



Jeffrey W. Patton
Chief Executive Officer

www.iskzoo.org
(269) 553-8000

Administrative Services:
610 South Burdick Street
Kalamazoo, MI 49007

Community • Independence • Empowerment

AGENDA

INTEGRATED Services of Kalamazoo Board of Directors HAS SCHEDULED ITS MEETING FOR MONDAY, April 22, 2024, BEGINNING @ 4:00PM via *Microsoft TEAMS* or in-person at 610 S. Burdick Street/Kalamazoo, MI., (2nd Floor/Board Conference Room).

✦ *Dr. Shenetta Coleman/CEO/Residential Opportunities, Inc., Presentation*

- I. CALL TO ORDER – CITY & COUNTY DECLARATION
- II. AGENDA
- III. CITIZEN TIME
- IV. RECIPIENT RIGHTS
 - a. Recipient Rights Monthly Report
- V. PROGRAM SERVICE REPORT
 - a. *Beth Ann Meints*, Administrator of Clinical Services/Adult MH & SUD
 - b. *Beth Ann Meints*, Administrator of Clinical Services/CCBHC Report/**VERBAL**
- VI. CONSENT CALENDAR/**VERBAL MOTION**
 - a. Minutes March 25, 2024
 - b. Board Committee Principles (Policy)
 - c. Chairperson's Role (Policy)
 - d. Treatment of Persons Served w/Substantiated (Report)
 - e. Reserves Management (Policy & Report)
 - f. Compliance & Risk Status (Report)
- VII. MONITORING REPORTS
 - a. Compliance & Risk Board Training (Report)
- VIII. FINANCIAL REPORTS
 - a. Financial Condition Report
 - b. Utilization Report
 - c. Investment Report
 - d. March 2024 Disbursement/**MOTION**
- IX. ACTION ITEMS - NEW or REVISITED/**MOTION**
 - a. ISK Board of Directors to Enter into CLOSED SESSION
- X. CHIEF EXECUTIVE OFFICER VERBAL REPORT
 - a. CEO Report
- XI. CITIZEN TIME
- XII. BOARD MEMBER TIME
 - a. SWMBH (Southwest Michigan Behavioral Health) Updates/*Erik Krogh*
- XIII. ADJOURNMENT

24-HOUR CRISIS HOTLINE or NON-EMERGENCY CLINICAL SERVICES: (269) 373-6000

IV.a.

Office of Recipient Rights
Report to the Mental Health Board
On Complaints/Allegations
Closed in: March 2024

Office of Recipient Rights Report to the Mental Health Board
Complaints/Allegations Closed in March 2024

	March 2024	FY 23-24	March 2023	FY 22-23
Total # of Complaints Closed	30	187	31	205
Total # of Allegations Closed	52	289	40	351
Total # of Allegations Substantiated	20	92	16	119

The data below represents the total number of closed allegations and 4substantiations for the following categories:
Consumer Safety, Dignity/Respect of Consumer, Treatment Issues, and Abuse/Neglect.

ALLEGATIONS	March 2024		March 2023	
Category	TOTAL	SUBSTANTIATED	TOTAL	SUBSTANTIATED
Consumer Safety	3	2	6	1
Dignity/Respect of Consumer	10	2	6	1
Treatment Issues/Suitable Services (Including Person Centered Planning)	7	1	6	2
Abuse I	0	0	0	0
Abuse II	5	4	1	1
Abuse III	3	1	2	1
Neglect I	0	0	0	0
Neglect II	1	1	1	0
Neglect III	11	8	11	10
	39	18	33	16

APPEALS	March 2024	FY 23-24	March 2023	FY 22-23
Uphold Investigative Findings & Plan of Action	0	2	0	0
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

April 2024

Re: March 2024 Abuse/Neglect Violations

March

Abuse Violations

- There were four substantiated Abuse II violations in March 2024.
 - The remedial actions for these violations are Employment Termination (2), Written Reprimand (2), Training (2), and Policy Revision/Development (1).

All 4 substantiations occurred at different agencies.

- There was one substantiated Abuse III violation in March 2024.
 - The remedial action for this violation is Contract Action (1).

Neglect Violations

- There was one substantiated Neglect II violation in March 2024. This was a Neglect II, Failure to Report violation.
 - The remedial actions for this violation were Written Reprimand (2), and Training (2). There were 2 staff involved in 1 violation.
- There were eight substantiated Neglect III violations in March 2024. Two of the eight were Neglect III, Failure to Report violations.
 - The remedial actions for these violations were Written Reprimand (6), Training (4), Contract Action (1), and Pending (2). There were 2 staff involved in 1 violation.

The 8 violations occurred at 6 different agencies. One agency had 2 violations but at different program sites. One agency had 2 violations at the same program site one of which was a Failure to Report violation. The other 4 violations occurred at 4 different agencies.



V.a.

Program Service Report Adult Mental Health & Substance Use Disorders

Nancy McDonald

Senior Executive - Services for Adults with Mental Illness Integrated Services of Kalamazoo

Beth Ann Meints

Administrator for CCBHC Operations and Adults Behavioral Health Services

April 22, 2024

NAVIGATE

Navigate is an evidence-based coordinated specialty care program for youth and young adults ages 15-30 who are experiencing their first episode of psychosis. Navigate provides a team-based approach including a psychiatric provider, individual therapist, family educator, employment and education specialist, and peer support for individuals and families. The primary focus of Navigate is to assist individuals and their families to better understand their psychosis experience, the factors that can contribute to or exacerbate symptoms, and different ways to alleviate or cope with these symptoms. An additional focus of Navigate is to strengthen the family system, helping individuals with psychosis to maintain their family connections and prevent the isolation and family estrangements that often accompany a psychosis diagnosis. Further, we recognize the importance of helping young adults to engage in meaningful activities such as education and employment that can help them to launch to a successful and stable adulthood.

DATA

- In FY 23, Navigate served 59 individuals and their families.
- Hospitalization rates decreased by 75%
- Medication adherence increased by 32% after six months of treatment
- There was a 40% increase in educational involvement after six months of treatment
- There was a 33% increase in employment from baseline to six months
- Involvement in the legal system decreased by 48%

OPIOID OVERDOSE RESPONSE PROGRAM

The Opioid Overdose Response Program (OORP) is an Emergency Mental Health Service that provides 24/7 on-call recovery coaching to patients recovering from an overdose or other substance related health complication. Most services are provided at Bronson Methodist Hospital and Ascension Borgess Hospital, but this team can respond to any staffed location in the community 24/7. Recovery coaches use their own lived experience and knowledge to provide support and guidance in times of crisis. If interested, staff can assist patients with linking to community supports and services, including treatment. In addition to providing 24/7 rapid response to both local hospitals, OORP also provides coaching to inmates in the Kalamazoo County jail and works with the Kalamazoo department of public safety to provide outreach to community members who recently experienced an overdose.

OORP continues to stay busy, staff responded to 243 new referrals in the last quarter. In the last twelve month, OORP staff had 992 contacts. 911 of the 992 referrals agreed to meet with a coach and over half of them requested additional program follow up. 639 of the referrals were successfully linked with some form of treatment, including: residential treatment, peer support, family support, community groups, formal substance abuse treatment, or Narcan.

Alcohol was the most prevalent drug of abuse with 402 of the referrals listing alcohol as their drug of choice. 215 of the referrals identified opioids as their drug of choice, with methamphetamine being the drug of choice for 231 of the referrals.

OORP currently has two fulltime staff and 8 contingent staff members to ensure 24/7 coverage. Daytime staff are located at the ISK Behavioral Health Urgent Care and Access Center, OORP services are free of charge, we work with anyone regardless of insurance type and regardless of substance use type (not limited to Opioids).





