



Board of Directors Meeting Agenda

Tuesday, July 15, 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 (06/17/2025)
 - ii. Finance Committee (06/17/2025)
 - iii. Program Committee (06/17/2025)
 - iv. Executive Committee (06/13/2025)
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. August 15, 2025 @ 2:30 pm – Executive Committee
 - b. September 16, 2025 @ 3:30 pm – Recipient Rights Advisory Committee
 - c. August 19, 2025 @ 4:00 pm – Program Committee
 - d. August 19, 2025 @ 4:30 pm – Finance Committee
 - e. August 19, 2025 @ 5:30 pm – Full Board Meeting



OnPoint Board Finance Committee Agenda

July 15, 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) Administrative Services Report – Andre Pierre
 - b) Facilities, Information Technology & Human Resources – 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 August 19, 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, Alice Kelsey

OnPoint Finance Committee Minutes - DRAFT
Tuesday, June 17, 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:

1. **Call to Order** – Beth Johnston - Chairperson, called the meeting to order at 4:31 pm.

2. **Public Comment** – None

3. **Approval of Agenda**

Moved: Mr. Brookhouse

Supported: Mr. DeYoung

Motion carried.

4. **Approval of Minutes**

Moved: Ms. Kelsey

Supported: Ms. Diel

Motion carried.

5. **Review of Written Reports:**

a. Administrative Report

Mr. Pierre reviewed the administrative report submitted.

b. Facilities & Human Resources

Information Technology – Fiber main line was switched over to Frontier (line is above ground and needs to be buried) with Charter as redundant. Performance of Frontier line is more stable with faster speeds.

If a subcontractor is found that is a registered utility provider, that is what MDOT is looking for in closing the loop on the fiber issues.

Penetration testing occurred with Digital Elevation for security levels, which is completed on an annual basis. OnPoint improved from 5.3 to 6.0 on a scale of 10. Office 365 environment provided a more secure system. The County IT department is working on closing the loop holes identified by Digital Elevation.

Human Resources – There was 2 new hire and 15 active postings.

Lakeshore Regional Entity occurred in April, reviewing 800 documents that were pulled. This included training, credentialing, and background checks. OnPoint results were 97% in compliance.

Policies continue to be developed and are being reviewed for implementation.

Facilities – See Building Committee below.

6. **Action Items:**

a. The Finance Committee recommends that the OnPoint Board approve the May, 2025 disbursements totaling \$3,598,533.85.

Moved: Mr. Dugan

Supported: Ms. Kelsey

Motion carried.

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

Moved: Ms. Diel

Supported: Mr. Dugan

Motion carried.

7. Informational Items

a. Financial Reports

Mr. Pierre reviewed the financial statements for April.

Projected \$385,958 to be returned to the LRE. General Fund is currently \$102,410 surplus to be returned to the state.

Operations is reviewing CCBHC contacts with staff and the ability to increase units reported as well as documentation being completed on time for reporting.

Mr. Pierre reviewed with the board the investment opportunities with Huntington Bank and will be utilizing revenue from CCBHC as well as current in T-Notes and Certificate of Deposit beginning in July. This opportunity to invest will hopefully bring in interest to offset rising healthcare costs in the coming year.

Income statement as well as balance sheet was reviewed with income and expenses not far off from 58% of the year.

CCBHC stats to date budgeted YTD 16,158, actual YTD 15,726, behind by 432. April visits were at 2,509 (above monthly budget) with 7 month average of 2,247 daily visits per month. Budget per month is 2,308.

8. Building Committee

Finalized contract terms with Schley with what OnPoint needs to put together the bidding process. October 1 was estimated with January, 2026 being operational. It is being projected that it will take 2 months for construction.

9. Finance Committee Member Comments

None

10. Public Comment

None

11. Next Meeting – July 15, 2025, at 4:30 pm.

12. Adjournment

Moved: Mr. Dugan

Supported: Mr. Brookhouse

Motion carried.

Meeting adjourned at 5:30 pm.

Administrative Services Board Report July 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 May 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 \$121,742 (MH Medicaid and SUD Medicaid combined) to the LRE and a carry forward/lapse of approximately \$237,032 in General Funds to return to MDHHS.

HUMAN RESOURCES

In Human Resources, work on the human resources policy review and development project continued. Several HR policy drafts were completed, including seven new policies. The draft policies underwent legal review as part of the process to test language intent, law compliance, and risk mitigation. One of the new policies to note is the development of an Introductory Period policy, which contains a 90-day performance evaluation program. In addition, work began on developing a Recruitment and Retention Plan for OnPoint, with collaborative input from our consulting partner Rehmann. Planning for the employee focus groups to discuss leadership and communication continued with dates solidified for June 10th and 18th. During the month we also conducted a comparative analysis of HR practices between OnPoint, Amazon and Uber as a part of our effort to stay abreast of current trends. The focus of the analysis was on compensation structure, and changes in expectations relating to hybrid/remote work arrangements, and employee performance. Lastly, The Folks4Fun employee committee organized an Office/Suite Door Decorating Contest with the theme, April Showers Bring May Flowers. In total, 14 doors across OnPoint were decorated.

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

New Hires- 8

Separations- 1 (voluntary-retirement)

Active Posting- 16

INFORMATION TECHNOLOGY

In the area of Information Technology, we continue to work with Allegan County Information Technology (IT) on items in the 2025 project list. During May, Allegan County IT coordinated with Frontier to configure the fail-over with the new static IP address. However, the IP address did not work because it did not configure to the router. IT spent the month pushing Frontier to provide a resolution, while also providing them feedback about their level of service. On the last day of the month Frontier scheduled a technician to come onsite June 2nd. This is the last step of the implementation process so that we are enabled with back-up/redundancy in our internet feed.

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 May we continued our discussion with the vendor about the four dashboard metrics (Utilization, Caseload, Productivity/Efficiency, CCBHC daily visits) to build reports around and we reviewed the contract for services. We expect to have the contract in place at the beginning of June and for work to commence. A demonstration of the deliverables is targeted for the end of June or early July.

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 May we convened two update meetings with all stakeholders (OnPoint, Allegan County, Shareco) to discuss how a path forward can be created. During the course of the two meetings Shareco received confirmation from MDOT that the registered utility provider that is willing to be the subcontractor to run the fiber line to the OnPoint building is not a fiber utility provider. Therefore, the application will be denied. The County will engage with 123.net to determine their level of interest in being the subcontractor. Simultaneous to exploring the 123.net option, both OnPoint and the County planned to confer with their respective legal counsel on how to address liability concerns if the County decided to file for the permit. We are hopeful that the project could be completed in June. Update meetings will continue on a bi-weekly basis to ensure the efforts towards a resolution do not lose momentum.

