



Community • Independence • Empowerment

Jeffrey W. Patton
Chief Executive Officer

www.iskzoo.org

Administrative Services

610 South Burdick Street
Kalamazoo, MI 49007
Phone: (269) 553-8000

Access Center

615 East Crosstown Parkway
Kalamazoo, MI 49001
Phone: (269) 373-6000
(888) 373-6200

Michigan Relay Center: 711

Integrated Health & Psychiatric Services

615 East Crosstown Parkway
Kalamazoo, MI 49001
Phone (Adults): (269) 553-7037
Phone (Youth): (269) 553-7078

Office of Recipient Rights

610 South Burdick Street
Kalamazoo, MI 49007
Phone: (269) 364-6920

Outpatient Services

2030 Portage Street
Kalamazoo, MI 49001
Phone: (269) 553-7132

Services for Adults with Mental Illness

2030 Portage Street
Kalamazoo, MI 49001
Phone: (269) 553-8000
(888) 373-6200

Services for Adults with Developmental Disabilities

418 West Kalamazoo Ave.
Kalamazoo, MI 49007
Phone: (269) 553-8060
Michigan Relay Center: 711

Services for Youth and Families

418 West Kalamazoo Ave.
Kalamazoo, MI 49007
Phone: (269) 553-7120

Substance Use Disorder Services

Phone: (800) 781-0353

Training

418 West Kalamazoo Ave.
Kalamazoo, MI 49007
Phone: (269) 364-6952

AGENDA

Annual Budget Public Hearing

INTEGRATED Services of Kalamazoo Board of Directors HAS SCHEDULED ITS MEETING FOR MONDAY, September 25, 2023, BEGINNING @ 4:00PM via *Microsoft TEAMS* or in-person at 610 S. Burdick Street/Kalamazoo, MI., (2nd Floor/Board Conference Room).

- I. CALL TO ORDER - CITY & COUNTY DECLARATION
- II. AGENDA
- III. CITIZEN TIME
- IV. BUDGET PUBLIC HEARING FY2023-2024/MOTION & ROLL CALL
- V. RECIPIENT RIGHTS
 - a. Recipient Rights Monthly Report *July & August 2023*
- VI. CONSENT CALENDAR/VERBAL MOTION
 - a. MINUTES (*July 24, 2023*)
 - b. Budgeting (Policy)
 - c. Finance (Policy)
 - d. Asset Protection (Policy & Report)
 - e. Staff Treatment (Policy & Report)
 - f. Compensation & Benefits (Policy & Report)
 - g. Annual Public Hearing (Report)
- VII. FINANCIAL REPORTS
 - a. Financial Condition Report
 - b. Utilization Report
 - c. *July & August 2023* Disbursements/**MOTION**
- VIII. ACTIONS ITEMS REVISITED/VERBAL MOTION
 - a. MINUTES (*May 22 & June 26, 2023*)
 - b. Chief Executive Officer Performance (Policy)
 - c. Monitoring Executive Performance (Policy)
 - d. Chief Executive Officer Role (Policy)
 - e. Delegation to the Chief Executive Officer (Policy)
 - f. Investment (Policy)
 - g. Board Finance and Compliance Committee (Policy)
- IX. CHIEF EXECUTIVE OFFICER REPORT/VERBAL
 - a. CEO Report
- X. CITIZEN TIME
- XI. BOARD MEMBER TIME
 - a. SWMBH (*Southwest Michigan Behavioral Health*) Updates/*Erik Krogh*
- XII. ADJOURNMENT

INTEGRATED
SERVICES OF
KALAMAZOO



FY 2024 Budget

INTEGRATED SERVICES OF KALAMAZOO

FY 2024 Proposed Budget

As Presented for Public Hearing and Board Adoption

	Amended 2023 BUDGET	2023 Projected	Proposed 2024 BUDGET	Difference
Operating revenue				
Medicaid:				
Traditional Capitation	\$ 70,338,150	70,338,150	\$ 59,535,085	\$ (10,803,065)
Healthy Michigan Capitation	13,076,128	13,076,128	12,302,122	(774,006)
Settlement	5,571,385	5,571,385	5,287,379	(284,006)
State General Fund:	(299,694)	(1,268,242)		299,694
Formula Fundings	3,900,517	3,900,516	3,705,491	(195,026)
PY General Fund Carryforward			-	-
Settlement		-	-	-
CCBHC Demonstration	8,113,774	8,113,774	27,297,101	19,183,327
CCBHC Quality Bonus	1,026,116	1,026,116		
CCBHC Accrual	905,892	905,892	-	(905,892)
County Allocation	1,550,400	1,550,400	1,550,400	-
Client Fees	568,418	568,418	357,483	(210,935)
SUD Block Grant	-	111,957	-	-
Other grant revenue	8,107,611	8,107,611	7,168,020	(939,591)
Other earned contracts	3,062,196	3,062,196	2,639,083	(423,113)
COFR	-	171	16,800	16,800
Interest	118,049	118,049	1,000	(117,049)
Local revenue	611,554	611,554	10,000	(601,554)
Total operating revenue	\$ 116,650,496	\$ 115,794,077	\$ 119,869,965	\$ 4,245,585
Operating expenses				
Salaries and wages	23,969,526	23,673,606	27,984,525	4,014,999
Employee benefits	7,034,997	7,034,997	10,070,805	3,035,808
Staff development	223,625	162,952	280,117	56,492
Payments to providers	73,902,485	72,990,108	76,457,652	2,555,167
Administrative contracts	8,412,134	8,910,238	8,151,603	(260,531)
IT software and equipment	765,010	635,538	677,497	(87,513)
Client transportation	29,260	27,189	41,100	11,840
Staff travel	310,912	233,375	312,746	1,834
Office expenses	420,923	385,180	525,888	104,965
Insurance expense	135,461	135,461	128,035	(7,426)
Depreciation expense	605,649	605,649	589,832	(15,817)
Utilities	306,573	297,578	374,796	68,223
Facilities	124,379	64,446	-	(124,379)
Total operating expenses	\$ 116,240,934	\$ 115,156,317	\$ 125,594,595	\$ 9,353,662
Change in net position	409,562	637,760	(5,724,631)	\$ (5,108,077)

INTEGRATED SERVICES OF KALAMAZOO

FY 2024 Proposed Budget - SWMBH Risk FY 2024 Budget

	Specialty Services	Healthy Michigan	Totals
Operating revenue			
Medicaid:			
Traditional Capitation	\$ 59,535,085	\$ -	\$ 59,535,085
Healthy Michigan Capitation	-	12,302,122	12,302,122
Total operating revenue	\$ 59,535,085	\$ 12,302,122	\$ 71,837,207
Operating expenses			
Internal services	\$ 3,729,970	\$ 259,637	\$ 3,989,607
External services	64,463,463	3,742,222	68,205,685
Delegated managed care	4,656,059	273,236	4,929,294
Total operating expenses	\$ 72,849,491	\$ 4,275,095	\$ 77,124,586
Change in net position	(13,314,406)	8,027,027	\$ (5,287,379)

INTEGRATED SERVICES OF KALAMAZOO

FY 2024 Proposed Budget - CMH Risk FY 2024 Budget

	State General Fund	CCBHC	Other Funding Sources	Totals
Operating revenue				
General Fund	\$ 3,705,491	\$ -	\$ -	\$ 3,705,491
Projected GF Carryforward	-	-	-	-
CCBHC Demonstration	-	27,297,101	-	27,297,101
Other Federal and State Grants	-	-	7,168,020	7,168,020
Earned Revenue	-	-	2,639,083	2,639,083
COFR Revenue	-	-	16,800	16,800
Interest	-	-	1,000	1,000
County Allocation	-	-	1,550,400	1,550,400
Local Revenue	-	-	10,000	10,000
Restricted Interest	-	-	-	-
Transfer from GF	-	-	2,109,036	2,109,036
Settlement Revenue (Expense)	-	-	-	-
Total operating revenue	\$ 3,705,491	\$ 27,297,101	\$ 13,494,339	\$ 44,496,931
Operating expenses				
Internal Programs	\$ 330,569	\$ 32,246,049	\$ 101,283	\$ 32,677,901
External Programs	1,163,851	-	-	1,163,851
Other Federal and State Grants	-	-	11,024,378	11,024,378
HUD Grants	-	-	1,279,824	1,279,824
Managed Care Administration	102,035	-	6,915	108,950
Homeless Shelter	-	-	529,126	529,126
Transfer from GF	2,109,036	-	-	2,109,036
Local match expense	-	-	1,304,600	1,304,600
Non-DCH Activity Expenditures	-	-	140,589	140,589
Total operating expenses	\$ 3,705,491	\$ 32,246,049	\$ 14,386,715	\$ 50,338,254
Change in net position	0	(4,948,948)	(892,375)	\$ (5,841,323)

INTEGRATED SERVICES OF KALAMAZOO

FY 2024 Proposed Budget - CCBHC Calculation

	CCBHC Medicaid	CCBHC Healthy MI	CCBHC Non-Medicaid	CCBHC YTD Totals
Operating revenue				
Prepayment	\$ 7,549,022	\$ -	\$ -	\$ 7,549,022
Remaining CCBHC revenue due	14,667,731	5,080,348	-	19,748,079
Total CCBHC Revenue (PPS-1 of \$287.35 x encounters)	\$ 22,216,753	\$ 5,080,348	\$ -	\$ 27,297,101
Operating expenses				
Internal services	\$ 24,178,189	\$ 6,147,739	\$ 1,920,122	\$ 32,246,049
DCO Contracts	-	-	-	-
Total operating expenses	\$ 24,178,189	\$ 6,147,739	\$ 1,920,122	\$ 32,246,049
Operating change in net position	(1,961,436)	(1,067,391)	(1,920,122)	(4,948,948)
Reclassification to cover Non-Medicaid	-	-	-	-
Total change in net position	(1,961,436)	(1,067,391)	(1,920,122)	(4,948,948)



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FY 2023/2024 BUDGET PRESENTATION

EXECUTIVE SUMMARY – BUDGET FY 23/24

- **State of the System – Current year funding**
 - Small Medicaid/HMP underspend in FY 2023:
 - Medicaid enrollees continue to be protected from dropping off Medicaid roles
 - Many services previously covered under capitation are now covered by CCBHC model
 - Rate setting challenges to define cost of CCBHC service exist
 - CCBHC funding was reduced, and revenue is less than expenses
- **State of the System – MDHHS Statewide Systemic Changes**
 - On-going reenrollment challenges
 - CCBHC Demonstration expansion
 - MDHHS Consideration of mid-year rate adjustments

BUDGET OVERVIEW

- Direct Care wage enhancement continued
- 3% increases for most providers and Designated Collaborating Organizations
- 3% increase for ISK staff
- ABA rates at legislated capped levels
- Decrease in Medicaid & HMP funding due to projected decrease in enrollment
- CCBHC revenues at an increased PPS-1 rate - \$294.52