INTEGRATED Services of Kalamazoo
 (ISK) Board of Director's Meeting
 INTEGRATED Services of Kalamazoo
 610 South Burdick Street
 Kalamazoo MI 49007

March 25, 2024

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	Kalamazoo/Kalamazoo	
Nkenge Bergan	X	Kalamazoo/Kalamazoo	
Sarah Carmany	X	Kalamazoo/Kalamazoo	
Patrick Dolly			X
Pat Guenther	X	Kalamazoo/Kalamazoo	
Ramona Lumpkin	X	Kalamazoo/Kalamazoo	
Michael Raphelson	X	Kalamazoo/Kalamazoo	
Sharon Spears	X	Kalamazoo/Kalamazoo	
Erik Krogh	X	Kalamazoo/Kalamazoo	
Melissa Woosley	X	Kalamazoo/Kalamazoo	
Montez Morales, <i>COMMISSIONER</i>			X

ISK - KCMHSAS Staff Present:

Jeff Patton, *CHIEF EXECUTIVE OFFICER*
 Sheila Hibbs
 Beth Ann Meints
 Charlotte Bowser
 Dawn Rasmussen
 Amy Rottman
 Dianne Shaffer
 Lisa Smith
 Ed Sova
 Michael Schlack, *CORPORATE COUNSEL*
 Alecia Pollard
 Demeta Wallace, *BOARD LIAISON*

Providers/Guests:

Jason Kelley
 Senior Manager
 BDO

 Dr. Shenetta Coleman
 Chief Executive
 Officer
 ROI

Call to Order

The Board of Directors (Integrated Services of Kalamazoo) held their meeting on Monday, March 25, 2024.

It began @ 4:00pm and was presided over by Chair, *Karen Longanecker*.

Financial Statement and Single Audit Act Compliance YEAR ENDING September 30, 2023/MOTION

Jason Kelly, CPA, Assurance Senior Manager/BDO

Summary

- ✚ The independent audit of fiscal year 2023 was completed by BDO.
- ✚ The independent audit report is unmodified, or “clean”.
- ✚ There are no reported material weaknesses in internal controls.
- ✚ No findings related to the financial statements which are required to be reported.
- ✚ No findings or questioned costs for federal awards which are required to be reported.
- ✚ Net position changed from \$46.3 million in FY 2022 to \$47.8 million in 2023.

MOTION

Member Guenther, “I move to accept and file the FY2023 Financial Statement and Single Audit Act Compliance Report.” Supported by Vice Chair Seals. MOTION PASSED.

Agenda

MOTION

Member Guenther, “I move to approve the agenda for the meeting.” Supported by Vice Chair Seals and carried without dissent.

Citizen Time No citizens came forth.

Recipient Rights

Lisa Smith, ISK, Director of ORR, presented the complaints/allegations closed in February 2024.

February

Abuse Violations

- There was one substantiated Abuse II violation in February 2024.
 - The remedial action for this violation is Employment Termination (1).
- There were three substantiated Abuse III violations in February 2024.
 - The remedial actions for these violations were Employment Termination (2), Suspension (1), and Training (1).

All 3 violations occurred at different agencies.

Neglect Violations

- There were six substantiated Neglect III violations in February 2024. Two were Failure to Report.
 - The remedial action for these violations were Employee left agency (2), Written Reprimand (3), Verbal Counseling (1), and Training (4).

3 of the 6 violations occurred at the same agency and 2 of those occurred at the same program site. One was a Failure to Report. The 3 other violations occurred at different agencies.

All of the ORR case information is sent 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).

Program Service Report

Dawn Rasmussen, Senior Executive of Youth and Family Services.

In July 2023, when the new Senior Executive was hired to lead the Youth and Family Services Department, every team was struggling with being understaffed. Like behavioral health teams and organizations all over the country, the department struggled to hire and retain staff. However, when compared to the organization as a whole, which had approximately 25-30% vacancy rate in positions, Youth and Families had a disproportionate number of unfilled positions, landing closer to 40-50% unfilled.

Recruitment:

Team	# of positions	Positions filled July 2023	Positions filled March 2024 (full)
Care Coordination	3	2 (66%)	3
Case Management	9	5 (55%)	9
Community Health Workers	3	2 (66%)	2 (66%)
Family Support Partners	3	2 (66%)	3
Healthy Transitions	5	2 (40%)	4
Home-Based	7	3 (42%)	6 (85%)
Multi-Systemic Therapy	3	1 (33%)	3
Outpatient	8	3 (38%)	4*
Program Specialists	4	3 (75%)	4
School Based Prevention	4	2 (50%)	3 (75%)
Wraparound	9	6 (66%)	9
Intake	4	2 (50%)	4

(*Have also begun contracting with WMED Unified Clinics, Resiliency Center for Assessment and Treatment for outpatient therapy – which has enabled us to meet the needs of the community for outpatient treatment.)

Same Day Access:

In July, Integrated Services of Kalamazoo opened its Urgent Care and Assessment Center (UCAC) seeing adults from 8AM-8PM. Because the Youth and Family Department Intake team was so lightly staffed at the time, it was unable to launch same day access along with the adult population. By November, Y/F Intake was fully staffed, and thus, Same Day Access was launched on December 4. The hours are from 8AM to 5PM, Monday through Friday, with clinicians providing both routine (assessments) and urgent care (crisis intervention and pre-admission screenings). The team has gone from doing exclusively scheduled appointments with a 40% no show rate, to exclusively walk-in. The team has gone from 1 to 4 clinicians, which includes one remote staff who is providing telehealth screenings, either to those who walk-in or by appointment. Since July, the Intake team has completed a total of 528 assessments. Over the summer, the team relied heavily on support from numerous teams within the Y/F Department, like Care Coordination, numerous supervisors, and even other departments like Utilization Management. Same day access has steadily picked up since its start, really taking off in mid- to late-January. In May, the UCAC will launch same day access on Saturdays, with Youth and Families launching the same services and same hours (8am-2pm).

Other Projects:Service Delivery:

With staffing having stabilized, we are now better poised to begin to look at service delivery – ensuring that caseloads are at the optimal size, and that our youth and families are in the appropriate level of care and are receiving the right dose of treatment at the right time. As part of this, we are emphasizing increased communication and consultation between supervisors and staff/teams regarding the acuity of cases and keeping track of progress. This helps to ensure that when progress is made and goals are achieved, we look at graduation; conversely, when progress is stalled or regression occurs, we make sure to revisit the treatment modality and consider whether increased contact is indicated.

Orientation and Staff Retention:

Following the struggles to attract and retain staff, feedback has been solicited from newer staff regarding their experience during onboarding and orientation. As a result of the feedback, leadership within the Youth and Families Department has worked to redesign the orientation process, which has historically been somewhat unstructured, and frequently has led to staff feeling prematurely responsible for sizeable caseloads. The department has created a department-wide orientation checklist which includes clinical trainings and specifics around the clinical competencies needed for clinicians. Leadership is now working to drill down with even more specific competencies related to each service within the department.

Other News:

In addition to partnering closely with area school districts, ISK has increased partnerships with a number of organizations to meet our clinical needs. For example: both Family and Children's Services and Western Michigan University have contracted with the organization to help us perform the Autism Diagnostic Observation Schedule (ADOS), which is one of the tools that we use to diagnose

autism spectrum disorder. In another area of high need, WMU has contracted with us to provide outpatient therapy as a Designated Collaborating Organization (DCO) for the CCBHC – the demand for outpatient services increased significantly because of ISK’s serving the mild to moderate population through the CCBHC. It may be of interest to the Board to note that the group providing outpatient therapy happens to be the Resiliency Center for Assessment and Treatment (RCAT), formerly known as the Children’s Trauma Assessment Center. This partnership has increased access to highly skilled treatment of trauma, and at the same time has answered the call for an increase in outpatient treatment for youth and families.

That concludes my reports.

Beth Ann Meints, Administrator of Clinical Services/CCBHC Report/VERBAL

FY2025 - CCBHC expansion (October 1, 2025)

Demonstration within the State of Michigan is until September 30, 2027.

The Michigan Department of Health and Human Services (MDHHS) is requesting funds to expand the Certified Community Behavioral Health Clinic (CCBHC) demonstration, to allow providers who meet the following criteria to apply:

- (A) The organization must be a current Community Mental Health Services Program (CMHSP), or an eligible organization as defined in section 223 (a)(2)(F) of the protecting access to Medicare act, Public Law 113-93, with a CCBHC grant from the federal substance abuse and mental health services administration (SAMHSA) for at least one year;
- (B) The organization must achieve CCBHC certification by meeting all state and federal requirements by September 1, 2024, unless otherwise specified in the CCBHC Demonstration Handbook; and
- (C) The organization must have implemented the following evidence-based practices by July 1, 2024:
 - Air Traffic Control Crisis Model with the Michigan Crisis and Access Line;
 - Assertive Community Treatment;
 - Cognitive Behavioral Therapy;
 - Trauma-Focused Cognitive Behavioral Therapy;
 - Medication Assisted Treatment; and
 - Motivational Interviewing.