During May we received approval from legal on the finalized contract terms with Schley Nelson Architects for the buildout of the MAT area of our building. The contract was executed near the end of the month with initial project meetings to begin in June.

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
July 9, 2025

Full Board ACTION REQUEST	Subject:	Contracts								
	Meeting Date:	July 15, 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>MyMichigan Medical Center Alma</td> <td>Hospital – Single Case Agreement</td> </tr> <tr> <td>Holland Drop In Center</td> <td>Supports & Services</td> </tr> <tr> <td>Rebecca Carver dba Caring Hearts Community LLC</td> <td>Supports & Services</td> </tr> </tbody> </table>			Provider	Contracted Service(s)	MyMichigan Medical Center Alma	Hospital – Single Case Agreement	Holland Drop In Center	Supports & Services	Rebecca Carver dba Caring Hearts Community LLC	Supports & Services
Provider	Contracted Service(s)									
MyMichigan Medical Center Alma	Hospital – Single Case Agreement									
Holland Drop In Center	Supports & Services									
Rebecca Carver dba Caring Hearts Community LLC	Supports & Services									
<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: July 15, 2025								

ONPOINT



Period Ended
May 31, 2025

Monthly Finance
Report

ONPOINT

Summary of Variances and Fluctuations

May 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 in Medicaid, CCBHC, and General Fund.

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 in both Medicaid and General Fund.

I. Operating revenue

- Healthy Michigan has less disenrollments than projected, leading to revenue coming in over budget.
- Grants - As noted in the expense variances below, certain grant expenditures have been delayed. Revenue is only recognized to the extent the agency expends the funds, resulting in grant 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 - Certain grant expenditures, such as rent expense due to lack of available units, have not been expended at the rate budgeted. Further, the agency budgeted for the implementation of a new Human Resources Information System (HRIS) and other software upgrades, which have not yet been completed due to other agency priorities.
- Miscellaneous expense - Certain grant funded expenditures have been delayed due to staffing constraints.

ONPOINT

Summary Schedule of Revenues and Expenses by Fund Source

For the Period From October 1, 2024 through May 31, 2025

	MDHHS Revenue	Coordination of Benefits	Grant Revenue	Expense	Redirects	Lapse or (Deficit)
Medicaid						
Medicaid - Mental Health	\$ 14,975,031	\$ -	\$ -	\$ (16,699,132)	\$ -	\$ (1,724,101)
Medicaid - Autism	3,222,315	-	-	(1,387,219)	-	1,835,096
Medicaid - SUD	444,152	-	-	(181,328)	-	262,824
Healthy Michigan Plan - Mental Health	771,209	-	-	(1,422,301)	-	(651,092)
Healthy Michigan Plan - SUD	763,869	-	-	(364,854)	-	399,015
Medicaid subtotal	<u>\$ 20,176,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,054,834)</u>	<u>\$ -</u>	<u>\$ 121,742</u>
CCBHC Demonstration						
CCBHC - Medicaid	4,451,266	58,751	\$ -	\$ (4,469,756)	\$ -	\$ 40,261
CCBHC - Healthy MI Plan	1,394,586	8,885	-	(1,297,039)	-	106,432
CCBHC - NonMedicaid	-	80,206	799,594	(952,923)	73,123	-
CCBHC Subtotal	<u>\$ 5,845,852</u>	<u>\$ 147,841</u>	<u>\$ 799,594</u>	<u>\$ (6,719,718)</u>	<u>\$ 73,123</u>	<u>\$ 146,693</u>
General Fund	<u>\$ 1,138,491</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (828,336)</u>	<u>\$ (73,123)</u>	<u>\$ 237,032</u>
SUD Treatment Block Grant	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 216,003</u>	<u>\$ (216,003)</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

May 31, 2025

	September 30, 2024	May 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,255,099	\$ 6,296,257
Accounts receivable	82,350	646
Due from other governmental units	2,588,342	2,824,775
Prepaid items	350,669	184,301
Total current assets	8,276,460	9,305,979
Non-current assets:		
Capital assets not being depreciated	272,878	272,878
Capital assets being depreciated, net	8,349,223	8,167,073
Total non-current assets	8,622,101	8,439,951
Total assets	\$ 16,898,561	\$ 17,745,930
Liabilities		
Current liabilities:		
Accounts payable	\$ 2,319,632	\$ 2,445,304
Accrued payroll and benefits	397,234	574,826
Due to other governmental units	2,288,784	2,553,930
Unearned revenue	298,624	302,750
Compensated absences - current portion	113,975	113,975
Notes payable - current portion	256,008	256,008
Total current liabilities	5,674,257	6,246,793
Long-term liabilities:		
Compensated absences	645,859	645,859
Notes payable	4,857,094	4,757,880
Total long-term liabilities	5,502,953	5,403,739
Total liabilities	11,177,209	11,650,532
Net position		
Invested in capital assets	3,508,999	3,426,063
Restricted for USDA loan	43,402	49,091
Unrestricted	2,168,950	2,620,244
Total Net Position	\$ 5,721,352	\$ 6,095,398

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ONPOINT

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through May 31, 2025

Percent of Year is 66.67%

	Total FY 2025 Budget	YTD Totals 5/31/25	Under/(Over) Budget	Percent of Budget - YTD
Operating revenue				
Medicaid capitation	\$ 27,645,387	\$ 18,641,498	\$ 9,003,889	67.43%
Medicaid settlement	(577,831)	(373,819)	(204,012)	
Healthy Michigan capitation	1,925,568	1,535,078	390,490	79.72%
Healthy Michigan settlement	506,577	252,077	254,500	
CCBHC capitation and supplemental	9,078,140	5,845,852	3,232,288	64.39%
State General Fund formula funding	1,707,737	1,138,491	569,246	66.67%
State General Fund settlement	-	(237,032)	237,032	
Grants and earned contracts	4,326,003	2,500,030	1,825,973	57.79%
Local funding	346,095	230,730	115,365	66.67%
Other reimbursements and revenue	581,967	315,977	265,990	54.29%
Total operating revenue	<u>\$ 45,539,643</u>	<u>\$ 29,848,882</u>	<u>\$ 15,690,761</u>	<u>65.54%</u>
Operating expenses				
Salaries and wages	\$ 11,908,348	\$ 7,356,367	\$ 4,551,981	61.77%
Fringe benefits	4,380,776	2,730,479	1,650,297	62.33%
Supplies and materials	279,936	130,293	149,643	46.54%
Provider Network services	24,048,125	16,792,197	7,255,928	69.83%
Contractual services	3,269,157	1,760,243	1,508,914	53.84%
Professional development	166,171	104,997	61,174	63.19%
Occupancy	293,728	224,053	69,675	76.28%
Miscellaneous expenses	515,518	114,002	401,516	22.11%
Depreciation	420,000	190,747	229,253	45.42%
Total operating expenses	<u>\$ 45,281,759</u>	<u>\$ 29,403,378</u>	<u>\$ 15,878,381</u>	<u>64.93%</u>
Nonoperating expenses				
Interest expense	<u>115,000</u>	<u>71,458</u>	<u>43,542</u>	<u>62.14%</u>
Change in net position	<u>\$ 142,884</u>	<u>\$ 374,046</u>	<u>\$ (231,162)</u>	
Beginning net position	<u>5,721,352</u>	<u>5,721,352</u>		
Ending net position	<u>\$ 5,864,236</u>	<u>\$ 6,095,398</u>		

