Present: Bill Hirschman; Nannette Lawrence; Stephanie VanDerKooi

1. **Call to Order** – Ms. Kelsey called the meeting to order at 5:33pm.
2. **Pledge of Allegiance** – All present stood to recite the Pledge of Allegiance.
3. **Roll Call** – Ms. Kelsey conducted the roll call with the attendance of board members as documented above. A quorum was established.
4. **Provision for Public Comment** – No comments received.
5. **Approval of Agenda**

Commissioner DeYoung proposed adding the Closed Session minutes to the agenda.

Motion: To approve the agenda as amended.

Moved: Commissioner Mark DeYoung Supported: Commissioner Gale Dugan

Motion carried by common consent.

6. **Consent Agenda** – *All items listed are considered routine and thus will be enacted by one motion.*
 - i. Board Meeting (3/18/2025)
 - ii. Finance Committee (3/18/2025)
 - iii. Program Committee (3/18/2025)
 - iv. Executive Committee (3/14/2025)

Motion: To approve the minutes on the consent agenda as presented.

Moved: Commissioner Gale Dugan

Supported: Glen Brookhouse

Motion carried by common consent.

b. Approval of Closed Session Minutes (3/18/2025)

Motion: To approve the closed session minutes as presented.

Moved: Commissioner Gale Dugan

Supported: Krystal Diel

Motion carried by common consent.

7. **Program Committee** – Alice Kelsey shared the Program Committee received a presentation from the Provider Network and Self-Determination team.
8. **Finance Committee Report** – Beth Johnston, Treasurer, introduced Mr. Hirschman who reviewed OnPoint's audit. Next, Ms. Johnston shared the Earned Sick Time Act has not impacted OnPoint due to our benefits meeting the requirements. Furthermore, an employee climate survey was distributed with an 86% response rate, the HR Cloud system was utilized for the annual employee evaluation with a 95% completion rate, an update on the fiber optic project was given, and the rollover from Streamline to Crane is almost complete. Also, the air ducts, carpets, and windows are to be cleaned within the next couple of months. Finally, the summary schedule of revenues and expenses by fund source; statement of net position; and statement of revenue, expenses and change in net position were reviewed.
 - a. Bill Hirschman, an Auditor from Roslund, Prestage & Company, P.C., gave an overview of the financial report. Bill went through key points from the Financial Audit Report, Government Auditing Standards Report, and Communication with Those Charged with Governance at the Conclusion of the Audit.
 - b. Motion: To accept the audit as presented.

Moved: Commissioner Mark DeYoung Supported: Jessica Castañeda

- c. Motion: To approve the March 2025 disbursements totaling \$3,652,322.40 as recommended by the Finance Committee.

Moved: Beth Johnston

Supported: Kim Bartnick

Motion carried by unanimous roll call vote.

- d. Motion: To approve the list of provider contracts for fiscal year 2025 as recommended by the Finance Committee.

Moved: Beth Johnston

Supported: Glen Brookhouse

Motion carried by unanimous roll call vote.

9. **Recipient Rights Advisory Committee** – The committee did not meet this month.
10. **Lakeshore Regional Entity (LRE) Updates** – Stephanie VanDerKooi, Chief Operations Officer of the LRE, provided an update on LRE matters. Ms. VanDerKooi reported the LRE will be holding an emergency Oversight Policy Board meeting tomorrow due to the American Rescue Plan Act (ARPA) grant being immediately halted with a few programs seeking additional funds. Furthermore, the LRE will be at OnPoint next week to conduct their annual site review. Also, the LRE extended an offer for their Director of Quality and Operations position which was accepted but then declined at the last minute, so they have partnered with a third-party person and another individual who will be working part time to assist with team projects. Finally, the LRE's Board of Director's meeting will be held next week.
11. **Chairperson's/Executive Committee Report** – Ms. Kelsey provided a brief overview of the Executive Committee meeting, including an advertisement will be put in the newspaper for the open Board member position and Mark's report on his contractual goals will be delayed by a month.
12. **OnPoint Chief Executive Officer's Report** – Mark Witte welcomed Deb Morse to the Board, shared there has been an intervention by a judge putting a halt to the plan of reductions to federal funding, and there will be a Community Mental Health Association Legislation and Policy Committee meeting tomorrow. Finally, Mr. Witte briefly reviewed CMHA's concerns around the bid-out of PIHP services.
13. **Corporate Compliance Training** – Diane Bennett, Compliance Officer, presented the annual Corporate Compliance Training.
14. **Provision for Public Comment** – Nannette Lawrence commented on OnPoint's funds.
15. **Board Member Comments** – Ms. Castañeda welcomed Ms. Morse, which was echoed by Ms. Bartnick as well as welcoming Ms. Diel. Commissioner Dugan welcomed Ms. Morse and praised Ms. Kelsey for running her first meeting as Chairperson. Mr. Brookhouse welcomed Ms. Morse, which was followed by Commissioner DeYoung's welcome and reminder that the CMHA Summer Conference is coming up. Ms. Morse thanked everyone for the warm welcome. Finally, Ms. Kelsey thanked everyone for their time tonight.