OPERATING REVENUE

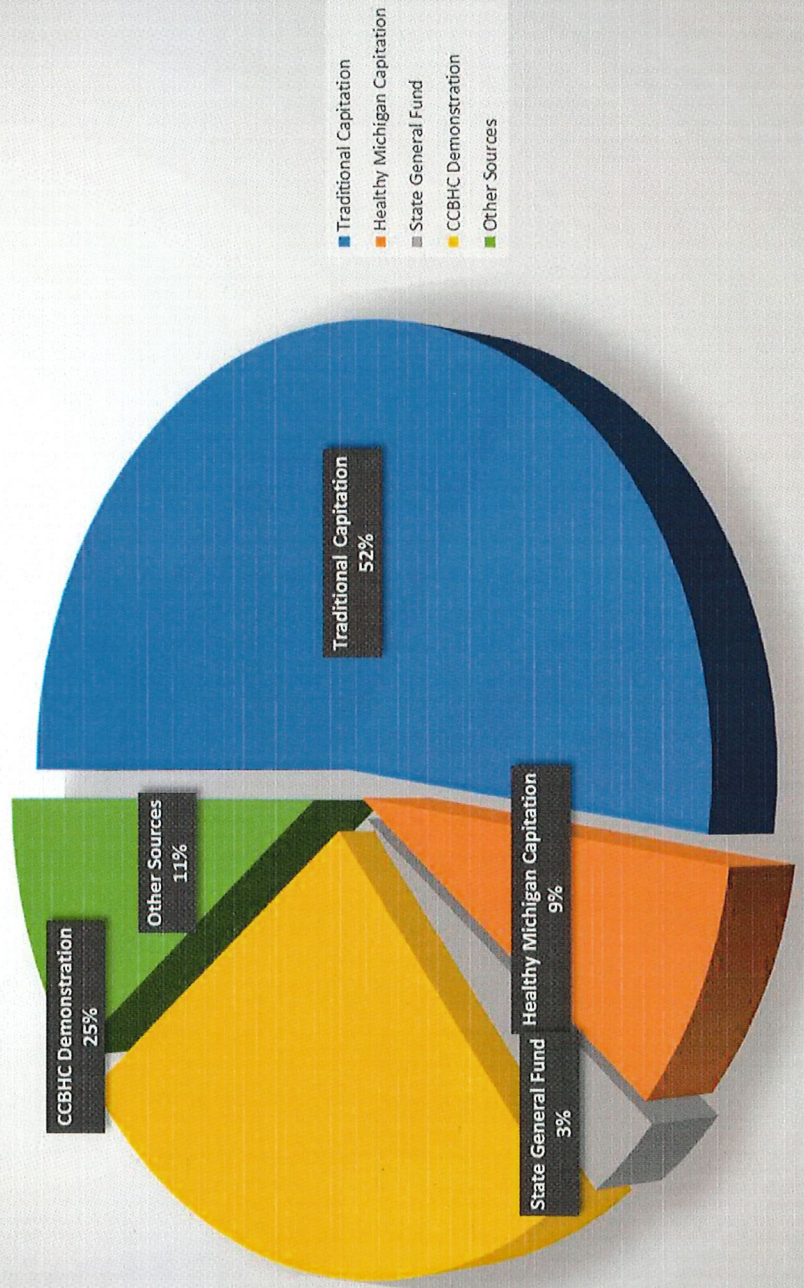
	Amended 2023 BUDGET	2023 Projected	Proposed 2024 BUDGET
Operating revenue			
Medicaid:			
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Settlement	5,571,385	5,571,385	5,287,379
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Settlement	-	-	-
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CCBHC Quality Bonus	1,026,116	1,026,116	
CCBHC Accrual	905,892	905,892	-
County Allocation	1,550,400	1,550,400	1,550,400
Client Fees	568,418	568,418	357,483
SUD Block Grant	-	111,957	-
Other grant revenue	8,107,611	8,107,611	7,168,020
Other earned contracts	3,062,196	3,062,196	2,639,083
COFR	-	171	16,800
Interest	118,049	118,049	1,000
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Total operating revenue	\$ 116,650,496	\$ 115,794,077	\$ 119,869,965

OPERATING EXPENSE

	Amended 2023 BUDGET	2023 Projected	Proposed 2024 BUDGET
Operating expenses			
Salaries and wages	23,969,526	23,673,606	27,984,525
Employee benefits	7,034,997	7,034,997	10,070,805
Staff development	223,625	162,952	280,117
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Administrative contracts	8,412,134	8,910,238	8,151,603
IT software and equipment	765,010	635,538	677,497
Client transportation	29,260	27,189	41,100
Staff travel	310,912	233,375	312,746
Office expenses	420,923	385,180	525,888
Insurance expense	135,461	135,461	128,035
Depreciation expense	605,649	605,649	589,832
Utilities	306,573	297,578	374,796
Facilities	124,379	64,446	-
Total operating expenses	\$ 116,240,934	\$ 115,156,317	\$ 125,594,595

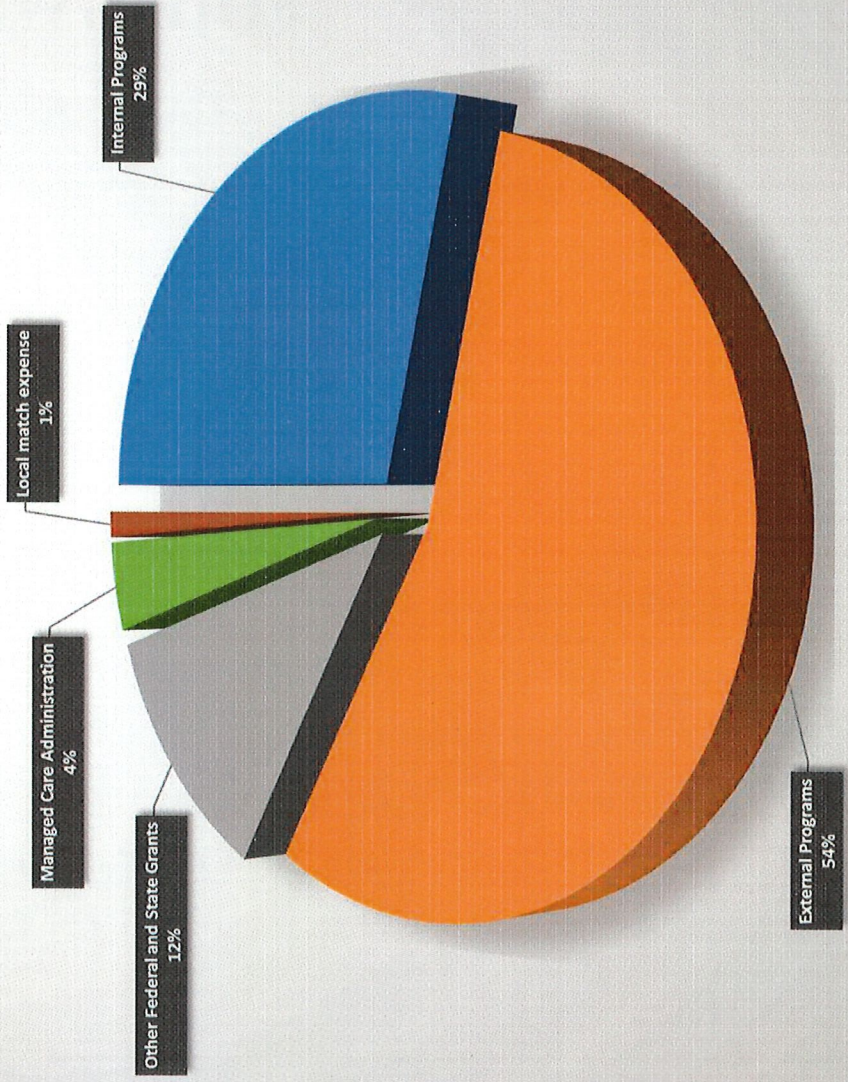
MAJOR FUNDING SOURCES AS % OF BUDGET

Major Funding Sources as of % of Budget

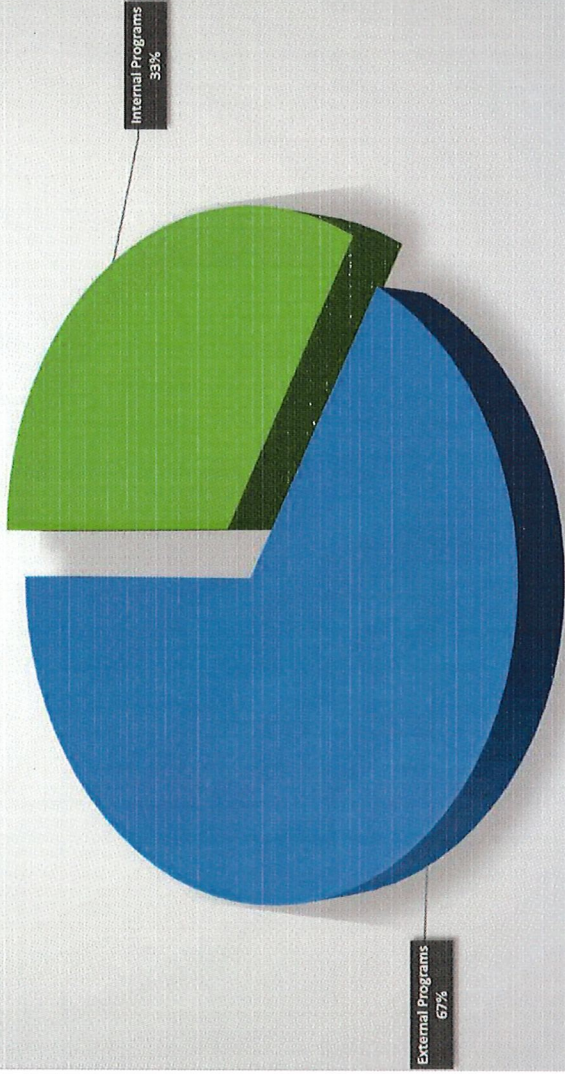


EXPENDITURE AS % OF BUDGET

Expenditures as a % of Budget



Provider and Direct Operated as a % of Budget



PROVIDER & DIRECT OPERATED AS % OF BUDGET

SWMBH FUNDING REVIEW

	Specialty Services	Healthy Michigan	Totals
Operating revenue			
Medicaid:			
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External services	64,463,463	3,742,222	68,205,685
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Total operating expenses	\$ 72,849,491	\$ 4,275,095	\$ 77,124,586
Change in net position	(13,314,406)	8,027,027	\$ (5,287,379)

ISK "AT RISK" FUNDING REVIEW

	State General Fund	CCBHC	Other Funding Sources	Totals
Operating revenue				
General Fund	\$ 3,705,491	\$ -	\$ -	\$ 3,705,491
Projected GF Carryforward	-	-	-	-
CCBHC Demonstration	-	27,297,101	-	27,297,101
Other Federal and State Grants	-	-	7,168,020	7,168,020
Earned Revenue	-	-	2,639,083	2,639,083
COFR Revenue	-	-	16,800	16,800
Interest	-	-	1,000	1,000
County Allocation	-	-	1,550,400	1,550,400
Local Revenue	-	-	10,000	10,000
Restricted Interest	-	-	-	-
Transfer from GF	-	-	2,109,036	2,109,036
Settlement Revenue (Expense)	-	-	-	-
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Internal Programs	\$ 330,569	\$ 32,246,049	\$ 101,283	\$ 32,677,901
External Programs	1,163,851	-	-	1,163,851
Other Federal and State Grants	-	-	11,024,378	11,024,378
HUD Grants	-	-	1,279,824	1,279,824
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Local match expense	-	-	1,304,600	1,304,600
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Total operating expenses	\$ 3,705,491	\$ 32,246,049	\$ 14,386,715	\$ 50,338,254
Change in net position	0	(4,948,948)	(892,375)	\$ (5,841,323)

QUESTIONS & ANSWERS



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Integrated Services of Kalamazoo MOTION

Subject:	ISK FY2023/2024 Budget	
Presented by:	ISK Finance and Compliance Committee	
Meeting Date:	September 25, 2023	<u>Approval Date:</u>
Prepared by:	Amy Rottman	<u>September 25, 2023</u>

Recommended Motion:

“I move approval of the Integrated Services of Kalamazoo FY2023/2024 budget which begins October 1, 2023, in the amount of \$125,594,595.

Summary of Request:

Attached is the budget document which includes the following budget adoption materials.

ROLL CALL VOTE:

ISK Board Member	Yes	No
Chair Karen Longanecker		
Vice Chair Michael Seals		
Member Nkenge Bergan		
Member Sarah Carmany		
Member Patrick Dolly		
Member Pat Guenther		
Member Erik Krogh		
Member Monteze Morales		
Member Michael Raphelson		
Member Sharon Spears		
Member Ramona Lumpkin		
Member Melissa Woolsey		
MOTION PASSED		
Need 7 yes votes (2/3 of currently appointed board) no matter how many members are in attendance.		

Budget: FY2023/2024
 Staff: A.Rottman

Date of Board
 Consideration: September 25, 2023

V.a.

Office of Recipient Rights
Report to the Mental Health Board
On Complaints/Allegations
Closed in: July & August 2023

Office of Recipient Rights Report to the Mental Health Board
Complaints/Allegations Closed in July 2023

	July 2023	FY 22-23	July 2022	FY 21-22
Total # of Complaints Closed	34	319	38	360
Total # of Allegations Closed	60	554	65	596
Total # of Allegations Substantiated	12	168	18	182

The data below represents the total number of closed allegations and substantiations for the following categories:
Consumer Safety, Dignity/Respect of Consumer, Treatment Issues, and Abuse/Neglect.