Requirement

- | | |
|--|---------------------------|
| ▪ Complete the Intent to Submit a CCBHC Certification Survey | March 29, 2024 |
| ▪ Attend Program Technical Assistance Session | April 8, 2024 |
| ▪ CCBHC OMB Cost Report Due | July 1, 2024 |
| ▪ CCBHC Needs Assessment Due* | July 1, 2024 |
| ▪ CCBHC Certification Application Due | July 1, 2024 |
| ▪ Attend CCBHC Kick-Off | September 2024 (date TBD) |
| ▪ New Certified Sites Begin CCBHC Services | October 1, 2024 |

That concludes my reports.

Consent Calendar

MOTION

Member Krogh, “Are there any materials that the ISK Board would like to have removed from the Consent Calendar before we proceed with the verbal motion?” No materials were requested to be removed.

- a. Minutes February 26, 2024
- b. Board Compensation (Policy)
- c. Board Members' Code of Conduct (Policy)
- d. Depreciation (Policy)
- e. Conflict of Interest (Policy)

Member Bergan, “I MOVE TO ACCEPT THE CONSENT CALENDAR MONITORING REPORTS BOTH “AS-IS” OR WITH PROPOSED RECOMMENDED CHANGES.” Supported by Member Woolsey. MOTION PASSED.

Monitoring Reports

Utilization Management Plan (Report)

Sheila Hibbs, ISK, Administrator of System Performance and Programs, presented the FY24 Utilization Management Plan for Individuals Enrolled in Medicaid, Healthy Michigan Plan, SUD Community Grant, Flint 1115 Waiver, Certified Community Behavioral Health Clinic, Autism Benefit, SED, Child or Habilitation Supports Waiver to the board.

Purpose

The purpose of the Utilization Management (UM) Program is to maximize the quality of care provided to individuals while effectively providing services under and managing the Medicaid, Healthy Michigan Plan, Flint 1115 Waiver, Autism Benefit, Habilitation Supports, SED, and Child Waivers, SUD Community Grant, and Certified Community Behavioral Health Clinic resources of the Plan while ensuring uniformity of benefit. Integrated Services of Kalamazoo is responsible for monitoring the provision of delegated UM managed care administrative functions related to the delivery of behavioral health and substance use disorder services to members enrolled in Medicaid, Healthy Michigan Plan, Flint 1115 Waiver, Certified Community Behavioral Health Clinic, Autism Benefit, Habilitation Supports, SED and Child Waivers. Integrated Services of Kalamazoo is responsible to ensure adherence to Utilization Management related statutory, regulatory, and contractual obligations associated with the Southwest Michigan Behavioral Health (SWMBH) and Michigan Department of Health and Human Services (MDHHS) Medicaid Specialty Services contracts, Medicaid Provider Manual, mental health and public health codes/rules and applicable provisions of the Medicaid Managed Care Regulations, the Affordable Care Act and 42 CFR.

Essentially, the Utilization Management Program consists of functions that exist solely to ensure that the right person receives the right service at the right time for the right cost with the right outcome while promoting recovery, resiliency, integrated and self-directed care. The most important aspects of the Utilization Management Plan are to effectively monitor population health and manage scarce resources for those persons who are deemed eligible while supporting the concepts of financial alignment and uniformity of benefit. Ensuring that these identified tasks occur is contingent upon uniformity of benefit, commonality and standardized application of Intensity of Service/Severity of Illness criteria and functional assessment tools for all services and across the provider network, authorization and linkage, utilization review, sound level of care and care management practices, implementation of evidenced based clinical practices, promotion of recovery, self-determination, involvement of peers, cross collaboration, outcome monitoring and discharge/transition/referral follow-up.

To review the Utilization Management Plan, please use the following link:
<https://iskzoo.org/about-us/board/>

Financial Reports/Financial Condition Reports

Amy Rottman, ISK, Chief Financial Officer, presented the Financial Condition Reports for February 29, 2024.

To review the financial and investment reports, please use the following link:

<https://iskzoo.org/about-us/board/>

Utilization Reports

Charlotte Bowser, ISK, Accounting Manager, presented the Utilization Report for the period ending February 29, 2024.

- Youth Community Inpatient Services is at (94) days and is unfavorable at \$100,765
- MI Adult Community Inpatient Services is at (211) days and is favorable at \$361,765
- Community Living Supports, Personal Care, and Crisis Residential is unfavorable at \$1,088,757

February Disbursements/MOTION

Member Guenther, “BASED ON THE BOARD FINANCE MEETING REVIEW, I MOVE THAT ISK APPROVE THE February 2024 VENDOR DISBURSEMENTS OF \$9,365,029.41.” Supported by Vice Chair Seals. MOTION PASSED.

ACTION ITEMS - NEW or REVISITED/MOTION

ISK Board of Directors to Enter into CLOSED SESSION

Member Guenther, “I move that the ISK Board of Directors enter into a closed session to discuss pending legal issues, as allowed under the Michigan Open Meetings Act, MCL 15.268(1)(e).” Supported by Member Vice Chair Seals.

ROLL CALL

ISK Board Member	Yes	No
Chair Karen Longanecker	X	
Vice Chair Michael Seals	X	
Member Nkenge Bergan	X	
Member Sarah Carmany	X	
Member Patrick Dolly		
Member Pat Guenther	X	
Member Erik Krogh	X	
Member Monteze Morales		
Member Michael Raphelson	X	
Member Sharon Spears	X	
Member Ramona Lumpkin	X	
Member Melissa Woolsey	X	
MOTION PASSED	<input checked="" type="checkbox"/>	

Need 8 yes votes (2/3 of currently appointed board) no matter how many members are in attendance.

MOTION PASSED.

Termination of CLOSED SESSION

Member Spears, "I MOVE TO RETURN TO OPEN SESSION OF THE ISK BOARD OF DIRECTOR'S MEETING @ 5:30PM. Supported by Vice Chair Seals.

MOTION PASSED.Chief Executive Officer Report

ISK has been asked to send a report for the Grantee Highlights in the Irving S. Gilmore Foundation 2023 Annual Report. The due date for our report to be sent is April 1, 2024.

ISK has engaged into a contract with TBD Solutions to conduct a strategic planning process. We will also ask them to give a presentation at the ISK Board Retreat on their progress.

I am looking to conduct the ISK Board Retreat and the ISK Public Hearing on the same date, June 26th @ 4:00pm. I will keep the board informed of all updates.

GREAT NEWS! There has been an analysis of the impact due to the enrollment decline that was greater than projected by Milliman. Therefore, the analysis will result in a considerable rate increase to our system, hopefully starting in April 2024. It is projected that the rate increase will supply \$116 million in Medicaid dollars to the state's public mental health system that was projected for the current rates. Even with this increase SWMBH is reporting usage of their fiscal reserves.

A disagreement is happening between the Community Mental Health Association of Michigan (CMHAM) on the behalf of Community Mental Health Services Programs (CMHSPs) with the Michigan Department of Health and Human Services (MDHHS) regarding the federal Conflict of Interest rules for Home and Community-Based Services. Unless CCBHCs are exempted, the new MDHHS announced requirement that Prepaid Inpatient Health Plans (PIHPs) will no longer be permitted to delegate by utilization management functions to CMHSPs will violate not only Mental Health Code requirements for CMHSPs, but also utilization management functions required for CMHSPs that are designated as CCBHCs. We are supporting the CMHAM in their efforts to obtain legislation to bring MDHHS to the negotiation table to find a different solution, include a state exemption, to address the federal Homes and Community Based Services (HCBS) federal Conflict of Interest standards. That concludes my report.

Citizen Time

No citizens came forth.

SWMBH (Southwest Michigan Behavioral Health) Updates/Erik Krogh

On May 10, 2024, the SWMBH Board Retreat, will be held at the Bay Pointe Inn in Shelbyville, MI. That concludes my report.

Meeting ended at 5:39PM.

Demeta J. Wallace

Administrative Coordinator & Board Liaison

INTEGRATED Services of Kalamazoo

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY II.05

AREA:	Governance		
SECTION:	Board Governance Process	PAGE:	1 of 2
SUBJECT:	BOARD COMMITTEE PRINCIPLES	SUPERSEDES:	04/25/2011
		REVISED:	04/23/2018

PURPOSE/EXPLANATION


To define the principles of established Board committees and applies only to committees that are formed by Board action, whether or not the committees include non-Board members, but does not apply to committees formed under the authority of the Chief Executive Officer (CEO).