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OnPoint Board of Directors – Program Committee Meeting Agenda

Tuesday, July 15, 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 – Jane LaBean, Chairperson
- 2) Public Comment (agenda items only; 5” limit per speaker)
- 3) Approval of Agenda
- 4) Approval of Minutes
- 5) Program Presentation:
 - a) Medication Clinic Services – Angel Hopkins
 - b) Occupational Therapy – Rebecca DeHart & Brandon Lange
- 6) Review of Written Reports
 - a) Chief Operating Officer – Jeana Koerber
 - b) Compliance Officer – Diane Bennett
- 7) Program Committee Member Comments
- 8) Public Comment (any topic; 5” limit per speaker)
- 9) Adjournment – Next Meeting August 19, 2025 at 4:00 pm, 540 Jenner Drive, Allegan, MI

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

**OnPoint Board of Directors
DRAFT Program Committee Minutes
June 17, 2025**

Board Members Present: Jane LaBean, Chairperson; Alice Kelsey; Deb Morse; Karen Stratton

Board Members Absent: Kim Bartnick, Vice-Chairperson; Jessica Castañeda

OnPoint Staff Present: Janice August (virtual); Christine Beals; Heidi Denton; Geniene Gersh; Rob Griffith (virtual); Meagan Hamilton; Erin Hurley; Jeana Koerber; Matt Plaska; Michell Truax (virtual); Mark Witte

Public Present: Stephanie VanDerKooi

- 1) **Call to Order** – Ms. LaBean called the meeting to order at 4:01pm.
- 2) **Public Comment** – No comments from members of the public.
- 3) **Approval of Agenda** – Alice Kelsey moved to approve the agenda. Karen Stratton supported the motion. Motion carried by unanimous consent.
- 4) **Approval of Minutes** – Karen Stratton moved to approve the minutes from the meeting on April 15, 2025. Alice Kelsey supported the motion. Motion carried by unanimous consent.

Deb Morse moved to approve the minutes from the meeting on May 20, 2025. Karen Stratton supported the motion. Motion carried by unanimous consent.

- 5) **Program Committee Reports** – Heidi Denton, SUD Prevention Supervisor, and Erin Hurley, Prevention Specialist, presented on OnPoint's Prevention Services. Ms. Denton provided a brief overview of the history of the Prevention program, the team, and sources of funding. Additionally, the various coalitions the team facilitates/attends were discussed. Next, an update on the Peer Assistant Leadership (PALs) program was provided, including a presentation on emotional literacy and coping skills that was completed at Pine Street Elementary for all the 4th and 5th graders. Furthermore, the prevention posters that will be hung up within the schools were shared. Ms. Hurley then discussed the Mental Health First Aid training that she conducts. Ms. Denton then gave an overview of the suicide prevention training each OnPoint staff member attended, Question, Persuade, and Refer (QPR). An update on the tobacco cessation program was provided, including the marketing campaigns that will be posted online and the groups that they will target. Finally, an overview of Prime for Life, a program for helping people of many ages to reduce making high risk choices around the use of drugs or alcohol, was provided. Ms. Kelsey asked a couple of questions about Mental Health First Aid and law enforcement in which Ms. Hurley provided responses. Ms. LaBean asked about parent involvement with Prime for Life in the schools and Ms. Hurley provided an answer.

Christine Beals, Administrative Professionals Supervisor, provided an overview of the Administrative Professionals team. Additionally, the various tasks that the Administrative Professionals complete on the front lines were provided, including answering phones and the tasks that come from those calls, the check-in process for clients, transportation coordination, discharge documentation, change of status, distributing mail, and more. Ms. Beals went on to provide data on various interactions from January 1 – June 6 of this year including 4,898 checked in onsite

appointments, 562 incoming Crisis calls, 527 same day access walk-ins, 69 completed change of status, 434 completed consumer discharges, and 729 completed protocol documents. Finally, the hoorays, goals and challenges were provided, highlighting the great work the Administrative Professional team completes on a daily basis; their goals including completing MANDT and Mental Health First Aid training, cross train across the team, and supporting new team members; and their challenges, including assigning consult rooms due to lack of space, new MDHHS restrictions for the ACT bus, and working through technical difficulties. Ms. LaBean asked a question about the ACT bus restrictions, which Ms. Beals answered.

Jeana Koerber, Chief Operating Officer, shared that the LRE and CCBHC audits have been completed, and OnPoint's organizational structure is being looked at to prepare for FY 26 budgets.

Geniene Gersh, Director of Evidence Based Practices, gave a shout out to Heidi Denton, Erin Hurley, and the Prevention team for conducting the Mental Health First Aid training for over 20 of OnPoint's non-clinical staff.

- 6) **Program Committee Member Comments** – Ms. Morse stated the work the Prevention team is doing is important and impactful.
- 7) **Public Comment** – No comments from the public.
- 8) **Adjournment** – Motion by Karen Stratton, supported by Deb Morse to adjourn the meeting. Motion carried by unanimous consent. Meeting adjourned at 4:50pm.

Submitted by,

Meagan Hamilton

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

COMMITTEE WORKGROUPS

Policy Oversight Committee. No new updates to report.

Health and Safety Committee. No new updates to report.

PROGRAM UPDATES

Organizational Structure/Job Analysis. We have on-boarded several new staff and are looking forward to our expanded service array for case management services for medication clinic clients only, Intensive case management which will serve as a bridge between targeted case management and our more intensive services such as recovery management and assertive community treatment, and a children's outpatient case management role. We still have several open roles and are working with HR on difficult to fill roles. The Housing team is also starting the process of billing Medicaid services for some of our current clients.