ALLEGATIONS	July 2023		July 2022	
Category	TOTAL	SUBSTANTIATED	TOTAL	SUBSTANTIATED
Consumer Safety	5	1	5	0
Dignity/Respect of Consumer	17	4	12	3
Treatment Issues/Suitable Services (Including Person Centered Planning)	9	0	15	4
Abuse I	0	0	0	0
Abuse II	2	0	3	0
Abuse III	5	3	5	2
Neglect I	0	0	0	0
Neglect II	1	1	1	0
Neglect III	4	3	6	5
	43	12	47	14

APPEALS	July 2023	FY 22-23	July 2022	FY 21-22
Uphold Investigative Findings & Plan of Action	0	3	0	2
Return Investigation to ORR; Reopen or Reinvestigate	0	0	0	0
Uphold Investigative Findings but Recommend Respondent Take Additional or Different Action to Remedy the Violation	0	0	0	0
Request an External Investigation by the State ORR	0	0	0	0

ABUSE AND NEGLECT DEFINITIONS – SUMMARIZED

Abuse Class I means serious injury to the recipient by staff. Also, sexual contact between a staff and a recipient.

Abuse Class II means non-serious injury or exploitation to the recipient by staff and includes using unreasonable force, even if no injury results.

Abuse Class III means communication by staff to a recipient that is threatening or degrading. (such as; putting down, making fun of, insulting)

Neglect Class I means a serious injury occurred because a staff person DID NOT do something he or she should have done (an omission). It also includes failure to report apparent or suspected abuse I or neglect I of a recipient.

Neglect Class II means a non-serious injury occurred to a recipient because a staff person DID NOT do something he or she should have done (an omission). It also includes failure to report apparent or suspected abuse II or neglect II of a recipient

Neglect Class III means a recipient was put at risk of physical harm or sexual abuse because a staff person DID NOT do something he or she should have done per rule or guideline. It also includes failure to report apparent or suspected abuse III or neglect III of a recipient.

ORR ADDENDUM TO MH BOARD REPORT

September 2023

Re: July 2023 Abuse/Neglect Violations

July

Abuse Violations

- There were three substantiated Abuse III violations in July 2023.
 - The remedial actions for these violations are Employee left agency but substantiated (1), Suspension (1), Written Reprimand (1), Training (3).

Two of the three violations occurred at the same agency but different programs. The third violation occurred at a different agency.

Neglect Violations

- There was one substantiated Neglect II violation in July 2023. It was a Failure to Report.
 - The remedial actions for this violation are Written Reprimand (1) and Training (1).
- There were three substantiated Neglect III violations in July 2023. One was a Failure to Report violation.
 - The remedial actions for these violations are Written Reprimand (4), Training (1), Pending (1).

The 3 violations occurred at different agencies. There were 3 staff for one violation. The Failure to Report violation occurred at the same agency and site as one of the Abuse III violations.

Office of Recipient Rights Report to the Mental Health Board
Complaints/Allegations Closed in August 2023

	August 2023	FY 22-23	August 2022	FY 21-22
Total # of Complaints Closed	37	356	37	397
Total # of Allegations Closed	51	605	72	668
Total # of Allegations Substantiated	14	182	18	200

The data below represents the total number of closed allegations and substantiations for the following categories:
Consumer Safety, Dignity/Respect of Consumer, Treatment Issues, and Abuse/Neglect.

ALLEGATIONS	August 2023		August 2022	
Category	TOTAL	SUBSTANTIATED	TOTAL	SUBSTANTIATED
Consumer Safety	3	1	7	0
Dignity/Respect of Consumer	9	4	10	3
Treatment Issues/Suitable Services (Including Person Centered Planning)	10	2	12	1
Abuse I	0	0	1	0
Abuse II	5	1	5	2
Abuse III	4	0	12	4
Neglect I	0	0	0	0
Neglect II	0	0	1	1
Neglect III	9	7	7	4
	40	15	55	15

APPEALS	August 2023	FY 22-23	August 2022	FY 21-22
Uphold Investigative Findings & Plan of Action	0	3	1	3
Return Investigation to ORR; Reopen or Reinvestigate	0	0	0	0
Uphold Investigative Findings but Recommend Respondent Take Additional or Different Action to Remedy the Violation	0	0	0	0
Request an External Investigation by the State ORR	0	0	0	0

ABUSE AND NEGLECT DEFINITIONS – SUMMARIZED

Abuse Class I means serious injury to the recipient by staff. Also, sexual contact between a staff and a recipient.

Abuse Class II means non-serious injury or exploitation to the recipient by staff and includes using unreasonable force, even if no injury results.

Abuse Class III means communication by staff to a recipient that is threatening or degrading. (such as; putting down, making fun of, insulting)

Neglect Class I means a serious injury occurred because a staff person DID NOT do something he or she should have done (an omission). It also includes failure to report apparent or suspected abuse I or neglect I of a recipient.

Neglect Class II means a non-serious injury occurred to a recipient because a staff person DID NOT do something he or she should have done (an omission). It also includes failure to report apparent or suspected abuse II or neglect II of a recipient

Neglect Class III means a recipient was put at risk of physical harm or sexual abuse because a staff person DID NOT do something he or she should have done per rule or guideline. It also includes failure to report apparent or suspected abuse III or neglect III of a recipient.

ORR ADDENDUM TO MH BOARD REPORT

September 2023

Re: August 2023 Abuse/Neglect Violations

August

Abuse Violations

- There was one substantiated Abuse II violation in August 2023.
 - The remedial actions for these violations were Training (1), and Written Reprimand (1).

Neglect Violations

- There were seven substantiated Neglect III violations in August 2023.
 - The remedial actions for these violations were Employment Termination (2), Employee left agency (1), Written Counseling (1), Written Reprimand (4), Training (5), and Pending (1).

Four of the violations occurred at the same agency but different program sites. The other three violations occurred and three different agencies.



INTEGRATED Services of Kalamazoo (ISK) Board of Director's Meeting

July 24, 2023

Informational Only

Due to the absence of a quorum.

VI.a.

<u>ISK Board Member</u>	<u>Board Members PRESENT</u>	<u>Declaration of Location City/County</u>	<u>Board Members ABSENT</u>
Karen Longanecker, <i>CHAIR</i>	X	Kalamazoo/Kalamazoo	
Michael Seals, <i>VICE CHAIR</i>			X
Nkenge Bergan			X
Sarah Carmany			X
Patrick Dolly			X
Pat Guenther	X	Kalamazoo/Kalamazoo	
Ramona Lumpkin	X	Kalamazoo/Kalamazoo	
Michael Raphelson			X
Sharon Spears			X
Erik Krogh	X	Kalamazoo/Kalamazoo	
Melissa Woosley	X	Kalamazoo/Kalamazoo	
Montez Morales, <i>COMMISSIONER</i>	X	Kalamazoo/Kalamazoo	

ISK - KCMHSAS Staff Present

Jeff Patton, *CHIEF EXECUTIVE OFFICER*
 Amy Rottman
 Charlotte Bowser
 Lisa Brannan
 Carlos Brown
 Wanda Brown
 Luann Gray
 Sheila Hibbs
 Kathy Lentz
 Beth Ann Meints
 Dawn Rasmussen
 Michael Schlack, *CORPORATE COUNSEL*
 Dianne Shaffer
 Lisa Smith
 Ed Sova
 Alecia Pollard
 Demeta Wallace

ISK - KCMHSAS Staff Absent

Providers

Fi Spalvieri
 Executive Director
 Community Living
 Options

Guests

Pat Weighman
 Arias Cruse
 Jamie Smith



Community • Independence • Empowerment

610 S. Burdick Street
 Kalamazoo MI 49007

Call To Order

Chair Longanecker welcomed all in attendance to the INTEGRATED Services of Kalamazoo Board of Directors meeting. The meeting was called to order at 4:00PM.

Special Retirement Farewell for Ms. Patricia “Pat” Weighman

Jeff Patton, ISK, CEO, presented Ms. Weighman with a certificate of appreciation for her outstanding 27 years of service at ISK along with a gift.

Thank you, Pat!



RESOLUTION - Recognizing PMTO Success in Michigan

Luann Gray, ISK, Evidence Based State Manager, shared information regarding the history of PMTO and how it all came to a realization. Pat Weighman, former, ISK, Senior Executive, Youth & Families was instrumental in bringing this program to ISK.

RECOGNIZING PMTO SUCCESS IN MICHIGAN

July 24, 2023

WHEREAS Parent Management Training – Oregon (PMTO) is a set of intervention programs that are recognized as evidence-based programs providing preventive and clinical interventions for families of youngsters with behavioral problems as well as associated problems such as depression, academic problems, and deviant peer association; and

WHEREAS the first implementation of Michigan’s PMTO began in 2004 with a goal of establishing sustainable evidence-based practices to serve Michigan families in need through the community mental health system of care; and

WHEREAS the State of Michigan asked Kalamazoo County Community Mental Health Authority (ISK) to organize and implement the PMTO model in Michigan and thereafter to guide and manage the statewide PMTO program to assist other community mental health services providers to adopt and run PMTO programs; and

WHEREAS ISK employee Luann Gray is currently the Evidence Based State Manager for PMTO, responsible for providing that guidance and management assistance across the State of Michigan; and

WHEREAS today in Michigan there has been developed infrastructure to offer both individual and group formats of PMTO in forty-one counties; and

WHEREAS the Michigan Department of Health and Human Services (MDHHS) has committed to implementing PMTO in all Community Mental Health (CMH) organizations throughout the state of Michigan; and

WHEREAS results of PMTO programs and training have demonstrated excellent outcomes for Michigan's youth with severe emotional disturbances and their families; and

WHEREAS ISK is committed to continuing to provide PMTO in its system of care.

NOW THEREFORE BE IT RESOLVED; that the ISK Board salutes the beginning of the 20th year of PMTO programs in Michigan; and

BE IT FURTHER RESOLVED; that the ISK Board celebrates ISK's successful PMTO implementation in Kalamazoo as well as ISK's roll in providing program assistance to other CMH organizations throughout Michigan; and

BE IT FURTHER RESOLVED; that ISK commends the great outcomes that PMTO has achieved for Michigan children and families and looks forward to many more years of success for the PMTO program in Kalamazoo and across the State of Michigan

Resolved by board motion on the 24th day of July 2023.

Karen Longanecker, Chair

Michael Seals, Vice Chair

Agenda

Board members reviewed the agenda for changes. Board members are recommending no changes to the agenda.

Citizen Time

Fi Spalvieri

"I would like to share that a group of providers are yet experiencing challenges when it comes to hiring direct care workers. We are still in a crisis hiring pattern for this specific classification of worker. We appreciate the \$0.85 but would have been greatly satisfied with the proposed \$1.50 wage increase. These essential workers supply lifesaving care to our families and communities. With these staff vacancies it is difficult to grow programs and services. Therefore, when planning for the next fiscal year budget, it would be outstanding to receive permanent investments and increases for the future of the direct care workers".

Recipient Rights

Lisa Smith, ISK, Director of ORR, presented the complaints/allegations closed in April, May & June 2023.

April

Abuse Violations

- There was one substantiated Abuse III violation in April 2023.
 - The remedial action for this violation was Employment Termination (1).

Neglect Violations

- There was one substantiated Neglect II violation in April 2023.
 - The remedial action for this violation was Contract Action (1), and Recipient transfer to another provider (1).
- There were five substantiated Neglect III violations in April 2023. There was one Neglect III, Failure to Report.
 - The remedial actions for these violations were Employment Termination (3), and Written Reprimand (2).

The 5 violations occurred at 4 different agencies. Of the agency with 2 violations at the same program site, one is a Failure to Report.

May

Abuse Violations

- There was one substantiated Abuse II violation in May 2023.
 - The remedial action for this violation was Employment Termination (1).

Neglect Violations

- There were two substantiated Neglect II violations in May 2023. The two violations were Failures to Report.
 - The remedial actions for these violations were Written Reprimand (4), and Training (1). There were three staff involved in one violation and 1 staff involved in the second violation. These occurred at 2 different agencies.
- There were three substantiated Neglect III violations in May 2023.
 - The remedial actions for these violations were Employment Termination (2), Written Reprimand (2), and Training (2). Of the 3 violations there were two staff involved in two different violations and 1 staff involved in the third violation. These occurred at 3 different agencies.