POLICY

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job so as never to interfere with delegation from Board to CEO. Committees may be used sparingly and ordinarily in an *ad hoc* capacity.

- A. Board action is required to establish a committee of the Board. The Board will state the purposes for which the committee is formed and the tasks the committee is expected to complete. Membership will be appointed by the Board and may include persons who are not Board members. Unless otherwise stated by the Board, a committee ceases to exist as soon as its purpose and/or task(s) are complete.
- B. Board committees will assist the Board by preparing policy alternatives and implications for Board deliberation. Board committees will normally not have direct dealings with current staff operations.
- C. Board committees may not speak or act for the Board, except when formally given such authority for specific and time-limited purposes. Exceptions and authority will be carefully stated in order not to conflict with authority delegated to the CEO.
- D. The Board recognizes that a Board member may also be a member of a committee that was not established by the Board however such committees will not be considered to be a Board committee.
- E. The Board Finance and Compliance Committee has been established by the Board to be a standing committee that ordinarily meets monthly.

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

APPROVED



Erik Krogh
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY II.04

AREA:	Governance		
SECTION:	Board Governance Process	PAGE:	1 of 2
SUBJECT:	CHAIRPERSON'S ROLE	SUPERSEDES:	03/28/2011
		REVISED:	07/24/2023

PURPOSE/EXPLANATION

To define the role of the Board Chairperson.

POLICY

- A. The Chairperson assures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties. The Chairperson is the only Board member authorized to speak for the Board (beyond reporting Board decisions) other than in specifically authorized instances.
- B. The responsibility of the Chairperson is to ensure that the Board's behavior consistently follows its own rules and those legitimately imposed upon it from outside the organization.
 1. Meeting discussion content will only be those issues which, according to Board policy, clearly belong to the Board to decide, not the Chief Executive Officer (CEO).
 2. Deliberation will be fair, open and thorough, but also efficient, timely, orderly and kept to the point.

The authority of the Chairperson consists in making decisions that fall within the topics covered by Board policies on Governance Process and Board/CEO Relationship, except where the Board specifically delegates portions of this authority to others. The Chairperson is authorized to use any reasonable interpretation of the provisions in these policies.

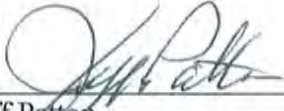
The Chairperson:

1. Is empowered to chair Board meetings with all the commonly accepted power of that position (i.e., ruling, recognizing).
2. Has no authority to make decisions about policies created by the Board within Ends and Executive Limitations policy areas. Therefore, the Chairperson has no authority to supervise or direct the CEO.
3. May represent the Board to outside parties in announcing Board-stated positions and in stating Chair decisions and interpretations within the area delegated to them.
4. May delegate this authority but remains accountable for its use.

5. Will ensure, in coordination with ISK's Board Liaison and the Kalamazoo County Administrator's Office, the recruitment of Board members to fill openings. Will serve as liaison between the Board and the CEO.
6. Will ensure the completion of the annual performance review of the CEO.

CHIEF EXECUTIVE OFFICER

APPROVED



Jeff Patton
Chief Executive Officer



Karen Longanecker
Board Chair



Community • Independence • Empowerment

TREATMENT OF PERSONS SERVED

April 2024

FY24 Data October 1, 2023 – March 31, 2024

**Integrated Services of Kalamazoo
Treatment of Persons Served Report
April 2024**

EXECUTIVE LIMITATION POLICY:

“With respect to interactions with persons served, or individuals applying to receive services, the Chief Executive Officer shall not cause or allow conditions, procedures, or decisions which are unsafe, disrespectful, unduly undignified, unnecessarily intrusive, or which fail to provide appropriate confidentiality and privacy.”

ACCORDINGLY, THE CHIEF EXECUTIVE OFFICER MAY NOT:

- A. Use application forms or procedures that elicit information for which there is no clear necessity.**

Response:

Forms (paper and electronic) are based on the Michigan Department of Health and Human Services requirements and accreditation standards. Each element of the clinical record has been cross referenced with external requirements/standards to help ensure that Integrated Services of Kalamazoo (ISK) expectations are set on necessity.

Integrated Services of Kalamazoo (ISK) is compliant with this requirement.

- B. Use methods of collecting, reviewing, or storing information on persons served that fails to protect against improper access to the information elicited.**

Response:

All information of persons served is managed by provider contract, business associate agreements, and policy boundaries; these include recipient rights, compliance, and quality management policies. Information on persons served is safeguarded and limited only to those with a need to access the information. ISK has processes in place to monitor appropriate access to protected health information of persons served in the electronic health record. ISK also holds a Breach Notification policy that outlines expectations and processes to follow in the occurrence of a potential or actual breach.

ISK is compliant with this requirement.

- C. Maintain facilities that fail to provide a reasonable level of privacy, both audio and visual.**

Response:

All business conducted with persons served is done in private areas or in places determined by the individual. If complaints occur in this area, the

Office of Recipient Rights and/or the Privacy Officer will investigate and recommend corrective action(s) as needed.

ISK is compliant with this requirement.

D. Fail to provide procedural safeguards for the transmission of information.

Response:

Recipient Rights, Compliance, and Information Management policies are in place in order to protect the confidentiality of persons served. All clinicians working out in the community have been supplied with computers that have safeguards against security breaches. ISK Compliance and Information Management takes steps to ensure the HIPAA compliant platforms are utilized for telehealth appointments. Other devices that have access to confidential information of persons served are encrypted for security and protection. ISK also holds a Breach Notification policy that outlines expectations and processes to follow in the occurrence of a potential or actual breach. ISK enforces two-factor authentication to safeguard against outside threats and access into the ISK system. ISK staff receive training and ongoing reminders related to external threats, including phishing attempts, and protection of protected health information of persons served.

ISK is compliant with this requirement.

E. Fail to inform persons served of their options, choices and conditions.

Response:

Intake admission procedures, recipient rights policies and person-centered planning, all work toward informing the individual of their options and choices.

ISK is compliant with this requirement.

F. Fail to establish with persons served, a clear contract of what may be expected and what may not be expected from the services offered.

Response:

When starting services, individuals are given the Customer Services Handbook, which provides extensive information on services and expectations. Individuals are provided information on services, the person-centered planning process, and program expectations. The signature of each person served is obtained on relevant documents to help ensure that all required information is clearly and adequately provided to each individual.

ISK is compliant with this requirement.

- G. Fail to provide persons served with grievance processes which they understand and feel free to use without fear of direct or indirect, intended or unintended retaliation or retribution when they believe that they have not been accorded a reasonable interpretation of their rights under this policy.**

Response

Each person served of mental health services is informed of their rights under the Michigan Mental Health Code, as well as their right to access the grievance and appeal process. The Office of Recipient Rights notifies the recipient/complainant of their right to appeal the findings of each Recipient Rights investigation. ISK policy and the Mental Health Code include provisions that forbid retaliation/harassment in conjunction with rights activity.

ISK is compliant with these requirements.

- H. Fail to provide a state-certified recipient rights system.**

Response

The Michigan Department of Health and Human Services Office of Recipient Rights found ISK to be in full compliance with recipient rights systems standards in December 2021. ISK is certified through the fall of 2024.

ISK is compliant with this requirement.

- I. Fail to acknowledge that competent persons served, or their surrogates have the right to decline any and all forms of medical intervention, including lifesaving or life-prolonging treatment...**

Response

General information about Advance Directives is included in the Customer Handbook, which is given to each individual at the time of starting ISK funded services. Advance Directives information is again offered to person served, as appropriate, whenever an individual plan of service is completed.

ISK is compliant with these requirements.

- J. Fail to administer a Person-centered Process for persons receiving mental health services**
K. Fail to include families in the planning and delivery of services.

Response

ISK operates under the Person/family-centered Planning Process Policy for all mental health. The ISK Quality Monitoring Review process and internal ISK Quarterly Record Reviews continually reviews a sampling of plans to ensure that plans are follow the applicable policies and guidelines.

ISK is compliant with these requirements.