Leadership Training. We have completed our first leadership training for leaders and have our second training scheduled in August. The training was well received by our clinical leadership group! The next training will focus on critical conversations and managing difficult team dynamics.

CRANE Updates. We continue to work through our list of items for correction and enhancement with the PCE group. Rob has started to meet more frequently with PCE to ensure our needs are being met as we are almost a year into implementation. We have started to test the patient portal and hope to have that out to clients in the upcoming months.

Grant Updates.

HRSA. The management team and key leaders in the organization met to discuss the HRSA grant and spending plan. We will begin our final year of the grant in September 2025. We are subcontracting jail based services to Arbor Circle who will also help with some capacity issues for Outpatient services. The group will meet monthly to help minimize any barriers and ensure our MAT and SUD services are fully integrated into the OnPoint services array.

Housing. The housing team received a grant to lease 4 apartments which can provide temporary shelter to families in Allegan County. This assists with a large gap in services by providing temporary placements in our county, rather than in Grand Rapids, Holland or Kalamazoo. The first three apartments were leased on July 1, 2025 and we anticipate our first family moving in by 7/11/25.

Sincerely,

Jeana Koerber, Ph.D.
Chief Operating Officer
July 9, 2025

Compliance Board Report July 2025
Submitted by Diane Bennett, Compliance Officer
269-512-4737 - dbennett@onpointallegan.org
Reporting Period: FY25Q3 (April-June 2025)

Trainings		
Date	Topic	Audience
4/8/25	New Employee Orientation	S.Taylor
4/9/25	New Board Member Orientation	D.Morse
5/6/25	New Employee Orientation	M.Michelakis
5/29/25	New Employee Orientation	P.Ford, E.Ash, D.Hawley, E.Hoffman, A. Maneke, B.Bigelow, L.Camarillo
6/18/25	New Employee Orientation	E.Bryant

Scheduled/Routine Meetings		
Date	Topic	Discussion/Notes
Weekly	Meeting w/M.Witte	Updates, consultation, etc.
4/2/2025	LRE Compliance ROAT	Highlights – Reviewed MEV (Medicaid Event Verification) report summary; OnPoint 100% across all elements for 669 claims. LRE informed that they are looking to expand the monitoring of CMHs starting with the MEV. LRE has received notice of a CMS audit, 5 MI PIHPs selected randomly without prior notice to MDHHS, OIG, or PIHPs, reportedly. Discussed Schedule I responsibility grid, no further edits noted. Discussed ongoing investigations.
4/10/25	Policy Committee Meeting	Discussed policy review/approval process, LRE Audit, Policy workflow and tracker.
5/6/25	Management Team Meeting	Discussed staff evaluation supplemental questions.
5/7/25	LRE Compliance ROAT	OIG 6.9 report – OIG wants specific language in LRE policy; discussed breach notification and what events are required to be reported to LRE; member updates.
5/8/25	Policy Committee Meeting	Discussed/finalized process for review, approval, posting; reviewed/discussed various policies and policy tracker.
5/27/25	Compliance Committee Meeting	Reviewed policies, work plan, upcoming due dates; privacy/security incident tracking template/process; LRE site review report reviewed briefly; CEO recommendations; compliance office activities and cases; auditing and monitoring plan; quarterly newsletter development; compliance incident management tool.
6/4/25	LRE Compliance ROAT	HCBS Compliance Rules – clarification provided per request; reviewed LRE policy updates w/required OIG language; member updates.
6/13/25	All Staff Meeting	Attended
6/16/25	Policy Committee Meeting	Reviewed various policies; new policy template approved; need to review policy owner and possible reassign as appropriate.
6/18/25	Healthicity Compliance Manager Demo	Compliance committee attended a demo for a compliance incident management software. This has several modules and functionality
6/24/25	Healthicity Compliance Manager Demo Follow-Up - OnPoint	Members who attended were positive about this system and support moving forward. Will follow-up with members who did not attend for full consensus.

Inquiries/Consultations			
Date	Case	Topic	Outcome
4/16/2025	N/A	Redislosure Notice	Provided Regs
6/25/2025	N/A	Consent to Share - Minors	Provided Regs
5/1/2025	N/A	Fidelity to Service Model, Job Performance	Referred to RR and HR

Investigations			
Case #	Brief Description	Date Opened	Date Closed
2024-001	LRE Referral regarding credentialing	3/2024	5/8/25
2025-016	Privacy/Security	1/23/25	4/22/25
2025-018	Documentation Not Matching	4/18/25	6/18/25
2025-019	Use of Chat GPT (Artificial Intelligence apps/programs) – This required a breach notification.	5/15/25	6/25/25
2025-020	Time Sheet Issues	5/28/25	6/25/25
2025-021	Time Sheet Issues-Remote	5/29/25	6/25/25
2025-022	Falsification of records and use of personal cell phone	6/4/25	Pending
2025-023	Time Sheet Issues	6/16/25	Pending

Recommendations Based on Inquiries and Investigations			
Date/Update	Brief Description	Provided To	Outcome
6/2024	Discussed training needs for supervisors and staff in relation to accuracy of time sheets.	HR Dir.	Supervisory training is currently being developed.
6/2024	Discussed need to conduct due diligence regarding AI (Artificial Intelligence such as Chatbots, etc.) use at OnPoint. Also, need to develop policy and training prior to allowing use of AI for OnPoint work.	CEO and CAO	Have requested that County IT turn off all access to current AI apps/programs.