June

Abuse Violations

- There was one substantiated Abuse II violation in June 2023.

- The remedial action for this violation is Written Reprimand (1), Policy Revision/Development (1), and Training (1).
- There were two substantiated Abuse III violations in June 2023.
 - The remedial actions for these violations were Staff Transfer (1), Written Reprimand (2), Training (2).

The 2 violations occurred at different agencies.

Neglect Violations

- There was one substantiated Neglect II violation in June 2023. It was a Failure to Report.
 - The remedial actions for these violations were Written Reprimand (1), Training (1).
- There were two substantiated Neglect III violations in June 2023.
 - The remedial actions for these violations were Written Reprimand (2), and Training (1).

The Neglect II Failure to Report violation and one of the Neglect III violations were at the same agency but occurred at different sites. The second Neglect III occurred at a different agency.

All of the ORR cases information is forwarded to the ISK Population Directors on a monthly basis for any tracking/trending of the RR information in their areas of authority.

**Agencies can include ISK.*

Recipient Rights ANNUAL REPORT

Lisa Smith, ISK, Director of ORR, presented the ORR Annual Report.

This report is a summary of the data by type or category regarding the rights of recipients receiving services from ISK including the number of complaints, investigations substantiated and the remedial actions. It also highlights the training provided to staff and contract providers.

To review the entire Recipient Rights Annual Report, please contact the Office of Recipient Rights at [269-364-6920](tel:269-364-6920).

Program Services Report

Justice Equity and Trauma Team Update

Carlos Brown, ISK, Project Director, Kalamazoo Suicide Prevention Program, presented the program services report to the ISK Board of Directors.



Community • Independence • Empowerment

July 13, 2023

Jeffrey W. Patton
Chief Executive Officer

www.iskzoo.org

Administrative Services

2030 Portage Street
Kalamazoo, MI 49001
Phone: (269) 553-8000

Access Center

615 East Crosstown Parkway
Kalamazoo, MI 49001
Phone: (269) 373-6000
(888) 373-6200

Michigan Relay Center: 711

Integrated Health & Psychiatric Services

615 East Crosstown Parkway
Kalamazoo, MI 49001
Phone (Adults): (269) 553-7037
Phone (Youth): (269) 553-7078

Office of Recipient Rights

201 W. Kalamazoo Ave, Ste 301
Kalamazoo, MI 49007
Phone: (269) 364-6920

Services for Adults with Mental Illness

2030 Portage Street
Kalamazoo, MI 49001
Phone: (269) 553-8000
(888) 373-6200

Services for Adults with Developmental Disabilities

418 West Kalamazoo Ave.
Kalamazoo, MI 49007
Phone: (269) 553-8060
Michigan Relay Center: 711

Services for Youth and Families

418 West Kalamazoo Ave.
Kalamazoo, MI 49007
Phone: (269) 553-7120

Substance Use Disorder Services

Phone: (800) 781-0353

Training

2030 Portage Street
Kalamazoo, MI 49001
Phone: (269) 364-6952

RE: Justice Equity and Trauma Team Quarter Two Update

Greetings Integrated Services of Kalamazoo Board,

May this report provide you with an updated on the DEI efforts that are occurring within ISK. ISK has a steering committee titled Core Implementation Team (CIT) which purpose is to provide direction and support to the larger committee known as Justice Equity Trauma Team (JETT), through the development and review of the annual strategic workplan. There are 6 subcommittees that are assigned goals from the workplan. The subcommittees include Equity Tool Development Team, Training, Organizational Wellness, Affinity, Trauma Informed, and Consumer Feedback.

Committee Updates:

- The Equity Tool Development conducted three equity reviews which included the final Urgent Review, Dress Code Policy review, and a New SUD Diagnosis Outreach. Future reviews may consist of Policy Review Process, HR Policy Review, and Juvenile Justice Grant.
- The Training subcommittee conducted its first lunch and learn Antisemitism training with a local Rabbi and has scheduled a more in-depth training to occur on August 14th. This subcommittee is also reviewing educational resources to update the approved Diversity Training Movie/Documentary List.
- Organizational Wellness coordinated with Human Resources a staff outing to opening season of the Kalamazoo Growlers on June 23rd.
- Organizational Wellness and Trauma Informed are conjointly working on practices to implement to reduce secondary trauma and improve staff support. Current topics being explored include Trauma Informed Supervision, and Self-Care Plans.
- The Affinity Workgroups continue to grow. The LGBTQIA+ workgroup has attended PRIDE for the second consecutive year in ISK's history. ISK was well received by community members per reports of ISK staff present.
- Consumer Feedback continues to collect and analyze individuals served feedback at all ISK sites and will report findings. Special attention will be directed at the new Behavior Health Urgent Care.

Should you have any additional questions please feel free to contact me.

Sincerely

Carlos Brown, LMSW-C

Co-Chair of DEI Efforts and Suicide Prevention Program Director

Consent Calendar/MOTION

Following the Michigan Open Meetings Act § 15.263a., all board business and actions must be conducted in a public meeting where all members are PHYSICALLY present, except for those who have been granted a Reasonable Accommodation Request to attend virtually. THERE WAS NO QUORUM PRESENT AT THIS MEETING. Therefore, this motion will be brought back for final approval and adoption at the next meeting at which a quorum is present.


RESOLUTION - Recognizing PMTO Success in Michigan

- VI.
- a. MINUTES (*May 22 & June 26, 2023*)
 - b. Chief Executive Officer Performance (Policy)
 - c. Monitoring Executive Performance (Policy)
 - d. Chief Executive Officer Role (Policy)
 - e. Delegation to the Chief Executive Officer (Policy)
 - f. Investment (Policy)
 - g. Board Finance and Compliance Committee (Policy)
- VIII.
- d. *May & June 2023 Disbursements/MOTION*
- IX.
- a. Chairperson's Role (Policy)

Monitoring ReportsStrategic Plan (Report)ENDS All Populations (Report)

Sheila Hibbs, ISK, Administrator of Operations, presented the Strategic Plan and ENDS All Populations Reports to the ISK Board of Directors. The ISK Board of Directors had no questions or concerns regarding these reports. To review these reports in their entirety, please email, Demeta Wallace @ dwallace@iskzoo.org.

Financial ReportsFinancial Condition Report

Amy Rottman, ISK, Chief Financial Officer, presented the Financial Condition Reports for June 30, 2023.

INTEGRATED SERVICES OF KALAMAZOO
Statement of Net Position

June 30, 2023

	June 2022 (unaudited)	June 2023
Assets		
Current assets		
Cash and Investments	\$ 28,406,065	\$ 27,223,341
Accounts receivable	5,042,417	4,260,183
Due from other governments	5,297,792	8,082,388
Prepaid items	838,839	888,667
Total current assets	39,585,113	40,454,578
Non-current assets		
Capital assets, net of accumulated depreciation	9,310,332	12,610,545
Net pension asset, net of deferred outflows	5,722,229	7,339,625
Total non-current assets	15,032,561	19,950,170
Total assets	54,617,674	60,404,748
Liabilities		
Current liabilities		
Accounts payable	\$ 8,882,166	\$ 9,769,971
Due to other governments	735,475	2,326,806
Due to providers	(87,053)	32,813
Accrued payroll and payroll taxes	916,612	1,653,148
Unearned revenue	572,557	609,205
Total current liabilities	11,019,757	14,391,943
Non-current liabilities		
Long-term debt	4,187,668	-
Total liabilities	15,207,425	14,391,943
Net position		
Designated	18,979,619	8,671,891
Undesignated	1,569,435	28,194,833
Investment in fixed assets	4,858,748	9,471,053
Previous year close	-	-
Net gain (loss) for period	14,002,447	(324,972)
Net position	\$ 39,410,249	\$ 46,012,805

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

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2022 through June 30, 2023

Percent of Year is 75.00%

	Original 2023 BUDGET	YTD Totals 6/30/23	Remaining Budget	Percent of Budget - YTD
Operating revenue				
Medicaid:				
Traditional Capitation	\$ 62,584,607	\$ 52,653,681	\$ 9,930,926	84.13%
Healthy Michigan Capitation	10,155,033	9,813,909	341,124	96.64%
Autism Captiation	5,722,701	4,185,192	1,537,509	73.13%
Settlement	(11,458,363)	(1,933,537)	(9,524,826)	0.00%
State General Fund:				
Formula Fundings	3,900,517	2,925,387	975,130	75.00%
CCBHC Demonstration	33,381,000	6,111,559	27,269,441	0.00%
CCBHC Accrual	-	758,678	(758,678)	0.00%
County Allocation	1,550,400	1,162,800	387,600	75.00%
Client Fees	429,500	365,219	64,281	85.03%
SUD Block Grant	-	83,968	(83,968)	0.00%
Other grant revenue	6,884,475	5,850,892	1,033,583	84.99%
Other earned contracts	1,379,510	2,419,174	(1,039,664)	175.36%
COFR	(6,250)	-	(6,250)	0.00%
Interest	1,000	1,328	(328)	0.00%
Local revenue	10,000	1,189	8,811	0.00%
Total operating revenue	\$ 114,534,130	\$ 84,399,439	\$ 30,134,691	73.69%
Operating expenses				
Salaries and wages	24,113,672	17,513,760	\$ 6,599,912	72.63%
Employee benefits	8,670,498	5,059,417	3,611,081	58.35%
Staff development	223,625	123,272	100,353	55.12%
Payments to providers	68,968,243	53,407,489	15,560,754	77.44%
Administrative contracts	7,789,466	6,917,096	872,370	88.80%
IT software and equipment	765,010	473,731	291,279	61.92%
Client transportation	29,260	18,505	10,755	63.24%
Staff travel	310,912	171,131	139,781	55.04%
Office expenses	420,923	287,788	133,135	68.37%
Insurance expense	97,505	119,987	(22,482)	123.06%
Depreciation expense	560,142	364,863	195,279	65.14%
Utilities	306,573	220,934	85,639	72.07%
Facilities	124,379	46,439	77,940	37.34%
Total operating expenses	\$ 112,380,208	\$ 84,724,411	\$ 27,655,797	75.39%
Change in net position	2,153,922	(324,972)	\$ 2,478,894	
Beginning net position	46,337,777	46,337,777		
Ending net position	\$ 48,491,699	\$ 46,012,805		

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INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2022 through June 30, 2023

Percent of Year is 75.00%

	Specialty Services		Healthy Michigan		SUD Block Grant		Totals		Variance
	Budget	YTD Totals 6/30/23	YTD Budget	YTD Totals 6/30/23	YTD Budget	YTD Totals 6/30/23	YTD Budget	YTD Totals 6/30/23	
Operating revenue									
Medicaid:									
Traditional Capitation	\$ 46,941,080	\$ 52,653,681	\$ -	\$ -	\$ -	\$ 83,968	\$ 46,941,080	\$ 52,737,649	\$ 5,796,569
Healthy Michigan Capitation	-	-	7,616,275	9,813,909	-	-	7,616,275	9,813,909	2,197,634
Autism Capitation	3,815,134	4,185,192	-	-	-	-	3,815,134	4,185,192	370,058
CCBHC Base Payment	-	(10,498,466)	-	(2,128,102)	-	-	-	(12,626,568)	(12,626,568)
Settlement Estimate	(4,551,890)	2,756,924	(4,083,032)	(4,606,493)	-	(83,968)	(8,634,922)	(1,933,537)	6,701,385
Client Fees	319,500	365,219	-	-	-	-	319,500	365,219	45,719
Total operating revenue	\$ 46,523,824	\$ 49,462,549	\$ 3,533,243	\$ 3,079,314	\$ -	\$ 0	\$ 50,057,067	\$ 52,541,863	\$ 2,484,797
Operating expenses									
Internal services	\$ 2,323,476	\$ 2,086,604	\$ 129,648	\$ 169,235	\$ -	\$ -	\$ 2,453,124	\$ 2,255,839	(197,285)
External services	41,735,343	44,552,491	3,216,390	2,734,304	-	-	44,951,733	47,286,795	2,335,063
Delegated managed care	2,465,006	2,823,455	187,205	175,775	-	-	2,652,210	2,999,230	347,020
Total operating expenses	\$ 46,523,824	\$ 49,462,550	\$ 3,533,243	\$ 3,079,314	\$ -	\$ -	\$ 50,057,067	\$ 52,541,864	\$ 2,484,797
Change in net position		(0)		(0)		0		(0)	