16. **Motion to Adjourn**

Meeting adjourned at 6:51pm.

Respectfully submitted,

Meagan Hamilton
Executive Assistant

Alice Kelsey
Board Chairperson

Executive Committee Meeting Draft Minutes

April 15, 2025 – 3:00 pm

Location: OnPoint, 540 Jenner Drive, Allegan, MI 49010

Board Members [X] Alice Kelsey, OnPoint Board Chairperson
[X] Glen Brookhouse, OnPoint Board Vice-Chairperson
[X] Elizabeth Johnston, OnPoint Board Treasurer
[X] Commissioner Mark DeYoung, OnPoint Board Secretary
[X] Commissioner Gale Dugan, OnPoint Board Immediate Past Chairperson
OnPoint Staff [X] Mark Witte, OnPoint Executive Director

1. **Call to Order** – Chairperson Kelsey called the meeting to order at 3:02 pm.
2. **Members Present/Excused** – All members present (Johnston joined at approximately 3:15 pm)
3. **Review/Approval of Agenda** – Commissioner Dugan requests item 8a – Delay of Goals and Benchmarks Report. Commissioner Dugan moves, and Commissioner DeYoung supports, that the agenda be approved as amended. All in favor. Motion passes.
4. **Review/Approval of Minutes of March 14, 2025 Meeting** – Commissioner Dugan moves, and Commissioner DeYoung supports, that the minutes of March 14, 2025 be approved. All in favor. Motion passes.
5. **Compliance Update** – Mr. Witte notes that the report of Compliance director Diane Bennett is in today's board packet. She has not requested to meet with the Executive Committee. Mr. Witte also notes that the plan of correction related to the LRE's investigation into the ACT Team and agency actions has been submitted ahead of this week Friday's deadline.
6. **Updates on Prior Meeting Topics**
 - a. PIHP Contract – Per Chairperson Kelsey, there is no update on the matter of the LRE's FY2025 contract for PIHP services remaining unsigned and in dispute.
 - b. Board Membership – Mr. Witte noted that the standard advertisement for applications for board service will be in the Allegan NEWS on 4/17 and 4/24. Discussion about merits of solicitation of a law enforcement member, and the need for additional consumer members.
7. **Executive Director Items (Witte)**
 - a. Review Key Board Tasks by Month – Members reviewed the board's tasks due by calendar.
 - b. Review Board Meeting Packet – Members reviewed the packet. Mr. Witte noted that a staffing need will result in no presentation by ACT Team at the Program Committee, but there will be a Provider Network and Self-Determination presentation in its place.
 - c. Briefing on other agency issues as warranted or requested
 - Federal funding (Medicaid/Non-Medicaid funding) – Mr. Witte reported that OnPoint received notice of cancellation of Federal funds for ARPA and COVID-19, followed by an announcement of their restoration by order of a federal court. Limited impact so far. Larger concerns about integrity of the Medicaid program remain.
 - Mr. Witte requested that RRAC refer staff matters to his attention; addressing those within RRAC are outside of RRAC's scope of responsibilities and authority.
 - Mr. Witte noted that OnPoint is in final stage negotiations to hire a new psychiatrist for 32 hours/week. This will be the first direct hire (vs. contracted) psychiatrist in many years, and will increase capacity to a level we've needed for some time. It will also allow our current psychiatrist to scale back his time to levels he wishes to hold for the future.
 - Commissioner Dugan reported that the CMHA Board took action to appoint a new association President in the wake of the resignation of Dr. Carl Rice. CMHA recommended that Craig Reiter, current CMHA First Vice-President, be appointed to the position of President until the end of the President's term in June 2026. This was approved.
 - Chairperson Kelsey noted that the Ascension Borgess Allegan hospital has been reported sold with three other Ascension hospitals in SW lower Michigan to Beacon Health System. An announcement on Beacon's website noted: "Once the transaction closes, which is anticipated

by this summer, Beacon will take ownership of four hospitals, 35 outpatient clinics and an ambulatory surgery center currently operated by Ascension.”