Miscellaneous		
Date	Brief Description	Outcome
4/15/2025	Compliance training for Board of Directors	Conducted
4/15/2025	Quarterly Compliance Report to Board Program committee	Submitted
2025	39 Compliance Policies and forms are the responsibility of CO: <ul style="list-style-type: none"> ✓ 4 have been rescinded; 35 active. ✓ 30 have been reviewed/updated, approved, and posted. ✓ 5 reviewed and in process of updating. ✓ 0 not started. 	87.2% complete
6/2025	Program Integrity Report is in process of being completed.	FY25Q3 is due 7/31/2025
6/2025	Received auditing and monitoring survey info; compiling for gap analysis.	Will be used to develop agency-wide auditing and monitoring plan.
6/2025	Developed template for Compliance Corner quarterly newsletter	In process of first edition
8/26/25	Next OnPoint Compliance Committee Meeting	Scheduled

Respectfully Submitted,

Diane Bennett
Compliance Officer
July 9, 2025

OnPoint Board of Directors Minutes - DRAFT
Tuesday, June 17, 2025, at 5:30 PM
Board Room, 540 Jenner Drive, Allegan, MI 49010

Board Members Present: Glen Brookhouse; Commissioner Mark DeYoung; Krystal Diel; Commissioner Gale Dugan; Beth Johnston; Alice Kelsey; Jane LaBean; Deb Morse; Karen Stratton

Board Members Absent: Kim Bartnick; Jessica Castañeda

OnPoint Staff Present: Janice August (virtual); Geniene Gersh; Meagan Hamilton; Jeana Koerber; Kelsey Newsome; Andre Pierre; Matt Plaska; Cathy Potter; Michell Truax (virtual); Mark Witte

Public Present: John Fallon; Matthew Fallon; Sandee Fallon; Royal Grewe; Stephanie VanDerKooi

1. **Call to Order** – Ms. Kelsey called the meeting to order at 5:35pm.
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** – Mr. Grewe thanked OnPoint for their efforts. Ms. Fallon thanked OnPoint for their efforts as well.
5. **Approval of Agenda**

Commissioner Dugan proposed moving the Recipient Rights training to the end of the agenda before adjournment.

Motion: To approve moving the Recipient Rights training on the agenda.

Moved: Commissioner Gale Dugan

Supported: Glen Brookhouse

Motion carried by common consent.

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 (05/20/2025)
- ii. Finance Committee (05/20/2025)
- iii. Program Committee (05/20/2025)
- iv. Executive Committee (05/16/2025)
- v. Recipient Rights Advisory Committee (03/18/2025)

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

Moved: Commissioner Gale Dugan

Supported: Jane LaBean

Motion carried by common consent.

7. **Program Committee** – Jane LaBean shared the Program Committee received a presentation from the Prevention Services and Administrative Professionals teams and provided overviews of both presentations.

8. **Finance Committee Report** – Beth Johnston, Treasurer, shared the LRE conducted an audit and OnPoint passed with a 97.1% compliance with a decrease in security vulnerabilities from last year. Additionally, Frontier is officially the primary internet vendor, Charter is secondary, and work is being done to bore Shareco’s lines so they can become the tertiary connection. A meeting was held with the architecture firm to discuss the MAT Room buildout. 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. Motion: To approve the March 2025 disbursements totaling \$3,598,533.85 as recommended by the Finance Committee.

Moved: Beth Johnston

Supported: Karen Stratton

Motion carried by unanimous roll call vote.

b. 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** – Glen Brookhouse shared the Recipient Rights Advisory Committee June 2025 Status Report highlighting the total allegations, reviewed the FY 25 timeliness report, and provided an overview of the semi-annual report. Ms. Johnston asked about the number of substantiated cases and the category they fall in, which Ms. Newsome answered.

10. **Lakeshore Regional Entity (LRE) Updates** – Stephanie VanDerKooi, Chief Operations Officer of the LRE, provided an update on LRE matters. Ms. VanDerKooi reported the Oversight Policy Board meeting that was to occur tomorrow will be rescheduled due to lack of quorum. Additionally, on June 25th the Board of Director’s meeting and work session will be held, Alan Bolter will be discussing the PIHP Bid Out during the work session. Finally, the LRE’s audit will be occurring on June 25th as well.

11. **Chairperson’s/Executive Committee Report** – Ms. Kelsey provided an overview of the Executive Committee meeting, including Diane Bennett, OnPoint’s Compliance Officer, recommended changes to the Board’s Policy and Procedures with the biggest change being the process of reporting conflicts of interest. Additionally, the Community Mental Health Association (CMHA) Conference was discussed; specifically, the PIHP Bid Out, which a Resolution in response was passed by the OnPoint Board of Directors. Next, Ms. Kelsey touched on a Bill that has passed the House and is now at the US Senate that impacts OnPoint’s funding. Furthermore, Mr. Witte’s contractual goals were reviewed and approved. Finally, Mr. Witte and Comm. Dugan caught up with Mandy Padget, a former OnPoint Director, at the CMHA Conference who is now the Chief Executive Officer of Northpointe Behavioral Healthcare System.

a. Motion: To approve the changes made to the Board’s Policy and Procedures as recommended by the Executive Committee.

Moved: Commissioner Gale Dugan

Supported: Jane LaBean

Motion carried by common consent.

Chairperson Kelsey offered a Resolution for consideration:

“**WHEREAS**, the State of Michigan currently operates a publicly managed and community-based system for the delivery of specialty behavioral health services through 10 Prepaid Inpatient Health Plans (PIHPs), which are responsible for managing Medicaid mental health, developmental disability, and substance use disorder services; and

WHEREAS, the current PIHP system has consistently demonstrated value, local accountability, and community engagement, while successfully managing costs and improving health outcomes for vulnerable populations; and

WHEREAS, the Michigan Department of Health and Human Services (MDHHS) recently announced plans to initiate a competitive procurement process for the management of PIHP functions, which may open the door to private, non-profit health plans or managed care organizations (MCOs) assuming control over behavioral health services; and

WHEREAS, such privatization could disrupt longstanding relationships between local mental health authorities, providers, and the communities they serve, and jeopardize the person-centered, recovery-oriented approach that has been cultivated under the public system; and

WHEREAS, many stakeholders, including individuals receiving services, advocates, local officials, and providers have expressed significant concerns about the potential impact of a competitive procurement process on care quality, access, local control, and transparency; and

WHEREAS, counties across Michigan have historically played a vital role in the governance, funding, and oversight of the public behavioral health system, and any change to that structure without meaningful county input undermines the principle of local governance; and

WHEREAS, maintaining a publicly accountable and locally governed behavioral health system is essential to ensuring that individuals with mental health and substance use needs receive timely, appropriate, and high-quality care.

THEREFORE, BE IT RESOLVED, that the Board of Allegan County Community Mental Health Services D/B/A OnPoint formally opposes the Michigan Department of Health and Human Services' (MDHHS) plan to implement a competitive procurement process for Prepaid Inpatient Health Plans (PIHPs); and

BE IT FURTHER RESOLVED, that the Board urges Governor Whitmer, the Michigan Department of Health and Human Services (MDHHS), and the Michigan Legislature to halt any plans for privatization and instead work collaboratively with counties, existing PIHPs, current Community Mental Health Services Programs (CMHSPs), persons served, and other stakeholders to strengthen and improve the public behavioral health system, by only allowing public organizations with experience in managing Michigan's public mental health system to be part of any bid process should one occur; and

BE IT FINALLY RESOLVED, that a copy of this resolution be transmitted to:

Michigan Governor: Gretchen Whitmer

MDHHS Director: Elizabeth Hertel

Michigan State Senators: Thomas Albert (18th District)
Aric Nesbitt (20th District)
Roger Victory (31st District)

Michigan House of Representatives: Joey Andrews (38th District)
Pauline Wendzel (39th District)
Matt Hall (42nd District)
Rachelle M. Smit (43rd District)
Angela Rigas (79th District)
Nancy DeBoer (86th District)"

- b. Motion: To approve the Resolution on the proposed Bid-Out of PIHP Services by MDHHS.