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INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position
 October 1, 2022 through June 30, 2023
 Percent of Year is 75.00%

	State General Fund		CCBHC		Other Funding Sources		Totals		Variance
	YTD Budget	YTD Totals 6/30/23	YTD Budget	YTD Totals 6/30/23	YTD Budget	YTD Totals 6/30/23	YTD Budget	YTD Totals 6/30/23	
Operating revenue									
General Fund	\$ 2,925,388	\$ 2,925,387	\$ -	\$ -	\$ -	\$ -	\$ 2,925,388	\$ 2,925,387	\$ (1)
Projected GF Carryforward	-	-	-	-	-	-	-	-	-
CCBHC Demonstration	-	-	25,035,750	19,496,805	-	-	25,035,750	19,496,805	(5,538,945)
Other Federal and State Grants	-	-	-	-	5,163,356	5,850,892	5,163,356	5,850,892	687,535
Earned Revenue	-	-	-	-	1,034,633	2,419,174	1,034,633	2,419,174	1,384,542
COFR Revenue	-	-	-	-	(4,688)	-	(4,688)	-	4,688
Interest	-	-	-	-	750	1,328	750	1,328	578
County Allocation	-	-	-	-	1,162,800	1,162,800	1,162,800	1,162,800	-
Local Revenue	-	-	-	-	7,500	1,189	7,500	1,189	(6,311)
Transfer from GF	-	-	-	360,577	1,696,334	1,499,170	1,696,334	1,859,747	163,413
Settlement Revenue (Expense)	-	-	-	-	-	-	-	-	-
Total operating revenue	\$ 2,925,388	\$ 2,925,387	\$ 25,035,750	\$ 19,857,382	\$ 9,060,686	\$ 10,934,553	\$ 37,021,823	\$ 33,717,322	\$ (3,304,501)
Operating expenses									
Internal Programs	\$ -	\$ 329,670	\$ 17,173,286	\$ 14,800,347	\$ -	\$ 55,491	\$ 17,173,286	\$ 15,185,508	\$ (1,987,778)
External Programs	890,262	675,141	4,957,338	4,686,263	381,852	553,736	6,229,452	5,915,140	(314,312)
Other Federal and State Grants	-	-	-	-	6,375,122	7,992,592	6,375,122	7,992,592	1,617,471
HUD Grants	-	-	-	-	1,225,631	1,007,940	1,225,631	1,007,940	(217,690)
Managed Care Administration	49,808	60,830	1,238,165	1,179,688	29,348	3,359	1,317,322	1,243,876	(73,445)
Homeless Shelter	-	-	-	-	327,562	327,250	327,562	327,250	(312)
Transfer from GF	1,696,334	1,859,747	-	-	-	-	1,696,334	1,859,747	163,413
Local match expense	-	-	-	-	956,231	463,341	956,231	463,341	(492,890)
Non-DCH Activity Expenditures	-	-	-	-	105,442	46,900	105,442	46,900	(58,542)
Total operating expenses	\$ 2,636,405	\$ 2,925,388	\$ 23,368,789	\$ 20,666,297	\$ 9,401,187	\$ 10,450,609	\$ 35,406,380	\$ 34,042,294	(1,364,087)
Change in net position	288,983	(0)	1,666,961	(808,915)	(340,502)	483,944	\$ 1,615,443	(324,971)	(1,940,414)

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INTEGRATED SERVICES OF KALAMAZOO

CCBHC
 October 1, 2022 through June 30, 2023
 Percent of Year is 75.00%

	CCBHC Medicaid	CCBHC Healthy MI	CCBHC Non-Medicaid	CCBHC YTD Totals
Operating revenue				
Prepayment	\$ 5,725,776	\$ -	\$ 385,783	\$ 6,111,559
CCBHC Base Payment Reclass	10,498,466	2,128,102	-	12,626,568
Remaining CCBHC revenue due	(775,251)	1,385,985	147,945	758,678
Total CCBHC Revenue (PPS-1 of \$272.96 x encounters)	\$ 15,448,990	\$ 3,514,087	\$ 533,728	\$ 19,496,805
Operating expenses				
Internal services	\$ 12,106,631	\$ 2,753,821	\$ 1,119,582	\$ 15,980,034
DCO Contracts	3,550,359	807,578	328,326	4,686,263
Total operating expenses	\$ 15,656,990	\$ 3,561,399	\$ 1,447,908	\$ 20,666,297
Operating change in net position	(208,000)	(47,312)	(914,180)	(1,169,492)
Reclassification to cover Non-Medicaid	-	-	360,577	360,577
Total change in net position	(208,000)	(47,312)	(553,603)	(808,915)

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Utilization Report

Charlotte Bowser, ISK, Director of Finance, presented the Utilization Report for the period ending June 30, 2023.

- Youth Community Inpatient Services is at (136) days and is unfavorable at \$156,324
- MI Adult Community Inpatient Services is at (1,907) days and is unfavorable at \$1,943,259
- Community Living Supports, Personal Care, and Crisis Residential is favorable at \$1,061,553

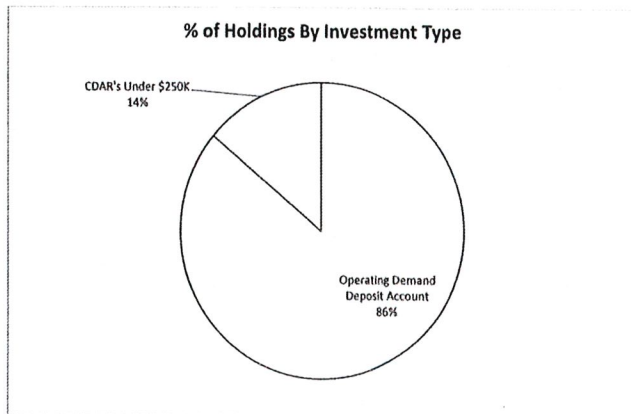
Investment Report

Charlotte Bowser, ISK, Director of Finance, presented the Investment Report for the period ending June 30, 2023.

**Quarterly Cash & Investments Report
Quarter Ending June 30, 2023**

Financial Institution	Type of Investment	Cost Basis	Maturity Date	% Yield
CASH				
PNC	Operating Demand Deposit Account	\$23,270,248	NA	0.03%
	Payroll Account	\$5,000		
	Accrued Leave Reserve	\$118,544		
	Pretax Reimbursement Account	\$57,634		
	Various Petty Cash Funds	\$780		
	Total Cash Accounts		\$23,452,206	
INVESTMENTS				
CDAR's (via Independent Bank)	CD's Issued Under FDIC Limit of \$250,000	\$3,771,120		3.77%
Total CDAR's		\$3,771,120		
	Total Investments	\$3,771,120		
TOTAL CASH AND INVESTMENTS		\$27,223,326		

% of Holdings By Institution		% of Holdings By Investment Type	
PNC - Cash	86.15%	Cash	86.15%
CDAR's (via Independent Bank)	13.85%	CDAR's	13.85%
	100.00%		100.00%



Investments are still consistent and strong. Holdings by Investment Type are as follows: 14% - CDARs Under \$250K and 86% - Operating Demand Deposit Account.

May & June 2023, Disbursements/MOTION

Following the Michigan Open Meetings Act § 15.263a., all board business and actions must be conducted in a public meeting where all members are PHYSICALLY present, except for those who have been granted a Reasonable Accommodation Request to attend virtually. THERE WAS NO QUORUM PRESENT AT THIS MEETING. Therefore, this motion will be brought back for final approval and adoption at the next meeting at which a quorum is present.

Action Items/MOTIONChairperson's Role (Policy)

Following the Michigan Open Meetings Act § 15.263a., all board business and actions must be conducted in a public meeting where all members are PHYSICALLY present, except for those who have been granted a Reasonable Accommodation Request to attend virtually. THERE WAS NO QUORUM PRESENT AT THIS MEETING. Therefore, this motion will be brought back for final approval and adoption at the next meeting at which a quorum is present.

Chief Executive Officer Report

Just to piggyback off of what Amy just discussed in the Financial Reports, Specialty Services and Healthy Michigan are both underspending. The Disabled, Aged, and Blind (DAB) and the Temporary Assistance for Needy Families (TANF) both experienced rate increases. Where the concern arises is within our PIHP rates. All the 8 counties in our region are showing deficits. These changes cannot lead to a waiting list process because Medicaid is an entitlement.

June was a remarkable month for ISK with the visits from Senator Debbie Stabenow and Assistant Secretary Miriam E. Delphin-Rittman. This is event was remarkable. Along with the ribbon cutting ceremony and grand opening of our 24-hour Behavioral Health Urgent Care and Access Center. As of July 21, 2023, 106 patients have been treated.

The Budget Public Hearing will take place on Monday, September 25, 2023.

That concludes my report.

Citizen Time

No citizens came forth.

Board Member TimeSWMBH (Southwest Michigan Behavioral Health) Updates/Erik Krogh

Erik Krogh was unable to attend the SWMBH board meeting and thus has no updates to report.

ISK Board Election Results/Erik Krogh

The June election results are that Karen Longanecker will remain the ISK Board of Directors, Chair and Michael Seals will remain the ISK Board of Directors, Vice Chair.

CANCELLATION of the August 28, 2023, meeting/Karen Longanecker

Our next meeting will be on Monday, September 25, 2023, which will also be the Budget Public Hearing.

Adjournment

Following the Michigan Open Meetings Act § 15.263a., all board business and actions must be conducted in a public meeting where all members are PHYSICALLY present, except for those who have been granted a Reasonable Accommodation Request to attend virtually. THERE WAS NO QUORUM PRESENT AT THIS MEETING. Therefore, this motion will be brought back for final approval and adoption at the next meeting at which a quorum is present.

Demeta J. Wallace
Administrative Coordinator & Board Liaison
INTEGRATED Services of Kalamazoo

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.03

AREA: Governance	
SECTION: Executive Limitations	PAGE: 1 of 2
SUBJECT: BUDGETING	SUPERSEDES: 08/22/2011 REVISED: 09/27/2021

PURPOSE/EXPLANATION

To establish limitations of means regarding the budgeting process.

POLICY

- I. Budgeting any fiscal year or the remaining part of any fiscal year shall not deviate materially from Board Ends priorities, or risk fiscal jeopardy. Accordingly, the Chief Executive Officer may not cause or allow budgeting which:
 - A. Does not provide for a Public Hearing prior to formally adopting the budget consistent with Michigan Compiled Law (MCL) Section 141.412.
 - B. Contains too little information to enable credible projection of revenues and expenses, cash flow, and disclosure of planning assumptions.
 - C. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
 - D. Reduces the current assets at any time to less than a favorable relationship with current liabilities.
 - E. Does not provide for Board prerogatives such as Board development, and Board and committee meetings.
 - F. Endangers the fiscal soundness of future years or ignores the building of organizational capability sufficient to achieve ends in future years.
- II. This policy will be monitored through internal mechanisms on a quarterly basis, and external mechanisms on an annual basis.

EXHIBITS

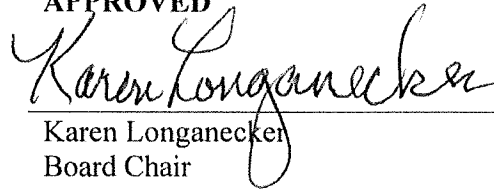
- A. MCL Section 141.412.

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

APPROVED



Karen Longanecker
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.04

AREA:	Governance	
SECTION:	Executive Limitations	PAGE: 1 of 2
SUBJECT:	FINANCE	SUPERSEDS: 08/22/2011
		REVISED: 09/27/2021

PURPOSE/EXPLANATION

To establish limitations of means regarding the financial condition of the agency.

POLICY


- I. With respect to the actual, ongoing condition of the organization's financial health, the Chief Executive Officer (CEO) may not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in Ends policies. Accordingly, the CEO may not:

Expend more funds than have been received in the fiscal year to date, unless the debt guideline (below) is met.