OFFICE OF RECIPIENT RIGHTS

SUBSTANTIATED COMPLAINTS - DATA

October 1, 2023-March 31, 2024

TOTAL FOR ALL CATEGORIES: 93

CATEGORY:	#	CATEGORY	#
<u>Abuse/Neglect</u>		<u>Personal Property</u>	
Abuse I	0	Possession and Use	0
Abuse II	11	Limitations	0
Abuse III	14		
Neglect I	0		
Neglect II	3		
Neglect III	28		
Sexual Abuse	0		
<u>Admission/Discharge</u>		<u>Photographs, Fingerprints,</u>	
Second Opinion/denial of	0	Audiotapes, One-Way Glass	0
Hospitalization			
<u>Communications/Visits</u>		<u>Rights Protection System</u>	
Access to Phone	1	Access to Rights System	0
Visitation	0	Comp. Investigation Process	0
Uncensored mail	0	Failure to Report	0
		Retaliation/Harassment	0
<u>Confidentiality</u>		<u>Suitable Services</u>	
Disclosure of Confidential Info.	3	MH Services Suited to Condition	11
Withholding of Information	0	Informed Consent	0
		Services of MH Professional	0
<u>Family Rights</u>	2	<u>Treatment Environment</u>	
		Safe, Sanitary/Humane	
		Treatment Environment	7
		Dignity/Respect	12
		Nutrition	0
<u>Financial</u>		<u>Treatment Planning</u>	
Safeguarding money	0	Person-Centered Planning	1
		Timely Development of Plan	
		Treatment Planning: Other	
<u>Freedom of Movement</u>	0	<u>Labor and Compensation</u>	0
<u>Civil Rights</u>	0		

All substantiated complaints result in remedial action, per the Michigan Mental Health Code.

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY VI.05

AREA: Governance	
SECTION: System Governance	PAGE: 1 of 2
SUBJECT: RESERVES MANAGEMENT	SUPERSEDES: 07/27/2015
	REVISED: 04/25/2016

PURPOSE/EXPLANATION

To establish policies regarding an appropriate level of authority reserves.

DEFINITIONS**Southwest Michigan Behavioral Health (SWMBH) Financial Risk**

A major portion of the annual operating expenses are under the financial management and financial risk of SWMBH. By example, Medicaid funding falls under the SWMBH financial risk.

ISK Financial Risk

The balance of the annual operating expenses is under the financial management and financial risk of ISK. The annual State General Fund revenue falls under ISK financial risk. This management and risk is completely borne by ISK, and if necessary, would require the use of Unrestricted Net Assets.

Cash Flow/Liquidity

Cash flow is the net amount of ISK incoming cash receipts and outgoing cash payments over a period of time. Unrestricted Net Assets provide Liquidity when cash flow is negative.

Unrestricted Net Assets

Excess funds available for spending during a fiscal year and/or to be available for future fiscal year expenditures.

Annual Operating Expenses

The projected and budgeted annual expenditure total approved by the Board.


Unrestricted Net Assets % for Operations

A percent computed by dividing the sum of unrestricted net assets by the total operating expenses.

POLICY


- I. In order to ensure appropriate risk management funding, provide liquidity and to ensure smooth continuity of operations, the authority shall maintain a minimum unrestricted net assets % for operations as follows:
 - A. 5% of the portion of ISK annual operating expenses that are under SWMBH Financial Risk
 - B. 20% of the portion of ISK annual operating expenses that are under ISK Financial Risk
- II. An Annual Finance Report to the Board shall include a report of the current Fund Balance Percent.
- III. At the discretion of the Board, unrestricted net assets can be dedicated towards either the SWMBH Financial Risk and/or the ISK Financial Risk components of the operating budget that would result in unrestricted net assets % below these prescribed percentages.

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

BOARD CHAIR



Erik Krogh
Board Chair

Year Ends: 9/30/2023

Integrated Services of Kalamazoo Ratio Analysis

SCHEDULED FROM FY 22/23 AUDIT REPORT		KALAMAZOO FY23		KALAMAZOO FY22	
Change in Fund Balance:		Ratio		Ratio	
Net Assets Current Year		47,773,286		46,337,777	
Net Assets Prior Year		46,337,777		25,407,802	
Change in Net Assets		1,435,509	3.10%	20,929,975	82.38%
Financial Ratio Analysis		Ratio		Ratio	
Current Ratio. Indicates the extent assets cover current liabilities. Ratio > 1		40,745,416	3.39	41,122,149	4.12
		12,008,573		9,971,790	
Quick Ratio. Conservative view. Assets should exceed liabilities. Ratio > 1		39,697,085	3.31	40,588,324	4.07
		12,008,573		9,971,790	
Working Capital. Direct Indicator of the company's ability to grow.		40,745,416	28,736,843	41,122,149	31,150,359
		12,008,573		9,971,790	
Coverage Ratio. Length agency could operate if all revenue stopped.		47,773,286	0.409	46,337,777	0.424
		116,735,780	4.91	109,335,507	5.09
5 months or less - Low, 6 to 11 months - OK, 12 months and more - Good			months		months
Coverage Ratio Unrestricted/Undesignated Fund Balances		26,341,482	2.71	28,194,833	3.09
Ratio of Unrestricted/Undesignated Fund Balance to Operating Expense			22.57%		25.79%
Fund Balance Ratio					
(Unreserved Fund Balance + ISF) excl. Inv. in cap assets		26,341,482	22.57%	28,194,833	25.79%
Annual Expenditures		116,735,780		109,335,507	

Integrated Services of Kalamazoo
Corporate Compliance / Risk Management
Q2 Report

FY24 **VI.f**

Program Name:	COMPLIANCE & RISK MANAGEMENT	Report Period:	<input type="checkbox"/> October <input type="checkbox"/> January	<input checked="" type="checkbox"/> April <input type="checkbox"/> July
Person Completing Report:	Ashley Esterline, LMSW, CHC – Corporate Compliance Officer			

Brief Report Overview:	Contained in this Status Report is a summary of the Compliance Program's goals and activities for FY24 as of March 31, 2024.			
Current Committee goals and deliverables per work plan	<u>Project Goal/Task</u>	<u>Status:</u>		
	<ol style="list-style-type: none"> 1. ISK will sustain strong direct run and Provider Network programming with fiscal responsibility and sustainability to ensure direct run programs and Provider Network are providing high quality care and consistently meeting compliance standards. 2. ISK will remain involved in the oversight, monitoring, and implementation of changes to rules/regulations pursuant to post-Public Health Emergency (PHE) policy implementation. 3. ISK will monitor and identify high-risk areas related fraud, waste, and abuse and work toward successfully mitigating such occurrences. 4. ISK will strengthen policies and procedures to mitigate potential and actual HIPAA breaches caused by impermissible use or disclosure of Protected Health Information (PHI). 	<ol style="list-style-type: none"> 1. The Michigan Department of Health and Human Services (MDHHS) is working closely with the PIHPs and CMHSPs on Conflict Free Access and Planning. ISK is monitoring implementation guidance and pending requirements as to how it will affect direct-operated programming and ISK's Provider Network. ISK Leadership is working closely with potentially affected Providers related to mitigating issues with ongoing service delivery. 2. The Michigan Department of Health and Human Services is focused on implementation of Electronic Visit Verification (EVV). Behavioral Health EVV implementation is scheduled for Monday, October 3, 2024. ISK Leadership is thoroughly involved in State-driven workgroups. Internal workgroups ongoing to develop implementation guidance. 3. The ISK Compliance Department has taken an active approach investigating enhanced staffing for individuals in Specialized Residential settings. ISK Compliance has uncovered systemic missteps by one Provider and investigation remains ongoing. Findings were referred to the Office of Inspector General (OIG) denied acceptance of the referral; however, approved ISK seeking recoupment of funds. 4. Policy templates acquired from SANS.org, CISecurity.org, CyberForceQ, ISK ITis conducting monthly penetration testing phishing simulation attacks. 		

Integrated Services of Kalamazoo
Corporate Compliance / Risk Management
Q2 Recoupment/Reallocation Data Report FY24

Summary	Source	Risk	Quality Improvement/Training/ Education	Recoupment/Reallocation (If Appropriate)	Federal or State Reporting Required?
Investigations completed FY24 Q2					
Enhanced staffing was billed for an individual by one Provider. Supporting documentation for enhanced staffing was undiscovered in the electronic health record.	ISK Specialized Residential Team	High	Notice of Correction Action Plan (CAP) and recoupment sent to Provider. Provider supplied CAP response. CAP response approved by Corporate Compliance.	\$1,815.62 - complete.	No
Enhanced staffing was billed for an individual by one Provider. Supporting documentation for enhanced staffing was undiscovered in the electronic health record.	Office of Recipient Rights	High	Notice of Correction Action Plan (CAP) and recoupment sent to Provider. Corporate Compliance has not received CAP response.	\$80,150.40 - in process by ISK Finance.	Yes - OIG/AG declined referral.
FY 24 Q2 Investigations In-Process					

VII.a.