Moved: Commissioner Gale Dugan

Supported: Beth Johnston

Motion carried by unanimous roll call vote.

12. **OnPoint Chief Executive Officer's Report** – Mark Witte shared there has not been any interest in the open Board position, please share with Allegan County residents that may be interested. Mr. Witte went on to review his written report, touching on the community section and adding the Bridgefest was successful, a meeting was held with the Attorney General to discuss childcare and various topics around the law, and praised the LRE for their work. Additionally, discussion around the PIHP Procurement was held including an update and next steps. Finally, an update on the Reconciliation Bill was given, highlighting the severity of the changes from the House to the US Senate.
13. **Provision for Public Comment** – No comments received.
14. **Annual Recipient Rights Training** – Kelsey Newsome, Director of Recipient Rights, conducted the annual recipient rights training.
15. **Board Member Comments** – Ms. Morse shared she enjoys being a part of the Board, Commissioner Dugan complimented Ms. Newsome's training, Commissioner DeYoung encourages everyone to watch the CMHA Boardworks sessions and attend the CMHA conferences.
16. **Motion to Adjourn**

Moved: Beth Johnston

Supported: Commissioner Gale Dugan

Meeting adjourned at 6:57pm.

Respectfully submitted,

Meagan Hamilton
Executive Assistant

Alice Kelsey
Board Chairperson

Executive Committee Meeting DRAFT Minutes

June 13, 2025 – 2:30 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 Chief Executive Officer

1. **Call to Order** – Chairperson Kelsey called the meeting to order at 2:37 pm.
2. **Members Present/Excused** – All members were present.
3. **Review/Approval of Agenda** – Commissioner Dugan moves, and Mr. Brookhouse supports, that the agenda be approved as presented. All in favor. Motion passes.
4. **Review/Approval of Minutes of May 16, 2025 Meeting** – Commissioner DeYoung moves, and Ms. Johnston supports, that the minutes of May 16, 2025 meeting be approved as presented. All in favor. Motion passes.
5. **Compliance Update** – Mr. Witte reports that Compliance Officer Diane Bennett has no requests for conversation with the Executive Committee. An item related to Board Policy 201 will be processed later in the agenda.
6. **Updates on Prior Meeting Topics**
 - a. PIHP Update – There are no significant updates to provide on the status of the LRE’s contract with MDHHS, the 2025 contract dispute, the legal action concerning the financial clawback. Positively, there is word of a rate adjustment that will provide an anticipated \$14m for the current year. MDHHS continues to move forward on its plans to rebid PIHP functions this summer for FY2026 selection and FY2027 implementation.
 - b. Board Membership Vacancy – No news to report from the past month.
 - c. Policy 201 – Board Conflict of Interest Policy (revisions to recommend to the full board):
 - Regarding **Procedures, 3. Board Members Role and Function, 1. Conflict of Interest**: Commissioner Dugan moves, and Ms. Johnston supports, that “Vice Chair” be added. All in favor. Motion passes.
 - Regarding **Procedures, 4. Board Member Attendance at Mental Health Conferences and Meeting Sponsored by the Community Mental Health Association of Michigan**: Commissioner Dugan moves, and Ms. Johnston supports, that “CAO” replace “CEO”. All in favor. Motion passes.
 - Commissioner Dugan moves, and Ms. Johnston supports, that with the two changes identified above, the proposed revisions from Ms. Bennett for the policy and form be accepted as proposed. All in favor. Motion passes.
 - d. June 2025 CMHA Conference Report
 - Commissioner Dugan reported out on the CMHA Board Chairperson’s meeting of June 9. Mr. Edward Woods of Lifeways urged action against the PIHP bidout as well as collaboration on a bid for the future system. A recommendation was made to honor the work of Dr. Carl Rice, former CMHA President, for his work during his tenure as CMHA president. CMHA reports that MDHHS is not engaging in constructive conversation about future system design.
 - Relative to CMHA reports on MDHHS plans for system redesign (PIHP Bidout as well as movement to “Mental Health Framework”), Commissioner DeYoung noted that challenges will likely ensue because it is all anticipated to occur in the final three months of the Whitmer

- administration. It is an open question as to whether the next administration would even continue with the design; a system reversal would be similarly problematic.
- e. Strategies to address PIHP Procurement, Mental Health Framework, etc. – Mr. Witte suggested that the board hold a discussion about adopting a position (or act on an existing position) to:
- Formally oppose the PIHP bidout and progression toward the Mental Health Framework as currently proposed by MDHHS.
 - Engage in efforts (perhaps with others) to educate Allegan residents and leaders about the proposed changes and activate them to express their concerns to state leaders and legislative representatives.
 - Support efforts to strengthen the public system.
- Executive Committee members expressed general support for this recommendation,
- f. Federal funding (Medicaid/Non-Medicaid funding)
- Mr. Witte noted his plan to highlight changes to Medicaid included in the US House version of the budget reconciliation bill. A handout with that information will be provided to the board on Tuesday as noted in Witte’s director’s report. As of the date of today’s meeting, the US Senate has not released its version of the reconciliation bill language.
- g. CEO Goals – Mr. Witte presented a proposed revision of his annual goals. The draft shared in May was reviewed during today’s meeting. After discussion, Commissioner Dugan moved, supported by Mr. Brookhouse, that the proposed revisions be accepted. All in favor. Motion passes. Chairperson Kelsey asks that the recommended goals be reformatted as a memo from her to the Board. Mr. Witte will prepare that for her.

7. Chief Executive Officer Items (Witte)

- a. Review Key Board Tasks by Month
- June – Participate in annual Board Recipient Rights training. Chairperson Kelsey shares her intent to move this to the end of agenda as a courtesy for those not needing to sit through it.
- b. Review Board Meeting Packet – Members reviewed the packet and made a few comments:
- Chairperson Kelsey intends to formalize Jane LaBean as Program Committee chairperson.
 - Mr. Brookhouse intends to contact RRAC member Richard Wiley to see about his prospects for resuming attendance of this committee.
- c. Briefing on other agency issues as warranted or requested
- No discussion.