- A. Expenditures can not be authorized that exceed the amount appropriated within the budget or in excess of the available funds as that action creates a debt.
- B. Indebt the organization.
- C. Use any Long-Term Reserves, aside from their intended use, without Board approval.
- D. Fail to settle payroll and debts in a timely manner.
- E. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
- F. Acquire, encumber or dispose of real property without Board approval.
- G. Operate without a set of administrative purchasing and procurement guidelines and procedures consistent with current law.
- H. Fail to adhere to generally accepted accounting principles (GAAP) in all accounting activities unless more restrictive requirements exist.
- I. Fail to use a legally defined procurement process to promote effective and equitable purchasing practices.

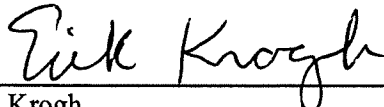
II. This policy will be monitored through internal mechanisms annually.

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

APPROVED



Erik Krogh
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.07

AREA:	Governance	
SECTION:	Executive Limitations	PAGE: 1 of 2
SUBJECT:	ASSET PROTECTION	SUPERSEDES: 08/26/2013 REVISED: 09/27/2021

PURPOSE/EXPLANATION

To establish limitations of means regarding asset protection.

POLICY

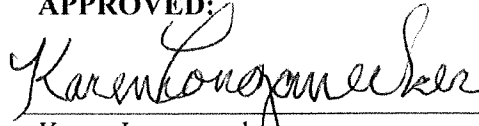
- I. The Chief Executive Officer (CEO) may not allow assets to be unprotected, inadequately maintained nor unnecessarily risked. Accordingly he/she may not:
 - A. Fail to insure against theft and casualty losses to at least 80 percent replacement value and against liability losses to Board members, staff or the organization itself in an amount comparable to other CMH's.
 - B. Allow un-bonded personnel access to material amounts of funds.
 - C. Subject plant and equipment to improper wear and tear or insufficient maintenance.
 - D. Unnecessarily expose the organization, its Board or staff to claims of liability.
 - E. Fail to protect intellectual property, information and files from loss or significant damage.
 - F. Receive, process or disburse funds under controls which are insufficient to meet the Board appointed auditor's standards.
 - G. Endanger the organization's public image or credibility, particularly in ways that would hinder its accomplishment of mission.
- II. This policy will be monitored through a report on an overview of ISK insurance coverage on an annual basis.

CHIEF EXECUTIVE OFFICER:



Jeff Patton
Chief Executive Officer

APPROVED:



Karen Longanecker
Board Chair

ASSET PROTECTION REPORT

August 28, 2023

- Our liability/property insurance is through the Michigan Municipal Risk Management Authority (“MMRMA”). MMRMA was created under the authority of the Michigan statutes to provide risk management and risk financing services to local governmental entities such as ISK.
- Liability coverage through MMRMA totals \$15,000,000 per occurrence.
- ISK board members are covered by MMRMA for their official duties performed on behalf of ISK.
- MMRMA pays for the costs of defending certain claims against ISK as well as any damages assessed.
- Workers compensation insurance is purchased through Accident Fund Co of America. We have limits of \$500,000 per accident and \$500,000 per disease claim.
- Our long term and short-term disability coverage is purchased through The Hartford Group. For long term coverage (LTD), employees will receive 60% of their income up to \$160,000 after a 180-day waiting period (maximum benefit of \$8000 per month). For short-term disability (STD), employees will receive 60% of their covered salary up to \$160,000 beginning on the 15th day after the accident or 15th day after an illness that causes them to be off work (maximum benefit of \$1846.15 per week). Maximum duration for STD is 23 weeks or the beginning of LTD benefits, whichever is earlier.
- Group life insurance is through The Hartford Group. Employees receive 0.5 times their salary rounded to the next higher \$1,000 subject to a minimum of \$10,000 and a maximum \$100,000.
- Group accidental death and dismemberment insurance is through The Hartford Group.
- Health care professional liability insurance is through Pro Assurance Casualty Company. Limits are \$3,000,000 per claim and \$3,000,000 aggregate. Our employed prescribers are covered.
- Medical insurance/prescriptions/dependant coverage is purchased through Blue Cross Blue Shield of Michigan for employees working at least 30 hours per week.
- Dental insurance is purchased through ADN for employees working at least 30 hours per week.
- Vision insurance is purchased Blue Cross Blue Shield using the VSP network for employees working at least 30 hours per week.
- Employees working at least 20 and up to 29 hours per week may purchase ISK’s medical insurance/prescriptions/dependent coverage, dental insurance, or vision insurance at the full premium cost.

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.02

AREA: Governance	
SECTION: Executive Limitations	PAGE: 1 of 2
SUBJECT: STAFF TREATMENT	SUPERSEDES: 09/24/2012 REVISED: 09/27/2021

PURPOSE/EXPLANATION

To define limitations of means regarding the treatment of staff.

POLICY

- I. With respect to treatment of paid and volunteer staff, the Chief Executive Officer (CEO) may not cause or allow conditions which are unfair and undignified. Accordingly, he/she may not:
 - A. Operate without written personnel related policies and procedures that:
 1. Clarify personnel rules for staff.
 2. Provide guidance in the case of an emergency or disaster.
 3. Outline clear expectations that employees and candidates for employment may not be judged on other than their own job-relevant qualifications and/or job performance.
 4. Protect the right to ethical job-related dissent of employees and provide for effective handling of grievances.
 5. Protect against wrongful conditions.
 6. Protect health and safety.
 - B. Fail to:
 1. Acquaint staff with personnel related policy and procedure, and their rights under this policy.
 2. Promote the recruitment and retention of personnel who reflect the cultural/ethnic diversity of the community/population served.
 3. Provide recognition of personnel, promote employee satisfaction and demonstrate employee involvement in organizational decision making.
 4. Ensure training and continuing development of all personnel to enhance individual and organizational performance.
- II. This policy will be monitored through internal mechanisms on an annual basis.

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

APPROVED



Karen Longanecker
Board Chair

INTEGRATED SERVICES OF KALAMAZOO
Staff Treatment Report
September 25, 2023

Executive Limitation Policy:

With respect to treatment of paid and volunteer staff, the Chief Executive Officer may not cause or allow conditions which are unfair and undignified.

Accordingly, the Chief Executive Officer may not:

- A. Operate without written personnel related policies and procedures that:
1. Clarify personnel rules for staff.
 2. Provide guidance in the case of an emergency or disaster.
 3. Outline clear expectations that employees and candidates for employment may not be judged on other than their own job-relevant qualifications and/or job performance.
 4. Protect the right to ethical job-related dissent of employees and provide for effective handling of grievances.
 5. Protect against wrongful conditions.
 6. Protect health and safety.

Response: Policies and procedures exist and guide all formal personnel action processes. Department heads, supervisors and employees are aware of these policies. The Human Resource staff provides orientation for new employees, offers training on specific issues and meets with various staff groups. Personnel policies and procedures have been reviewed throughout the year and several have been revised where needed.

The agency experienced power outages in 2014 during which the Chief Executive Officer provided guidance and which led to additional disaster planning/preparedness within the organization. The agency's Organizational Continuity Plan was reviewed and revised by the Senior Executive Team in the fall of 2016. The plan was reviewed again in the spring of 2019. The Organizational Continuity Plan was again reviewed by senior Executive Team in summer of 2022.

Reaching the limits of the in-house maintained annual performance review system, Directive Supervision program, the agency switched to a cloud-based performance development system in 2017. ISK now uses the SilkRoad performance appraisal tool. We have retained a core competency and value-based evaluation system in this transition.

The Employee Code of Ethics (formerly Ethical Code of Conduct) policy and procedure was originally approved in April 2000 and has been updated in March 2003, May 2004, March 2006, June 2006, January 2007, June 2007, April 2008, May 2010, November 2011, August 2012, November 2014, April 2016, June 2016, December 2018, November 2019, July 2021 and December 2022 upholding employee dignity and allowing employees to express an ethical dissent. There have been no requests for ethical dissent over the past year.

There were no grievances submitted against the Chief Executive Officer this reporting period.

- B. Fail to:
1. Acquaint staff with personnel related policy and procedure and their rights under this policy.
 2. Promote the recruitment and retention of personnel who reflect the cultural/ethnic diversity of the community/population served.
 3. Provide recognition of personnel, promote employee satisfaction, and demonstrate employee involvement in organizational decision making.
 4. Ensure training and continuing development of all personnel to enhance individual and organizational performance.

Response: New employees receive orientation, which includes covering information on the personnel policies and procedures. Also, all personnel policies and procedures are provided to staff via the computer network (on-line) and updated as revisions are made. All employees are required to sign a document verifying that they are aware of these policies and procedures and have had an opportunity to read them. Annually employees review the Employee Code of Ethics policy and sign off that they have done so.

Language in job postings to encourage culturally diverse candidates to apply was revised in 2011 based on recommendations from the Manager of Cultural and Linguistic Competency. During the summer of 2016, we began running a regular ad in the New Opinion newspaper directing those interested in employment with ISK to view our current offerings on our application website ensuring that ISK would have continuous exposure in this publication. Language to encourage culturally diverse candidates to apply was also reviewed and revised in 2016. Job posting language was again reviewed and revised to attract a more diverse applicant pool in 2019. Historical and current demographic data is reviewed annually with ISK leadership.

The organization offers opportunities for not only employee recognition and satisfaction but also training and development. ISK established a Morale Leadership Team and a staff recognition program ("You Make a Difference" cards) in 2005. The staff recognition program has continued, and the Committee has morphed into a Boosting All Agency Morale (BAAM) Committee. Employee surveys have been completed annually since 2006, within these surveys employee satisfaction is garnered along with recommendations for improvement. In 2020 it was decided to begin conducting the employee surveys bi-annually rather than annually, the next survey was completed in 2021. In relation to training and development, a Competency & Training Needs assessment was conducted in November 2010. From the results of this data a training matrix was developed to identify various resources offered to staff to improve competency. In addition, the Regional Workforce Training Committee that was established in January 2012 has become an ISK focused Workforce Training Committee continuing to look at the most cost-effective as well as efficient ways to offer opportunities to staff. In April 2015 an employee development program was approved. The employee development program consists of two parts – beginning in June 2015 employees took the DiSC assessment and are encouraged to complete Comparison Reports with co-workers and department training on interpreting and using the results has been ongoing. The second phase is training staff in Crucial Conversations. Two ISK employees were trained as trainers and began to offer classes to agency employees beginning in December 2015. Crucial Conversations has been offered quarterly since its inception through 2019. With Covid, Crucial Conversation classes were put on hiatus, however, they started up again in spring 2022. There were two Leadership training opportunities offered throughout 2023, TBD Solutions held 3 classes for ISK Supervisors and Managers in the winter/spring and in April 2023 Clark Hill, ISK's legal counsel, presented a half day program on the legalities of hiring/supervising.

This policy will be monitored through internal and external mechanisms on an annual basis.

Response: The organization follows specific personnel policies pertaining to the treatment of staff. Through the employee survey and exit interviews conducted when an employee resigns, the organization is able to monitor staff opinion regarding their treatment.

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.08

AREA: Governance	
SECTION: Executive Limitations	PAGE: 1 of 1
SUBJECT: COMPENSATION AND BENEFITS	SUPERSEDES: 09/24/2012
	REVISED: 09/27/2021

PURPOSE/EXPLANATION


To establish limitations of means regarding compensation and benefits.

POLICY

- I. With respect to employment, compensation and benefits to employees, consultant, contract workers and volunteers, the Chief Executive Officer may not cause or allow jeopardy to fiscal integrity or public image. Accordingly:
 - A. He/she may not:
 1. Change his or her own compensation and benefits.
 2. Promise or imply permanent or guaranteed employment.
 3. Establish current compensation and benefits which deviate materially from the geographic or professional market for the skills employed.
 4. Establish or change pension benefits.
 - B. He/she may not fail to:


Ensure education is offered to all staff at least every five (5) years on the pros and cons of opting out of Social Security and conducting a Straw Vote after the completion of the education sessions. If the Straw Vote is greater than 50% to opt back into Social Security then an actual vote must be conducted.
- II. This policy will be monitored through internal and/or external mechanisms on an annual basis.