8. Discussion Items Requested by Members

- a. Commissioner Dugan moves, supported by Commissioner DeYoung, to postpone the presentation of Mr. Witte’s report on goals and benchmarks until the May meeting. All in favor. Motion passes.

9. Next Meeting Date/Time

- a. Friday, May 16, 2025 at 2:30 pm

10. Adjournment – Commissioner Dugan moves, and Mr. Brookhouse seconds, that the meeting be adjourned. All in favor. Motion passes. Meeting adjourned at 3:50 pm

Submitted by Mark Witte

Chief Executive Officer Report May 2025
Submitted by Mark Witte, Chief Executive Officer
269-615-4893 – mwitte@onpointallegan.org

AGENCY

Building – On 5/08/2025, we celebrated our 2-year anniversary of the move into our new Jenner Drive facility. The development and caretaking work is settling into a groove as we have undertaken duct cleaning and prepare for carpet and window cleaning. We have been well served by our arrangement with Allegan County’s support services. Our next major project will be the conversion of our large “MAT” room to several separate treatment spaces. We will engage the board Finance Committee as the informal building committee as we go through this process.

On 5/05/2025 we were privileged to welcome Dr. Michael Michelakis to OnPoint as a new staff psychiatrist. Dr. Michelakis has over 30 years of experience in adult outpatient and inpatient psychiatric care and is board -certified in psychiatry. He previously served at Pine Rest from 1996 to 2024, where he worked extensively with CMH clients across a variety of programs and settings. Known for his collaborative approach, Dr. Michelakis values working closely with therapists, care managers, nurses, and nurse practitioners. He has a strong passion for serving individuals with chronic mental illness. Dr. Michelakis earned his BS from Michigan State University and his MD from the University of Michigan.

BOARD

Membership – As of the date of this report, I have received notice of any new applicants for board service. Word of mouth can be a very effective means of recruitment, so please help us by spreading the word of our need for a 12th member. I am sometimes asked what kinds of skills or qualities we need in a board member. I used to say that we could really use representation from the western half of Allegan County. I’m grateful that we’ve really improved that. We always benefit from the involvement of people with personal or family experience with the public mental health system. Beyond that, I usually only ask that prospective board members are able to work well with others and to demonstrate respect for their fellow board members, staff and clients. That seems to have served us well.

COMMUNITY

Safe Harbor event – I attend the annual Safe Harbor fundraiser with a number of members of the Children’s Team. Tara Poore, Children’s Team manager, (center) serves on the board of Safe Harbor as a representative of OnPoint.

Housing Briefing – I attended a Housing Summit on April 25 at which speakers talked about development and construction issues, zoning and climate/environment issues, and various finance issues involved in making progress.

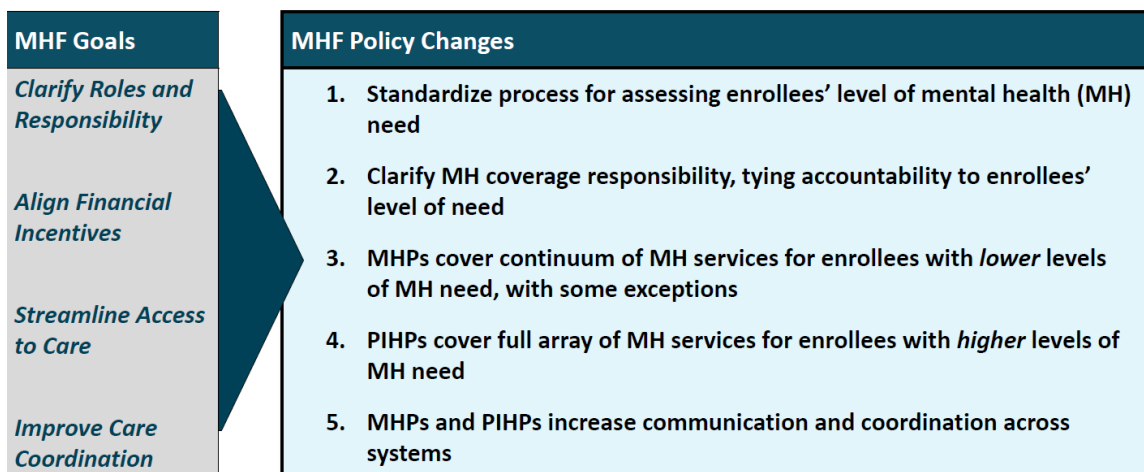


REGION

LRE – There is no official change in the situation between MDHHS and the LRE regarding their FY2025 contract – which is now halfway through the fiscal year. MDHHS looks to be preparing to follow through on its threat to ‘clawback’ funds from prior years. This involves the action taken by the LRE to pay for deficits in FY2018 and FY2019 from surpluses from subsequent years. This is an acceptable accounting practice for fiscal years that are not yet settled and was not in conflict with the LRE’s MDHHS contract (at the time). The state objected and even though it was affirmed as appropriate by a judge in a subsequent legal action, the state nonetheless is apparently preparing to implement the clawback of some \$14 million. There has also been no news on the litigation over the contract dispute involving four PIHPs.