Integrated Services of Kalamazoo
Board Member
Corporate Compliance
Role/Function Annual Training

Ashley Esterline, LMSW, CHC
ISK Director of Network Compliance
Corporate Compliance Officer



The Role of
Corporate
Compliance
Programs

Corporate Compliance and Its Role

- ❑ 1998: Office of Inspector General (OIG) – protecting the integrity of the Department of Health and Human Services (DHHS) against fraud, waste, and abuse – developed voluntary a Compliance Program Guidance (CPG) to assist health care plans and providers.
- ❑ 2005: Congress passed the Deficit Reduction Act of 2005 establishing a Medicaid Integrity Program (MIP). This established a plan to combat Provider fraud, waste, and abuse in the Medicaid Program. Corporate Compliance now becomes mandatory.



Deficit
Reduction
Act of 2005

The Deficit Reduction Act of 2005

- The Deficit Reduction Act requires entities making/receiving annual Medicaid payments of \$5 million or more to create/provide written policies applicable to all employees, contractors, and agents regarding:
 - *False Claims Act* – laws that pertain to civil/criminal penalties for making false claims/statements
 - *Whistleblower Protections* – rights of employees to be protected as Whistleblowers when they report suspected violations of such laws
 - How the organization will develop methods to detect and prevent fraud, waste, and abuse



Board
Oversight
Responsibilities

Board Oversight Responsibilities


- Duty of Care* – Exercise reasonable care when making decisions as a steward of the organization
- Duty of Loyalty* – Act faithfully in the best interest of the organization, never for self-benefit or personal gain
- Duty of Obedience* – Serve in a manner that is faithful to and consistent with the organization’s mission

Board Oversight Responsibilities

- **Compliance Program Oversight** – Assures the organization carries out management responsibilities, complies with applicable law(s), and guarantees the Compliance Program is effective by managing oversight of the Corporate Compliance Officer:
 - Delegated day-to-day operational responsibility for the development and implementation of the Compliance Program
 - Direct access/accountability to the Board
 - Ensures routine schedule for reporting to the Board to include Compliance activities, investigations, and findings



Board
Oversight
Responsibilities



ISK
Compliance
Program

ISK Compliance Program


- **Protected Health Information (PHI) Integrity Team**
 - Comprised of: Corporate Compliance Officer, Administrator of Operations, Compliance & Quality Improvement Coordinator, HIPAA Privacy Officer, HIPAA Security Officer, Director of Recipient Rights, Manager of Health Information & Risk Oversight, Quality Review Team, and Director of Human Resources (Corporate Counsel available as needed)
 - Meets monthly to review breaches and areas for improvement related to privacy, security and agency compliance standards
- **Compliance Committee**
 - Comprised of: ISK Senior Leadership and all major departments within the organization (Corporate Counsel available as needed)
 - Responsible for oversight of Compliance Program activities
 - Meets quarterly



ISK
Compliance
Activity

ISK Compliance Activities

- Annual Quality Management Reviews (QMR)**
 - A 7% sample of records inclusive of at least 5 claim lines are reviewed of all internal programs and Provider Network
 - Review claims to ensure provider is appropriately licensed/certified to provide service(s) under review, service(s) are authorized, IPOS supports the service(s) billed, and appropriate amount(s) are paid
 - Service documentation is reviewed to determine sufficiency/accuracy of service(s) rendered
- Annual and quarterly SWMBH Audits**
- Internal Quality Record Reviews**
- Bi-Annual MDHHS Audits**
- Targeted Quality and Compliance Reviews**



Risk
Management
Overview

ISK Compliance Risk Management


- ❑ **Federally Funded Health Care Program Ownership and Control Disclosure Forms**
 - Corporate Compliance Officer collects/reviews Disclosures to ensure no federal funds are used to pay for items or services furnished by an individual/organization who is debarred, suspended, or otherwise excluded from participation in any Federal Health Care Program.
- ❑ **Exclusion Screenings**
 - Occurs on a recurring monthly basis to mitigate unforeseen exclusions that may arise.
- ❑ **Fraud, Waste, and Abuse education, reporting, and investigation**
- ❑ **Annual Risk Assessment**
 - Ranks risks according to likelihood of occurrence and potential consequence. Updated and reviewed quarterly by Compliance Committee.



Board Compliance Reports

Board Compliance Reports

- Annual Corporate Compliance Education**
 - Refresher on Board's role
 - Highlight risks and how ISK addresses identified risks
- Bi-annual Reports**
 - Number, type, and outcome of investigations
 - Update on on-going compliance audits
 - Update on annual Compliance goals/risks
- Quarterly Review with Board Finance and Compliance Committee**
 - Report on Compliance Goals, investigations, and outcomes

A dark blue circular logo with a white border, containing the text "Corporate Compliance Contract" in white. The logo is positioned at the top of a dark blue rectangular background that spans the width of the page.

Corporate
Compliance
Contract

Integrated Services of Kalamazoo Compliance Hotline (you may report
anonymously):

1-866-939-4823 or Direct Line: 269-364-6986

Ashley Esterline, aesterline@iskzoo.org
Corporate Compliance Officer

Integrated Services of Kalamazoo Corporate Compliance Email
compliance@iskzoo.org

By mail or in person:
Integrated Services of Kalamazoo
Attn: Corporate Compliance
610 S. Burdick St.
Kalamazoo, MI 49007

INTEGRATED
SERVICES OF
KALAMAZOO



Period Ended
March 31, 2024

Monthly Finance
Report

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

INTEGRATED SERVICES OF KALAMAZOO

Statement of Net Position

March 31, 2024

	March 2023 (unaudited)	March 2024
Assets		
Current assets		
Cash and investments	\$ 28,056,171	\$ 28,353,287
Accounts receivable	1,506,888	3,302,064
Due from other governments	-	3,534,559
Prepaid items	945,041	1,980,692
Total current assets	<u>30,508,100</u>	<u>37,170,602</u>
Non-current assets		
Capital assets, net of accumulated depreciation	12,088,865	13,230,004
Net pension asset, net of deferred outflows	5,722,229	7,214,053
Total non-current assets	<u>17,811,094</u>	<u>20,444,057</u>
Total assets	<u>\$ 48,319,194</u>	<u>\$ 57,614,659</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 7,849,046	\$ 8,358,581
Due to other governments	1,870,613	1,282,753
Due to providers	35,288	829,707
Accrued payroll and payroll taxes	1,652,396	950,949
Unearned revenue	158,688	84,399
Total current liabilities	<u>11,566,031</u>	<u>11,506,388</u>
Net position		
Designated	13,747,779	9,171,891
Undesignated	18,360,519	25,729,038
Investment in fixed assets	4,858,748	13,470,145
Previous year close	-	-
Net gain (loss) for period	(213,883)	(2,262,804)
Net position	<u>\$ 36,753,163</u>	<u>\$ 46,108,271</u>