CHIEF EXECUTIVE OFFICER



 Jeff Patton
 Chief Executive Officer

APPROVED



 Erik Krogh
 Board Chair

INTEGRATED SERVICES OF KALAMAZOO
Compensation & Benefit Report
September 25, 2023

Executive Limitation Policy:

With respect to employment, compensation and benefits to employees, consultant, contract workers and volunteers, the Chief Executive Officer may not cause or allow jeopardy to fiscal integrity or public image.

Accordingly, the Chief Executive Officer may not:

- A. Change his or her own compensation and benefits.

Response: The Chief Executive Officer is compensated according to his negotiated contract with the Board. Further, he receives the same benefits as other employees of ISK. No change in the Executive Director's compensation outside of Board approval has occurred, nor has any benefit been changed except any that may have involved changes to all employees.

- B. Promise or imply permanent or guaranteed employment.

Response: Specific personnel policies and procedures have been implemented to ensure that all employees are treated equally. The policies clearly set forth the conditions of employment; these include initial offers of employment and continued employment. Supervisors, the Chief Executive Officer and the Human Resource Department all work together to enforce these policies. There have been no promises or implications of permanent or guaranteed employment.

- C. Establish current compensation and benefits that deviate materially from the geographic or professional market for the skills employed.

Response: In September 2016, a market survey was conducted in conjunction with a consultant which resulted in market adjustments for positions that were identified as greater than 10% below market as well as a 10% increase to the lower bands of the salary schedule and a 5% increase to the higher bands of the salary schedule and staff salaries were adjusted accordingly as needed. Also in 2016 a bonus program was developed for agency prescribers (Psychiatrists, Physician Assistants, Nurse Practitioners) and implemented in 2017. In 2017 ITS salaries were all reviewed and adjusted according to recommendations from a consultant. In FY 2018 identified positions were reviewed and resulting recommendations for salary adjustments were made for positions such as Registered Nurse and Supports Coordinator Assistant. In FY 2019 we evaluated Master's level clinician's in salary band C1, Clinical Supervisors and Contingent Direct Care Specialists. While we had some positions slated to be reviewed in FY 2020, the uncertainty that came with COVID-19 usurped that. The salary schedule was increased by 1% at the beginning of FY 2021. Salary ranges were again increased by 1% at the beginning of FY2022. In May 2021 Master's level clinicians and clinical supervisors received a 9-10% market increase to make our wages more competitive. Agency Peer Family Support Partners and Direct Care Specialists moved up one salary band as well. For FY 2023, we focused on getting salaries more competitive. For retention purposes, we implemented the FY 2023 changes in August, 2022. We were able to provide staff with an 11% increase and increased the salary schedule by 10%. In addition, we moved the following positions up one salary grade: Med Clinic Receptionist, Supports Coordinator Assistants, Community Health Worker, Employment Specialist, Housing Coordinator,

Nurse, clinical supervisors, some clinical and non-clinical managers and senior executives, Recipient Rights staff and some IT staff. For recruitment and retention, on January 1, 2023 we implemented additional pay for prescribers who see all ages (15% increase) or children aged 13 and above (7% increase). In February 2023, noting a need to address turnover and recruitment due to rapid market growth for Masters level clinicians, we gave a 7 – 10% increase to Masters level Clinicians doing face to face work and the supervisors and managers overseeing those clinical programs. During May through August 2023 a market survey was conducted in conjunction with a consultant which resulted in a new salary schedule and some positions being moved to a higher salary grade such as: Direct Care Specialists, Peer positions and Bachelors level clinical staff. Increases for FY 2024 are based on a 3% budgeted increase and will be allocated based on pay grade movement with some positions not being eligible for an increase due to the mid-year increases.

D. Establish or change pension benefits.

Response: We participate in the Kalamazoo County Retirement System and as such are bound by its terms and conditions. Quarterly meetings are held with the County to discuss and review the retirement system. Our belief is that the current retirement system is financially very strong and of great benefit to our employees.

The Chief Executive Officer may not fail to:

A. Ensure education is offered to all staff at least every five (5) years on the pros and cons of opting out of Social Security and conducting a Straw vote after the completion of the education sessions. If the Straw Vote is greater than 50% to opt back into Social Security then an actual vote must be conducted.

Response: A Straw Vote was conducted on August 17, 2011. Only 17% of the eligible voters voted to go back into Social Security. Therefore, a sanctioned vote did not take place. A Straw Vote was conducted on August 11, 2016. Again, only 17% of the eligible voters voted to go back into Social Security. Therefore, a sanctioned vote did not take place. A Straw Vote was held on September 21, 2021. Only 6% of the eligible voters voted to go back into Social Security. Therefore, a sanctioned vote did not take place.

This policy will be monitored through internal and external mechanisms on an annual basis.

Response: The organization follows specific personnel policies pertaining to the status of employment and salary/benefit administration. Through annual bid solicitations on benefits and conducting periodic salary surveys, the organization strives to maintain a fair and competitive overall compensation and benefit package for all employees.

INTEGRATED SERVICES OF
KALAMAZOO

“ANNUAL PUBLIC HEARING”

REPORT

JUNE 26, 2023



Community • Independence • Empowerment

Testimonials:

Elizabeth DeRyke:

Ms. DeRyke is a single parent taking care of a child who has Intellectual/Developmental Disabilities and has been recently diagnosed with Bipolar Depression. Her son had an admission into Crown Point Behavioral Healthcare facility. According to Ms. DeRyke, she has had a challenging time trying to get help for her son. There once was a specific occasion when she made at least eight attempts to contact and get help from Mobile Crisis and was unsuccessful each time. She then made an inquiry about having her son enrolled in classes for individuals with bipolar and was told that no such classes existed. After doing her own research, she discovered that there are classes available for those suffering with bipolar depression.

Due to the multiple barriers and lack of response that she has received, she plans to apply for open positions on several mental health boards in an attempt to become an active member and advocate for those needing mental health services but have been confronted with several obstacles that have prevented her own son from getting the treatment that he needs.

Response:

Sheila Hibbs

Administrator of Operations:

Ms. DeRyke, thank you for taking time to attend our Annual Public Hearing and sharing your testimonial. Your input is valuable and sharing your experiences is a unique guide for us as we move forward in providing programs and services for the persons we serve. Timely and effective access to crisis intervention and ongoing services and supports are essential and ISK strives to meet that need in our community. There is also great importance on service providers being knowledgeable in available resources and responsive to discuss opportunities that would further the growth and progress of persons served. We are encouraged by your continued commitment and advocacy for individuals in our community to have the best access and quality of services and supports available to them.

Cynthia Taylor (spokesperson for five neighbors: David Littke, Janet Kosino-Littke, Janel Hosie, and Scott Taylor:

Mrs. Taylor shared with the ISK Board of Directors that she was not certain if this was the correct forum for her group to share their concerns, however, it was a start to hopefully get some aid.

Mrs. Taylor was the spokesperson for her group which consisted of five neighbors from their neighborhood. There is a resident in their neighborhood who they believe suffers from a mental illness and tends to commit acts of violence and aggression. They also believe this person has a criminal record. The neighbors feel threatened by this person's menacing behaviors with the intent to do some form of harm. They shared that they feel unsafe in their own homes and neighborhoods, even with an active PPO in place and calling Public Safety when necessary.

Mrs. Taylor expressed that she completed or someone in her group completed what they thought was the necessary paperwork to get help, but instead nothing was ever done.

She asks, "How can we go about getting help for ourselves and this person, so that we all can feel safe?"

She continues, “If this Annual Public Hearing is not the correct forum for us to share our concerns, then where should we go to seek guidance?”

Response:

Beth Ann Meints

Administrator of Clinical Services:

Meet with the neighbors that presented at the board meeting. I was able to provide them with community resources that could help them in best addressing their concerns and immediate needs.

INTEGRATED
SERVICES OF
KALAMAZOO



Period Ended
August 31, 2023

Monthly Finance
Report

INTEGRATED SERVICES OF KALAMAZOO

Statement of Net Position

August 31, 2023

	August 2022 (unaudited)	August 2023
Assets		
Current assets		
Cash and investments	\$ 28,417,191	\$ 39,313,078
Accounts receivable	5,205,614	2,060,349
Due from other governments	6,050,600	14,799
Prepaid items	911,871	930,728
Total current assets	<u>40,585,276</u>	<u>42,318,954</u>
Non-current assets		
Capital assets, net of accumulated depreciation	9,520,448	13,699,270
Net pension asset, net of deferred outflows	5,722,229	7,339,625
Total non-current assets	<u>15,242,677</u>	<u>21,038,895</u>
Total assets	<u>55,827,953</u>	<u>63,357,850</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 10,624,192	\$ 13,069,392
Due to other governments	1,129,110	1,468,430
Due to providers	(12,328)	-
Accrued payroll and payroll taxes	1,475,298	1,710,323
Unearned revenue	611,587	187,316
Total current liabilities	<u>13,827,859</u>	<u>16,435,460</u>
Net position		
Designated	18,979,619	8,671,891
Undesignated	1,569,435	28,194,833
Investment in fixed assets	4,858,748	9,471,053
Previous year close	-	-
Net gain (loss) for period	16,592,292	584,613
Net position	<u>\$ 42,000,094</u>	<u>\$ 46,922,390</u>

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2022 through August 31, 2023

Percent of Year is 91.67%

	Original 2023 BUDGET	YTD Totals 8/31/23	Remaining Budget	Percent of Budget - YTD
Operating revenue				
Medicaid:				
Traditional Capitation	\$ 62,584,607	\$ 64,476,638	\$ (1,892,031)	103.02%
Healthy Michigan Capitation	10,155,033	11,986,451	(1,831,418)	118.03%
Autism Captiation	5,722,701	5,107,103	615,598	89.24%
Settlement	(11,458,363)	(1,162,555)	(10,295,808)	0.00%
State General Fund:				
Formula Fundings	3,900,517	3,575,473	325,044	91.67%
CCBHC Demonstration	33,381,000	7,437,627	25,943,373	0.00%
CCBHC Quality Bonus	-	940,606	(940,606)	0.00%
CCBHC Accrual	-	830,401	(830,401)	0.00%
County Allocation	1,550,400	1,421,200	129,200	91.67%
Client Fees	429,500	521,050	(91,550)	121.32%
SUD Block Grant	-	102,628	(102,628)	0.00%
Other grant revenue	6,884,475	7,431,976	(547,501)	107.95%
Other earned contracts	1,379,510	2,807,013	(1,427,503)	203.48%
COFR	(6,250)	157	(6,407)	0.00%
Interest	1,000	108,212	(107,212)	0.00%
Local revenue	10,000	560,591	(550,591)	0.00%
Total operating revenue	\$ 114,534,130	\$ 106,144,571	\$ 8,389,559	92.68%
Operating expenses				
Salaries and wages	24,113,672	21,700,806	\$ 2,412,866	89.99%
Employee benefits	8,670,498	6,448,747	2,221,751	74.38%
Staff development	223,625	149,373	74,252	66.80%
Payments to providers	68,968,243	66,907,599	2,060,644	97.01%
Administrative contracts	7,789,466	8,167,718	(378,252)	104.86%
IT software and equipment	765,010	582,576	182,434	76.15%
Client transportation	29,260	24,923	4,337	85.18%
Staff travel	310,912	213,927	96,985	68.81%
Office expenses	420,923	353,082	67,841	83.88%
Insurance expense	97,505	124,172	(26,667)	127.35%
Depreciation expense	560,142	555,178	4,964	99.11%
Utilities	306,573	272,780	33,793	88.98%
Facilities	124,379	59,076	65,303	47.50%
Total operating expenses	\$ 112,380,208	\$ 105,559,957	\$ 6,820,251	93.93%
Change in net position	2,153,922	584,613	\$ 1,569,309	
Beginning net position	46,337,777	46,337,777		
Ending net position	\$ 48,491,699	\$ 46,922,390		

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2022 through August 31, 2023