STATE/NATION

PIHP Procurement – I have only a small amount of news for you about the planned bid-out of PIHP functions first reported in March. These are slides from MDHHS about an updated timeline for rollout of a “Mental Health Framework” (MHF) draft plan.



The Department is aligning changes to MHP payment responsibility for intensive MH services under the MHF with the FY27 PIHP procurement.

	FY26 Plan Activities	FY27 Plan Activities
Standardize Assessment	Launch Standardized Assessment of MH Need, with MHP and PIHP network MH providers utilizing LOCUS and MichiCANS, including enforcement of existing assessment policies and expansion to new providers	Partner with MDHHS to Refine Standardized Assessment Process, with expanded assessment information informing MH payer responsibility
Coordinate Care	Standardize Referral Process across MHP and PIHP Delivery Systems, including use of CC360 to facilitate and monitor referrals between CMHs, other MH providers, and PCPs	Partner with MDHHS to Refine Standardized Referral Process
Clarify MH Coverage Responsibility	Partner with MDHHS on Testing, Refining and Implementing a new MHF Benefit Plan that will identify MHP or PIHP responsibility for an enrollee’s MH care	Collaborate with Plan Partners on Shared Metrics, in alignment with PIHP procurement objectives
Align MH Coverage Responsibility	Develop Networks for New Intensive MH Services to be covered by MHPs starting FY27 Broaden Networks for Existing Services to enable coverage of range of MH services for enrollees based on MHF Benefit Plan	Cover MH Services Based on New MHF Benefit Plan, informed by clear pathways identifying MH needs MHPs Newly Cover Intensive MH Services for CHCP enrollees with lower levels of MH need PIHPs Cover All MH Services Across Settings for CHCP enrollees with higher levels of MH need

It is interesting that MDHHS now links the MHF timeline to the PIHP bidout. As I've shared previously, the bidout itself is on an ambitious timeline. The task of implementing a new framework while re-assigning PIHP financial responsibilities will only make each more complex. We continue to hold that the description of financial responsibilities in this MHF is at odds with the responsibilities PIHPs and CMH's hold as CCBHC entities. One can only hope that the state recognizes the extreme need for communication and candor regarding these redesign efforts of services which are supposed to be built from a county-centric foundation.

To make matters even more complex, MDHHS communicated to its internal CMHA team that it plans to implement a payment of the full Prospective Payment System (PPS) payment direct to CCBHCs of the full by 10/1/2025. That payment is paid to PIHPs today. We appreciate straightforward financing arrangements but CMHA is raising several serious system-level concerns/objections. I will spare you the list here, but will say that the design of Michigan's public behavioral health services system has been built around a small number of risk-bearing entities formed and managed by locally accountable organizations. This does not adhere to that architecture.

Presidential "Skinny" FY2026 Budget Proposal – On 5/02/2025, the President released the administration's recommendations for discretionary spending levels for FY 2026. Included in those recommendations are the following which are related to OnPoint services:

Department of Housing and Urban Development (HUD)

Cuts, Reductions, and Consolidations (in millions)

State Rental Assistance Block Grant (Tenant-Based Rental Assistance, Public Housing, Project-Based Rental Assistance, Housing for the Elderly, and Housing for Persons with Disabilities)	- 26,718	The Budget empowers States by transforming the current Federal dysfunctional rental assistance programs into a State-based formula grant which would allow States to design their own rental assistance programs based on their unique needs and preferences. The Budget would also newly institute a two-year cap on rental assistance for able bodied adults, and would ensure a majority of rental assistance funding through States would go to the elderly and disabled. A State-based formula program would also lead to significant terminations of Federal regulations. In combination with efforts related to opening up Federal lands, this model would incentivize States and the private sector to provide affordable housing. This proposal would encourage States to provide funding to share in the responsibility to ensure that similar levels of recipients can benefit from the block grant. The Budget includes \$25 million in housing grants for youth aging out of foster care.
Homeless Assistance Program Consolidations	-532	The Budget consolidates the Continuum of Care and Housing Opportunities for Persons with AIDS programs into a more targeted Emergency Solutions Grant (ESG) program that provides short- and medium-term housing assistance, capped at two years, to homeless and at-risk individuals. The Budget delivers on the President's pledge to eliminate street homelessness by quickly connecting homeless individuals to shelter, recognizing that State and local governments are better positioned to coordinate homeless assistance, and proposing a formula change to better target the ESG formula to areas where homelessness needs are most severe.