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2023 through March 31, 2024

Percent of Year is 50.00%

	Original 2024 BUDGET	YTD Totals 3/31/24	Remaining Budget	Percent of Budget - YTD
Operating revenue				
Medicaid:				
Traditional Capitation	\$ 59,535,085	\$ 39,918,447	\$ 19,616,638	67.05%
Healthy Michigan Capitation	12,302,122	4,472,777	7,829,345	36.36%
Settlement	5,287,379	3,279,001	2,008,378	0.00%
State General Fund:				
Formula Fundings	3,705,491	1,950,258	1,755,233	52.63%
CCBHC Demonstration	27,297,101	5,364,006	21,933,096	0.00%
CCBHC Accrual	-	255,558	(255,558)	0.00%
County Allocation	1,550,400	775,200	775,200	50.00%
Client Fees	357,483	363,302	(5,819)	101.63%
SUD Block Grant	-	55,979	(55,979)	0.00%
Other grant revenue	7,071,254	3,532,703	3,538,552	49.96%
Other earned contracts	2,752,649	1,727,490	1,025,159	62.76%
Interest	1,000	89,321	(88,321)	0.00%
Local revenue	10,000	12,042	(2,042)	0.00%
Total operating revenue	\$ 119,869,964	\$ 61,796,084	\$ 58,073,880	51.55%
Operating expenses				
Salaries and wages	27,984,525	13,519,872	\$ 14,464,653	48.31%
Employee benefits	10,070,805	4,211,233	5,859,571	41.82%
Staff development	280,317	87,288	193,029	31.14%
Payments to providers	76,194,079	40,850,261	35,343,818	53.61%
Administrative contracts	7,781,913	3,987,705	3,794,208	51.24%
IT software and equipment	692,972	336,229	356,743	48.52%
Client transportation	41,100	15,259	25,841	37.13%
Staff travel	322,767	112,042	210,725	34.71%
Office expenses	515,667	202,059	313,608	39.18%
Insurance expense	128,035	66,607	61,428	52.02%
Depreciation expense	589,832	334,079	255,753	56.64%
Utilities	374,796	160,411	214,385	42.80%
Facilities	-	23,290	(23,290)	0.00%
Local match	617,788	152,554	465,234	0.00%
Total operating expenses	\$ 125,594,595	\$ 64,058,888	\$ 61,535,708	51.00%
Change in net position	(5,724,631)	(2,262,804)	\$ (3,461,827)	
Beginning net position	48,371,074	48,371,074		
Ending net position	\$ 42,646,443	\$ 46,108,271		

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2023 through March 31, 2024

Percent of Year is 50.00%

	Specialty Services		Healthy Michigan		SUD Block Grant		Totals	
	Budget	YTD Totals 3/31/24	YTD Budget	YTD Totals 3/31/24	YTD Budget	YTD Totals 3/31/24	YTD Budget	YTD Totals 3/31/24
Operating revenue								
Medicaid:								
Traditional Capitation	\$ 29,767,542	\$ 39,918,447	\$ -	\$ -	\$ -	\$ 55,979	\$ 29,767,542	\$ 39,974,426
Healthy Michigan Capitation	-	-	6,151,061	4,472,777	-	-	6,151,061	4,472,777
CCBHC Base Payment	-	(6,036,178)	-	(1,450,005)	-	-	-	(7,486,183)
Settlement Estimate	6,657,203	4,002,549	(4,013,513)	(667,569)	-	(55,979)	2,643,691	3,279,001
Client Fees	-	1,694	-	-	-	-	-	1,694
Total operating revenue	\$ 36,424,745	\$ 37,886,511	\$ 2,137,548	\$ 2,355,203	\$ -	\$ (0)	\$ 38,562,294	\$ 40,241,714
Operating expenses								
Internal services	\$ 1,864,985	\$ 986,896	\$ 129,819	\$ 11,022	\$ -	\$ -	\$ 1,994,803	\$ 997,918
External services	32,231,732	33,810,309	1,871,111	2,152,135	-	-	34,102,843	35,962,444
Delegated managed care	2,328,029	3,089,306	136,618	192,046	-	-	2,464,647	3,281,352
Total operating expenses	\$ 36,424,746	\$ 37,886,511	\$ 2,137,548	\$ 2,355,203	\$ -	\$ -	\$ 38,562,293	\$ 40,241,714
Change in net position	(0)	0	0	0	-	(0)	1	0

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2023 through March 31, 2024

Percent of Year is 50.00%

	State General Fund		CCBHC		Other Funding Sources		Totals	
	YTD Budget	YTD Totals 3/31/24	YTD Budget	YTD Totals 3/31/24	YTD Budget	YTD Totals 3/31/24	YTD Budget	YTD Totals 3/31/24
Operating revenue	\$ 1,852,746	\$ 1,950,258	\$ -	\$ -	\$ -	\$ -	\$ 1,852,746	\$ 1,950,258
General Fund	-	-	-	-	-	-	-	-
Projected GF Carryforward	-	-	-	-	-	-	-	-
CCBHC Demonstration	-	-	13,648,551	13,772,229	-	-	13,648,551	13,772,229
Other Federal and State Grants	-	-	-	-	3,584,010	3,532,703	3,584,010	3,532,703
Earned Revenue	-	-	-	-	1,319,542	1,422,325	1,319,542	1,422,325
COFR Revenue	-	-	-	-	8,400	-	8,400	(8,400)
Interest	-	-	-	-	500	89,321	500	89,321
County Allocation	-	-	-	-	775,200	775,200	775,200	775,200
Local Revenue	-	291	-	-	5,000	12,042	5,000	12,333
Transfer from GF	-	-	-	638,420	1,054,518	-	1,054,518	638,420
Settlement Revenue (Expense)	-	-	-	-	-	-	-	-
Total operating revenue	\$ 1,852,746	\$ 1,950,549	\$ 13,648,551	\$ 14,410,649	\$ 6,747,170	\$ 5,831,591	\$ 22,248,466	\$ 22,192,790
Operating expenses								
Internal Programs	165,284	297,215	16,123,024	12,066,168	50,642	-	16,338,951	12,363,382
External Programs	581,926	911,010	-	3,318,522	-	350,572	581,926	4,580,104
Other Federal and State Grants	-	-	-	-	5,512,189	5,275,902	5,512,189	5,275,902
HUD Grants	-	-	-	-	639,912	641,653	639,912	641,653
Managed Care Administration	51,017	103,905	-	-	3,458	-	54,475	103,905
Homeless Shelter	-	-	-	-	264,563	204,656	264,563	204,656
Transfer from GF	1,054,518	638,420	-	-	-	-	1,054,518	638,420
Local match expense	-	-	-	-	652,300	152,554	652,300	152,554
Non-DCH Activity Expenditures	-	-	-	-	70,295	38,534	70,295	38,534
Total operating expenses	\$ 1,852,745	\$ 1,950,549	\$ 16,123,024	\$ 15,384,690	\$ 7,193,357	\$ 6,663,870	\$ 25,169,127	\$ 23,999,109
Change in net position	0	(0)	(2,474,474)	(974,041)	(446,188)	(832,279)	(2,920,661)	(1,806,320)
								1,114,342
								(1,170,018)
								(3,975,568)
								3,998,179
								(236,287)
								1,741
								49,430
								(59,907)
								(416,098)
								(499,746)
								(31,761)

INTEGRATED SERVICES OF KALAMAZOO

CCBHC

October 1, 2023 through March 31, 2024
Percent of Year is 50.00%

	CCBHC Medicaid	CCBHC Healthy MI	CCBHC Non-Medicaid	CCBHC YTD Totals
Operating revenue				
Prepayment	\$ 3,163,197	\$ 2,200,809	\$ -	\$ 5,364,006
CCBHC SAMSHA Grant	-	-	305,165	305,165
Remaining CCBHC revenue due	1,098,100	(842,542)	-	255,558
Client fees	187,514	27,020	146,784	361,318
Total CCBHC Revenue (PPS-1 of \$287.35 x encounters)	\$ 10,484,989	\$ 2,835,292	\$ 451,949	\$ 13,772,229
Operating expenses				
Internal services	\$ 8,478,471	\$ 2,099,033	\$ 1,488,664	\$ 12,066,168
DCO Contracts	2,267,308	618,328	432,886	3,318,522
Total operating expenses	\$ 10,745,779	\$ 2,717,361	\$ 1,921,550	\$ 15,384,690
Operating change in net position	(260,790)	117,931	(1,469,602)	(1,612,461)
Reclassification to cover Non-Medicaid	-	-	638,420	638,420
Total change in net position	\$ (260,790)	\$ 117,931	\$ (831,182)	\$ (974,041)

CCBHC Cost per daily visit

	2023	Jan 2024	Feb 2024	Mar 2024
Total CCBHC Cost	\$ 27,687,187	\$ 9,789,400	\$ 12,438,257	\$ 15,384,690
Daily Visits	99,802	34,097	43,756	52,451
Cost per daily visit	277.42	287.10	284.26	293.32

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, 2023 through March 31st, 2024