Percent of Year is 91.67%

	Specialty Services		Healthy Michigan		SUD Block Grant		Totals	
	Budget	YTD Totals 8/31/23	YTD Budget	YTD Totals 8/31/23	YTD Budget	YTD Totals 8/31/23	YTD Budget	YTD Totals 8/31/23
Operating revenue								
Medicaid:								
Traditional Capitation	\$ 57,372,431	\$ 64,476,638	\$ -	\$ -	\$ -	\$ 102,628	\$ 57,372,431	\$ 64,579,265
Healthy Michigan Capitation	-	-	9,308,780	11,986,451	-	-	9,308,780	11,986,451
Autism Capitation	3,815,134	5,107,103	-	-	-	-	3,815,134	5,107,103
CCBHC Base Payment	-	(13,008,767)	-	(2,670,077)	-	-	-	(15,678,844)
Settlement Estimate	(5,636,579)	4,418,965	(4,990,373)	(5,478,892)	-	(102,628)	(10,626,951)	(1,162,555)
Client Fees	390,500	521,050	-	-	-	-	390,500	521,050
Total operating revenue	\$ 55,941,487	\$ 61,514,988	\$ 4,318,408	\$ 3,837,482	\$ -	\$ (0)	\$ 60,259,894	\$ 65,352,470
Operating expenses								
Internal services	\$ 2,839,804	\$ 2,305,868	\$ 158,459	\$ 161,708	\$ -	\$ -	\$ 2,998,263	\$ 2,467,576
External services	50,137,694	55,810,475	3,931,143	3,463,757	-	-	54,068,838	59,274,232
Delegated managed care	2,963,989	3,398,645	228,806	212,017	-	-	3,192,794	3,610,662
Total operating expenses	\$ 55,941,487	\$ 61,514,988	\$ 4,318,408	\$ 3,837,482	\$ -	\$ -	\$ 60,259,894	\$ 65,352,471
Change in net position	-	0	-	(0)	-	(0)	-	(1)

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2022 through August 31, 2023

Percent of Year is 91.67%

	State General Fund		CCBHC		Other Funding Sources		Totals	
	YTD Budget	YTD Totals 8/31/23	YTD Budget	YTD Totals 8/31/23	YTD Budget	YTD Totals 8/31/23	YTD Budget	YTD Totals 8/31/23
Operating revenue	\$ 3,575,474	\$ 3,575,473	\$ -	\$ -	\$ -	\$ -	\$ 3,575,474	\$ 3,575,473
General Fund	-	-	-	-	-	-	-	-
Projected GF Carryforward	-	-	-	-	-	-	-	-
CCBHC Demonstration	-	-	30,599,250	24,887,478	-	-	30,599,250	24,887,478
Other Federal and State Grants	-	-	-	-	6,310,769	7,431,976	6,310,769	7,431,976
Earned Revenue	-	-	-	-	1,264,551	2,807,013	1,264,551	2,807,013
COFR Revenue	-	-	-	-	(5,729)	157	(5,729)	157
Interest	-	-	-	-	917	108,212	917	108,212
County Allocation	-	-	-	-	1,421,200	1,421,200	1,421,200	1,421,200
Local Revenue	-	-	-	-	9,167	560,591	9,167	560,591
Transfer from GF	-	-	-	253,985	2,073,297	1,770,494	2,073,297	2,024,478
Settlement Revenue (Expense)	-	-	-	-	-	-	-	-
Total operating revenue	\$ 3,575,474	\$ 3,575,473	\$ 30,599,250	\$ 25,141,463	\$ 11,074,171	\$ 14,099,643	\$ 45,248,895	\$ 42,816,579
Operating expenses	\$ -	\$ 601,008	\$ 20,989,571	\$ 18,545,468	\$ -	\$ 53,856	\$ 20,989,571	\$ 19,200,332
Internal Programs	1,088,098	864,296	6,058,969	5,851,881	466,708	568,711	7,613,775	7,284,888
External Programs	-	-	-	-	7,791,815	9,977,233	7,791,815	9,977,233
Other Federal and State Grants	-	-	-	-	1,497,993	1,195,696	1,497,993	1,195,696
HUD Grants	-	-	-	-	35,870	3,150	35,870	3,150
Managed Care Administration	60,877	85,691	1,513,313	1,426,765	400,353	381,760	1,610,060	1,515,606
Homeless Shelter	-	-	-	-	-	-	400,353	381,760
Transfer from GF	2,073,297	2,024,478	-	-	-	-	2,073,297	2,024,478
Local match expense	-	-	-	-	1,168,727	514,192	1,168,727	514,192
Non-DCH Activity Expenditures	-	-	-	-	128,873	137,779	128,873	137,779
Total operating expenses	\$ 3,222,272	\$ 3,575,473	\$ 28,561,853	\$ 25,824,114	\$ 11,490,340	\$ 12,832,377	\$ 43,274,465	\$ 42,231,964
Change in net position	353,202	-	2,037,397	(682,652)	(416,169)	1,267,266	1,974,430	584,614
								(1,389,816)
								(1,042,500)
								(5,711,772)
								1,121,208
								1,542,462
								5,886
								107,295
								-
								551,425
								(48,819)
								(2,432,316)

INTEGRATED SERVICES OF KALAMAZOO

CCBHC

October 1, 2022 through August 31, 2023
 Percent of Year is 91.67%

	CCBHC Medicaid	CCBHC Healthy MI	CCBHC Non-Medicaid	CCBHC YTD Totals
Operating revenue				
Prepayment	\$ 6,903,899	\$ -	\$ 533,728	\$ 7,437,627
CCBHC Quality Bonus	-	-	940,606	940,606
CCBHC Base Payment Reclaim	13,008,767	2,670,077	-	15,678,844
Remaining CCBHC revenue due	(886,808)	1,717,210	-	830,401
Total CCBHC Revenue (PPS-1 of \$272.96 x encounters)	\$ 19,025,858	\$ 4,387,286	\$ 1,474,334	\$ 24,887,478
Operating expenses				
Internal services	\$ 15,000,390	\$ 3,750,509	\$ 1,221,334	\$ 19,972,233
DCO Contracts	4,464,035	1,029,388	358,457	5,851,881
Total operating expenses	\$ 19,464,425	\$ 4,779,897	\$ 1,579,792	\$ 25,824,114
Operating change in net position	(438,567)	(392,611)	(105,458)	(936,636)
Reclassification to cover Non-Medicaid	-	148,527	105,458	253,985
Total change in net position	(438,567)	(244,085)	(0)	(682,652)

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

YOUTH COMMUNITY INPATIENT SERVICES
Report Period: October 1st, 2022 through August 31st, 2023

UTILIZATION COMPARISONS FY 22/23											
MONTH	FY 21/22 Actual		FY 22/23 Budget		FY 22/23 Actual		Days Difference (Unfavorable)	Cost Difference (Unfavorable)	Cost YTD (Unfavorable)		
	Days	Dollars	Days	Dollars	Days	Dollars					
OCTOBER	55	\$54,195	42	\$42,878	70	\$72,791	(28)	(\$29,913)	(\$29,913)		
NOVEMBER	7	\$7,688	42	\$42,878	63	\$66,150	(21)	(\$23,272)	(\$23,272)		
DECEMBER	29	\$25,836	42	\$42,878	37	\$38,735	5	\$4,143	\$4,143		
JANUARY	37	\$34,540	42	\$42,878	53	\$55,661	(11)	(\$12,783)	(\$12,783)		
FEBRUARY	69	\$68,647	42	\$42,878	55	\$57,939	(13)	(\$15,061)	(\$15,061)		
MARCH	48	\$46,874	42	\$42,878	78	\$81,900	(36)	(39,022)	(39,022)		
APRIL	56	\$82,861	42	\$42,878	90	\$94,500	(48)	(51,622)	(51,622)		
MAY	54	\$46,668	42	\$42,878	60	\$65,100	(18)	(22,222)	(22,222)		
JUNE	74	\$67,193	42	\$42,878	9	\$9,450	33	33,428	33,428		
JULY	29	\$31,468	42	\$42,878	41	\$43,050	1	(172)	(172)		
AUGUST	26	\$27,842	42	\$42,878	1	\$24,087	41	18,791	18,791		
SEPTEMBER	19	\$22,420	42	\$42,878							
TOTALS	503	\$516,232	504	\$514,532	557	\$609,363	(95)	(\$137,705)			
MONTHLY AVERAGES	42		42		51						
GROSS ANNUAL COST		\$516,232		514,532		\$609,363		(\$137,705)			

Favorable/(Unfavorable): Total **(\$137,705)**

COMMUNITY INPATIENT SERVICES

Report Period: October 1st, 2022 through August 31st, 2023

UTILIZATION COMPARISONS FY 22/23											
MONTH	FY 21/22 Actual		FY 22/23 Budget		FY 22/23 Actual		Days Difference Favorable (Unfavorable)	Cost Difference Favorable (Unfavorable)	Cost YTD Favorable (Unfavorable)		
	Days	Dollars	Days	Dollars	Days	Dollars					
OCTOBER	389	\$379,663	487	\$497,084	936	\$928,758	(449)	(\$431,674)	(\$431,674)		
NOVEMBER	455	\$443,250	487	\$497,084	689	\$717,494	(202)	(\$220,410)	(\$220,410)		
DECEMBER	535	\$517,204	487	\$497,084	750	\$781,011	(263)	(\$283,927)	(\$283,927)		
JANUARY	540	\$522,941	487	\$497,084	670	\$695,815	(183)	(\$198,731)	(\$198,731)		
FEBRUARY	475	\$463,341	487	\$497,084	746	\$776,065	(259)	(\$278,981)	(\$278,981)		
MARCH	563	\$547,137	487	\$497,084	651	\$676,812	(164)	(\$179,728)	(\$179,728)		
APRIL	497	\$512,447	487	\$497,084	588	\$612,595	(101)	(115,511)	(115,511)		
MAY	504	\$483,973	487	\$497,084	796	\$829,300	(309)	(332,216)	(332,216)		
JUNE	597	\$575,505	487	\$497,084	629	\$655,218	(142)	(158,134)	(158,134)		
JULY	587	\$574,198	487	\$497,084	757	\$789,744	(270)	(292,660)	(292,660)		
AUGUST	522	\$510,177	487	\$497,084	820	\$854,847	(333)	(357,763)	(357,763)		
SEPTEMBER	608	\$595,064	487	\$497,084							
TOTALS	6,272	\$6,124,902	5,840	\$5,965,003	8,032	\$8,317,659	(2,675)	(\$2,849,735)			
MONTHLY AVERAGES	523		487		730						
GROSS ANNUAL COST		\$6,124,902		5,965,003		\$8,317,659		(\$2,849,735)			

Favorable/(Unfavorable): Total (2,849,735)

**COMMUNITY LIVING SUPPORTS (CLS), PERSONAL CARE (PC) & CRISIS RESIDENTIAL
ALL POPULATIONS**

Report Period: October 1st, 2022 through August 31st, 2023

SERVICE	Avg.			FY 22/23 Budget		FY 22/23 Actual	
	Month	Daily Rate	No. Served	Days of Service	Dollars	Dollars	Favorable / (Unfavorable)
PC/CLS	June	\$257	394	116,828	\$30,163,030	\$30,033,077	\$129,953
CRISIS RES.	June	\$641	45	641	\$860,676	\$411,158	\$449,518
CLS (SIP)	June	NA	305		\$10,866,725	\$10,968,371	(\$101,646)
Annual Cost							\$477,825

Personal Care (P.C.)-hands on of daily personal activities such as laundry, feeding, bathing, etc.

Community Living Supports (CLS)-services to increase or maintain personal self-sufficiency with a goal of community inclusion, independence and productivity.

Specialized Residential (S.R.)-Licensed setting where Personal Care and Community Living Supports occur.

Supported Independent Program (SIP)-more independent setting where Personal Care and Community Living Supports occur.



Community • Independence • Empowerment

Integrated Services of Kalamazoo MOTION

Subject:	<u>July and August 2023</u> Disbursements	Approval Date:
Meeting Date:	September 25, 2023	<u>September 25, 2023</u>
Prepared by:	Charlotte Bowser	

Recommended Motion:

“Based on the Board Finance meeting review, I move that ISK approve the July, 2023 vendor disbursements of \$9,764,129.11, and August, 2023 vendor disbursements of \$8,901,703.61.”

Summary of Request:

As per the July 2023 Vendor Check Register Report dated 8/8/2023 that includes checks issued from 8/01/2023 to 8/31/2023 and the August 2023 Vendor Check Register Report dated 9/14/2023 that includes checks issued from 9/01/2023 to 9/30/2023.

I affirm that all payments identified in the monthly summary above are for previously appropriated amounts.

Staff: C. Bowser, Finance Director

Date of Board
Consideration: September 25, 2023