8. Discussion Items Requested by Members

- a. Commissioners Dugan and DeYoung reported that they had the opportunity to reconnect with former QI Director Mandy Padget at the CMHA conference. Ms. Padget was appointed on April 7, 2025 as the CEO of Northpointe Behavioral Healthcare System in the Upper Peninsula. Northpointe serves as the CMH for Dickinson, Iron and Menominee counties.

9. Next Meeting Date/Time

- a. Proposed: Friday, July 11, 2025 at 2:30 pm – **NOTE: This is the 2nd Friday of July**

10. Adjournment – Motion made by Ms. Johnston, supported by Commissioner Dugan, to adjourn the meeting. Meeting adjourned at 4:32 pm.

Submitted by Mark Witte

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

AGENCY

Building – No update other than we are continuing to work through the necessary approvals with HRSA to proceed with the redevelopment of our undedicated “MAT” room.

BOARD

Membership – I received a call from someone who is interested in serving on our board. The impetus was an employer’s encouragement to find a way to serve the community, and our agency’s work was close to her heart. A few technical requirements on her employer’s side are in the process of being met, and we should know soon if we have a viable candidate to recommend for consideration by the county Board of Commissioners.

COMMUNITY

Festivals and Events – OnPoint has/will participate in several community events that offer us the opportunity to raise awareness of the array of services available to the public and to answer questions or field comments from attendees. This includes the Allegan BridgeFest (June 14), Senior Expo (June 26) and Pullman Pride Fest (July 19).

Human Services Leadership – A small group of agency leaders continue to have dialogue and provide encouragement to one another in the face of significant and consequential federal funding changes.

Emergency Operations Center – OnPoint is participating in the community safety drills that are required as part of the restart for the Palisades energy plant.

REGION

LRE – There is no news as of the date of this report on the LRE’s dispute with the state as reported last month.

STATE/NATION

PIHP Procurement – Presumably, MDHHS is continuing with its plan to solicit PIHP services from new organizations for contracts beginning 10/1/2026. Efforts are being made to deal with such an eventuality as warranted to assure the continuation of a publicly managed system of care for the services provided to residents of Allegan County. The primary drivers of this work are (a) to preserve public oversight and accountability for services provided to individuals with developmental disabilities, substance use disorders, emotional disturbances or mental illness, and (b) to maximize the amount of funding that goes into actual services (as opposed to overhead costs and/or profits).

Reconciliation Bill Signed into Law – The following is an email distributed to our staff on 7/7/2025 that attempted to explain the elements included in this new law and its potential impacts on Michigan and Allegan County:

The purpose of this message is to provide an additional update on HR 1, now the law, which amended the current year (FY2025) federal budget through a budget-neutral “reconciliation” process. That process moves funds allocated by Congress from one place to another using rules that require only a simple majority of the House and Senate. We have participated in efforts to educate and warn about the bill ever since it was proposed in April because of the reductions it targeted in Medicaid and other funding. We did everything we could as officials of a unit of local government to watch, talk, educate, activate and defend against funding

decisions that would weaken what OnPoint does in Allegan County and what the residents of Allegan County need. We and the organizations of which are a part (CMHA, NACBHDD, National Council) sent letters to our Representatives and Senators pleading them to support the needs of our clients. All of Michigan's delegation voted along party lines.

Now that the final bill has been signed into law, we are finally able to access the language of the bill. We can begin to assess the future impacts for the people we serve and for OnPoint as a safety net provider in the Medicaid arena and for the people we serve with our homelessness support services. The legislation left a lot of room for the president's administration to develop the rules by which it will implement the law, so these analyses are only based on what we know as of today.

HOUSING – There was positive for housing in the significant expansion of the Low-Income Housing Tax Credit, which funds a lot of the new affordable housing projects in the US. This potential positive is offset by large reductions in Medicaid and food assistance programs, which will increase the burden of those already struggling to afford housing in an economy that could become much more expensive for them if proposed tariffs go into effect. The projected impact is lower wages and weaker financial well-being for lower-income households.* It is a clarifying reminder that our nation's public programs for health care translate into essential financial assistance for poor families. The issues that must come together are available jobs at sufficient pay, with available housing, with accessible/affordable food, with available/affordable transportation, and with accessible/affordable healthcare. If you factor in the challenge of behavioral health issues or other physical health conditions - or family situations - it becomes incredibly challenging to achieve stable housing, even if it's available.

MEDICAID – There were many changes to Medicaid that will impact Michigan. For example, some of the provider taxes Michigan uses today will need to be curtailed which means less federal money. Ultimately, these changes will reduce the number of people who are eligible and will limit the amount of federal funds available to implement the benefits Michigan offers today. But we also know that removing people from coverage does not remove them from healthcare. The uninsured still obtain emergency services but at higher cost than primary care. Providers will lose money on these patients, and could cause them to limit access or even leave less financially appealing markets (which are typically rural sites). Allegan County's hospitals are certainly at risk, even though some funds have been provided in this bill to reduce the risk. Work requirements and co-pays will mean some will lose coverage; thankfully, people with mental illnesses or substance use disorders are exempt from those provisions (see highlighted sections). We will have to watch closely to avoid our clients from being inappropriately removed from coverage on other technical grounds or errors as implementation proceeds. Thinking about CCBHC, we know that Michigan's demonstration project ends in 2027. It is unclear how this will intersect with HR 1's provisions. So here are the paraphrased summaries from Congress.gov**:

Subpart A--Reducing Fraud and Improving Enrollment Processes

(Sec. 44103) CMS will create a centralized system for states to check whether enrollees are simultaneously enrolled in Medicaid or the Children's Health Insurance Program (CHIP) in multiple states. Starting in 2027, states must regularly obtain the addresses of Medicaid and CHIP enrollees from specified authorized sources. Starting in 2030, states must report the Social Security numbers of enrollees at least monthly to new CMS system. CMS must notify states at least monthly on those individuals who are enrolled in multiple states. The section provides funds for FY2026 to establish and for FY2029 to maintain the new CMS system.

(Sec. 44104) Starting in 2028, states must check the Social Security Death Master File at least quarterly to determine if Medicaid enrollees are deceased.

(Sec. 44105) Starting in 2028, when enrolling/re-enrolling providers and monthly ongoing, states must check if providers were terminated from the Medicare program, any other state Medicaid program, or CHIP using certain databases.