The National Low Income Housing Coalition (NLIHC) commented that this "skinny" request would not only slash funding to vital affordable housing and homelessness assistance programs, it

would redesign some of these programs entirely. The proposal would slash \$26.72 billion from HUD’s rental assistance programs – including Housing Choice Vouchers (HCVs), Public Housing, Project-Based Rental Assistance (PBRA), Section 202 Housing for the Elderly, and Section 811 Housing for Persons with Disabilities – by combining them and block granting them into one program, State Rental Assistance Block Grants. The proposal is estimated to amount to an unprecedented 43% cut to HUD rental assistance, would impose a two-year time limit on receiving rental assistance for “able-bodied adults,” and “encourage States to provide funding to share in the responsibility to ensure that similar levels of recipients can benefit from the block grant.”

Department of Health and Human Services (HHS)

Cuts, Reductions, and Consolidations (in millions)

LIHEAP	- 4,025	This Administration is committed to lowering energy costs for American families by unleashing energy production. The Low Income Home Energy Assistance Program (LIHEAP) is unnecessary because States have policies preventing utility disconnection for low-income households, effectively making LIHEAP a pass-through benefitting utilities in the Northeast. Further, LIHEAP rewards States like New York and California, two of the top recipients for LIHEAP funding, which have implemented anti-consumer policies that drive up home energy prices. The Government Accountability Office (GAO) has raised significant program integrity concerns related to fraud and abuse in LIHEAP. In 2010, GAO investigators audited seven States and found names of 11,000 dead people and hundreds of prisoners used as applicants for funds. More than 1,000 Federal employees whose Federal salary exceeded maximum income threshold received benefits and, in several cases, people living in million-dollar houses received benefits. The Budget proposes to end this program and to instead support low-income individuals through energy dominance, lower prices, and an America First economic platform.
Substance Abuse and Mental Health Services Administration (SAMHSA) Eliminations	- 1,065	This Administration is committed to combatting the scourge of deadly drugs that have ravaged American communities. Unfortunately, under the previous administration, SAMHSA grants were used to fund dangerous activities billed as “harm reduction,” which included funding “safe smoking kits and supplies” and “syringes” for drug users. The Budget proposes to refocus activities that were formerly part of SAMHSA and reduces waste by eliminating inefficient funding for the Mental Health Programs of Regional and National Significance, Substance Use Prevention Programs of Regional and National Significance, and the Substance Use Treatment Programs of Regional and National Significance. These programs either duplicate other Federal spending or are too small to have a national impact. These eliminations also promote federalism as these services are also supported by mental health and substance use disorder block grant funding. The Budget maintains \$5.7 billion for activities that were formerly part of SAMHSA.

Medicaid – The National Council reports that the US House Energy and Commerce Committee, which has been tasked with cutting \$880 billion from programs (likely including Medicaid) has delayed its markup hearing by at least a week amid hesitation from the White House around different proposed Medicaid cuts. The committee is now targeting the week of May 12 for markup, and Republican members plan to spend Tuesday and Wednesday in meetings attempting to find a way forward. CMHA, our trade association – along with many others – has joined the “Protect MI Care” Coalition to advocate for preservation of Michigan’s Medicaid funding. It promotes the awareness that “more than 2.6 million Michiganders depend on Medicaid for essential care. If Congress enacts proposed Medicaid cuts, every Michigander will feel the impact, not just Medicaid recipients, because if a hospital or clinic closes or a job is lost, everyone will bear the weight of those changes.”

I will have two handouts for you at the board meeting. The first is a new CMHA “infographic” concerning the numerous budget shortfalls this year in Michigan’s public mental health system, and five “asks” to address the problem. The second is a newly published analysis from MDHHS about the impact of rumored federal budget strategies to achieve the goal of \$880 billion (over 10 years) in savings in Medicaid and other programs in the budget responsibilities of the US House Commerce Committee.

Submitted by,

Mark Witte
Chief Executive Officer
May 9, 2025