UTILIZATION COMPARISONS FY 23/24											
MONTH	FY 22/23 Actual		FY 23/24 Budget		FY 23/24 Actual		Days Difference Favorable (Unfavorable)	Cost Difference Favorable (Unfavorable)	Cost YTD Favorable (Unfavorable)		
	Days	Dollars	Days	Dollars	Days	Dollars					
OCTOBER	70	\$72,791	46	\$47,906	69	\$72,587	(23)	(\$24,681)	(\$24,681)		
NOVEMBER	63	\$66,150	46	\$47,906	66	\$69,300	(20)	(\$21,394)	(\$21,394)		
DECEMBER	37	\$38,735	46	\$47,906	57	\$59,892	(11)	(\$11,986)	(\$11,986)		
JANUARY	53	\$55,661	46	\$47,906	31	\$32,550	15	\$15,356	\$15,356		
FEBRUARY	55	\$57,939	46	\$47,906	101	\$105,966	(55)	(\$58,060)	(\$58,060)		
MARCH	78	\$81,900	46	\$47,906	7	\$7,487	39	\$40,420	\$40,420		
APRIL	90	\$94,500	46	\$47,906							
MAY	62	\$65,100	46	\$47,906							
JUNE	9	\$9,450	46	\$47,906							
JULY	41	\$43,050	46	\$47,906							
AUGUST	23	\$24,087	46	\$47,906							
SEPTEMBER	54	\$56,312	46	\$47,906							
TOTALS	635	\$665,675	549	\$574,872	331	\$347,781	(55)	(\$60,345)			
MONTHLY AVERAGES	53		137		55						
GROSS ANNUAL COST		\$665,675		574,872		\$347,781		(\$60,345)			

Favorable/(Unfavorable): Total **(\$60,345)**

COMMUNITY INPATIENT SERVICES

Report Period: October 1st, 2023 through February 29th, 2024

UTILIZATION COMPARISONS FY 23/24											
MONTH	FY 22/23 Actual		FY 23/24 Budget		FY 23/24 Actual		Days Difference Favorable (Unfavorable)	Cost Difference Favorable (Unfavorable)	Cost YTD Favorable (Unfavorable)		
	Days	Dollars	Days	Dollars	Days	Dollars					
OCTOBER	900	\$905,756	654	\$716,371	581	\$611,845	73	\$104,527	\$104,527		
NOVEMBER	686	\$714,410	654	\$716,371	366	\$385,225	288	\$331,146	\$331,146		
DECEMBER	704	\$732,356	654	\$716,371	681	\$716,615	(27)	(\$244)	(\$244)		
JANUARY	639	\$663,945	654	\$716,371	690	\$726,120	(36)	(\$9,748)	(\$9,748)		
FEBRUARY	656	\$683,828	654	\$716,371	703	\$739,800	(49)	(\$23,429)	(\$23,429)		
MARCH	635	\$660,537	654	\$716,371	801	\$843,030	(147)	(\$126,659)	(\$126,659)		
APRIL	543	\$565,345	654	\$716,371							
MAY	796	\$829,300	654	\$716,371							
JUNE	629	\$655,218	654	\$716,371							
JULY	757	\$789,744	654	\$716,371							
AUGUST	820	\$854,847	654	\$716,371							
SEPTEMBER	698	\$727,339	654	\$716,371							
TOTALS	8,463	\$8,782,625	7,848	\$8,596,454	3,822	\$4,022,635	102	\$275,593			
MONTHLY AVERAGES	705		654		637						
GROSS ANNUAL COST		\$8,782,625		8,596,454		\$4,022,635		\$275,593			

Favorable/(Unfavorable): Total 275,593

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

Report Period: October 1st, 2023 through March 31st, 2024

SERVICE	Avg.			FY 23/24 Budget		FY 22/23 Actual	
	Month	Daily Rate	No. Served	Days of Service	Dollars	Dollars	Favorable / (Unfavorable)
PC/CLS	Mar	\$280	365	66,175	\$17,330,926	\$18,548,168	(\$1,217,243)
CRISIS RES.	Mar	\$575	36	519	\$483,544	\$298,330	\$185,214
CLS (SIP)	Mar	NA	318		\$6,531,825	\$6,713,362	(\$181,537)
Annual Cost							(\$1,213,566)

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.

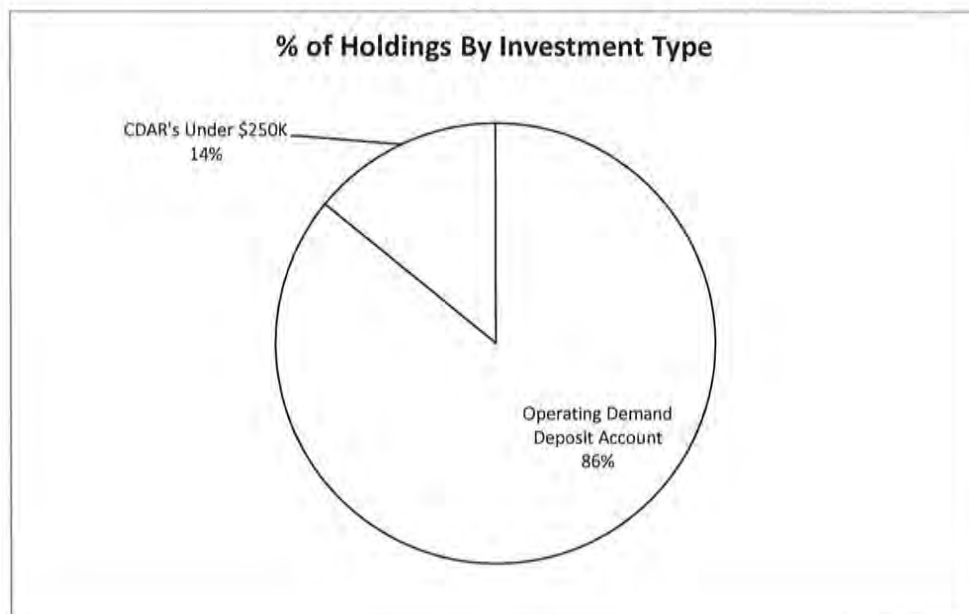
Supported Independent Program (SIP)-more independent setting where Personal Care and Community Living Supports occur.

**Quarterly Cash & Investments Report
Quarter Ending March 31st, 2024**

Financial Institution	Type of Investment	Cost Basis	Maturity Date	% Yield
CASH				
PNC	Operating Demand Deposit Account	\$24,181,532	NA	0.03%
	Payroll Account	\$5,000		
	Accrued Leave Reserve	\$120,268		
	Pretax Reimbursement Account	\$73,824		
	Various Petty Cash Funds	\$780		
	Total Cash Accounts		\$24,381,404	
INVESTMENTS				
CDAR's (via Independent Bank)	CD's Issued Under FDIC Limit of \$250,000	\$3,971,864		4.55%
Total CDAR's		\$3,971,864		
Total Investments			\$3,971,864	
TOTAL CASH AND INVESTMENTS			\$28,353,268	

% of Holdings By Institution	
PNC - Cash	85.99%
CDAR's (via Independent Bank)	14.01%
	<u>100.00%</u>

% of Holdings By Investment Type	
Cash	85.99%
CDAR's	14.01%
	<u>100.00%</u>





Integrated Services of Kalamazoo

MOTION

Subject:	<u>March 2024 Disbursements</u>	
Meeting Date:	April 22, 2024	Approval Date:
Prepared by:	Charlotte Bowser	<u>April 22, 2024</u>

Recommended Motion:

“Based on the Board Finance meeting review, I move that ISK approve the March 2024 vendor disbursements of \$14,759,812.13.”

Summary of Request:

As per the March 2024 Vendor Check Register Report dated 4/10/2024 that includes checks issued from 03/01/2024 to 03/31/2024.

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: **April 22, 2024**



Community • Independence • Empowerment

Integrated Services of Kalamazoo MOTION

Subject:	MOTION for the ISK Board of Directors to Enter a CLOSED SESSION	
Meeting Date:	April 22, 2024	Approval Date:
Prepared by:	Jeff Patton	April 22, 2024

Recommended Motion:

"I move that the ISK Board of Directors enter into a closed session to discuss pending legal issues, as allowed under the Michigan Open Meetings Act, MCL 15.268(1)(e)."

Summary of Request:

- The Michigan Open Meetings Act allows the ISK board to enter a closed session to discuss pending litigation, including settlement strategy.
- Two-thirds of the ISK board must vote to approve a closed session (8 members) and there must be a roll call vote.
- Once the closed session is completed, the board may conduct a voice vote to return to an open session.

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 8 yes votes (2/3 of currently appointed board) no matter how many members are in attendance.		

Staff: [Jeff Patton/CEO](#)

Date of Board

Consideration: [April 22, 2024](#)