(Sec. 44106) This section provides states with the authority to do the Social Security Death Master File as required in Sec. 44104. Starting in 2028, states must continue to check this database at least quarterly.

(Sec. 44108) Starting 12/31/2026, states must re/determine the eligibility of individuals every six months who are enrolled in Medicaid expansion coverage under the Affordable Care Act.

(Sec. 44111) Starting in 2028, the federal match rate for Medicaid is reduced 10% for individuals (other than children or pregnant women) who are not lawfully residing in the United States, regardless of the source of the benefits or financial assistance.

Subpart B--Preventing Wasteful Spending

(Sec. 44123) Starting in 2026 and continuing to 2033, CMS will survey pharmacies (response is mandatory) to determine average prices of outpatient drugs covered by Medicaid. Funds are provided for Office of Inspector General to study and report to Congress.

(Sec. 44124) This section requires pass-through pricing models, and prohibits spread-pricing, for payment arrangements with pharmacy benefit managers (PBMs) under Medicaid.

(Sec. 44125) This section prohibits federal payment under Medicaid or CHIP for specified gender transition procedures, with certain exceptions.

(Sec. 44126) Federal Medicaid payments are banned for 10 years to nonprofit health care providers that serve predominantly low-income, medically underserved individuals (i.e., essential community providers) if the provider (1) primarily furnishes family planning services, reproductive health, and related care; (2) offers abortions in cases other than that of rape, incest, or life-threatening conditions for the woman; and (3) in FY2024, received federal and state Medicaid payments totaling more than \$1 million.

Subpart C--Stopping Abusive Financing Practices

(Sec. 44131) States that have not yet chosen to expand Medicaid under the ACA have until 1/1/2026 to do so if they wish to receive the enhanced federal match rate.

(Sec. 44132) States are effectively banned from instituting new or increased Medicaid provider taxes by disqualifying that revenue from use in federal match programs.

(Sec. 44133) CMS is funded through 2033 to revise regulations to limit state-directed payments to certain levels of care to the Medicare rate (includes inpatient, outpatient hospital services, nursing facilities, and practitioner services at academic medical centers). For states that have expanded Medicaid under the ACA, payment is limited to 100% of the Medicare rate; for other states, payment is limited to 110% of the Medicare rate.

Subpart D--Increasing Personal Accountability

(Sec. 44141) Starting on or before 12/31/2026, individuals who are eligible for Medicaid under ACA expansion must engage in work, community service, or other activities to qualify for Medicaid. Requires 80 hours/month, or half-time educational enrollment, or monthly income that is equal to the minimum wage x 80 hours. People must comply with these rules

for at least one month immediately preceding coverage. People already on Medicaid may comply by meeting standards in a month since their last redetermination. States must verify compliance upon determination/redetermination (or more often) but they cannot waive requirements. States can grant exceptions for individuals with short-term hardships (e.g., hospitalization). The section excludes certain people from the requirements, such as those with serious medical conditions or dependent children. The bill provides funds for FY2026 for states and the CMS to implement the requirements.

(Sec. 44142) Starting in 2029, states have to put cost-sharing requirements in place for people who gained Medicaid under ACA expansion and have family income above poverty. Cost may not exceed \$35 for an item or service, and the total cost sharing for the family may not exceed 5% of their income. This does not apply to emergency services, primary care, mental health, or substance use disorder services. States may allow payments to be required before services are provided.

Part 2--Affordable Care Act

(Sec. 44201) Starting in 2026, the administration is allowed to alter enrollment, coverage and other aspects of health insurance exchanges. They may prohibit special enrollment periods based on income, require verification of income and other eligibility requirements before enrollment, and prohibit gender transition procedures as an essential health benefit.

(Sec. 44202) Starting in 2026, funds are available to qualified health plans to reduce cost sharing for those with incomes between 100% and 400% of poverty. Plans that provide coverage for abortions in cases other than that of rape, incest, or life-threatening conditions for the mother are not eligible for these funds.

Part 3--Improving Americans' Access to Care

(Sec. 44301) Starting in 2026, CMS must negotiate the prices of certain prescription drugs under Medicare. Drugs must have had market approval for at least 7 years, and excludes "orphan drugs" that are approved to treat only one rare disease or condition. The effective date is 2028.

(Sec. 44302) Starting in 2029, states must establish a process to allow qualifying out-of-state providers to temporarily treat children under Medicaid/CHIP without additional screening requirements.

(Sec. 44305) Starting in 2028, Pharmacy Benefit Managers must provide detailed reports to CMS and may only receive a flat rate service fee as their income. This section also funds CMS and the OIG to implement these requirements.

In summary, I would recommend we keep a few things in mind:

1. These are changes that are scheduled to happen over time (as long as 10 years from now) and can be modified – or even reversed – through future legislation.
2. Congress left a lot of latitude for the executive branch administration within which to implement the law. We need to see how certain things are done to know whether or not they may be issues for the state or the people who are eligible.
3. Court actions are likely with any new, large, hurried legislation. Don't hold your breath, but also don't be surprised if certain sections are eventually found to be unconstitutional or flawed in some other way.
4. Medicaid benefits are entitlements. The plan by which we are currently funded obligates the state to appropriate sufficient funds to meet those needs (to meet tests of "actuarial soundness"). If federal match rates decline or some funding mechanisms are disallowed, the state legislature will have to provide the funding or the program will need to be revised.

5. HR 1 does not change Michigan's plan. It changed some eligibility requirements, but it didn't change the plan (benefits). Michigan's benefit structure is result of many years of federal approvals of "waivers" that have resulted in our unique program. (MDHHS is working on a separate redesign – a bidout – of PIHP systems that is not at all related to HR 1, but which might coincide depending on if or how it rolls out. More on that separately later.)
6. Under the Affordable Care Act, Michigan "expanded" Medicaid to cover individuals under the Healthy Michigan Plan (HMP) who would otherwise have been ineligible (e.g., low-income single adults without children). Unlike some states, Michigan did not include an 'out clause' that required the termination of HMP if federal funding for it ever declined. Nationally, it would be logical to conclude that the loss of Medicaid covered lives – which accounts for a lot of federal savings – comes from states that will lose their expansion populations entirely.
7. Finally, none of this should distract us from our dual responsibility to (a) serve our community as fully as possible and (b) achieve higher efficiency and productivity in all of our operations.

References:

- * <https://budgetmodel.wharton.upenn.edu/issues/2025/7/1/senate-reconciliation-bill-budget-economic-and-distributional-effects>
- ** <https://www.congress.gov/bill/119th-congress/house-bill/1>

Submitted by,

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