



Community • Independence • Empowerment

Jeffrey W. Patton
Chief Executive Officer

www.iskzoo.org
(269) 553-8000

Administrative Services:
610 South Burdick Street
Kalamazoo, MI 49007

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

AGENDA

INTEGRATED Services of Kalamazoo Board of Directors HAS SCHEDULED ITS MEETING FOR MONDAY, November 25, 2024, BEGINNING @ 4:00PM via Microsoft TEAMS or in-person at 610 South Burdick Street/Kalamazoo, MI., / 2nd Floor – ISK Boardroom #220.

- CLOSED SESSION/ROLL CALL – Jeff Patton, CEO/Annual Performance Evaluation @ 3:30PM

- I. CALL TO ORDER – CITY & COUNTY DECLARATION
- II. AGENDA
- III. CITIZEN TIME
- IV. RECIPIENT RIGHTS
 - a. Recipient Rights Monthly Report
 - b. Recipient Rights Advisory/Appeals Committee MOTION

- V. PROGRAM SERVICE REPORT
 - a. *Beth Ann Meints, Administrator of Clinical Services/CCBHC* Report VERBAL

- VI. CONSENT CALENDAR VERBAL MOTION
 - a. Minutes October 28, 2024
 - b. Communication & Counsel to the Board (Policy)
 - c. Governing Style (Policy)
 - d. Emergency Executive Succession (Policy)
 - e. Endowment Fund (Policy & Report)
 - f. FSAC/Family Support Advisory Council (Report)
 - g. Corporate Compliance and Risk Management (Policy)

- VII. MONITORING REPORTS
 - a. Compliance & Risk – FY Annual Plan (Report)

- VIII. FINANCIAL REPORTS
 - a. Financial Condition Report
 - b. Utilization Report
 - c. *October 2024* Disbursement MOTION

- IX. ACTION ITEMS - NEW or REVISITED
 - a. 2025 Medical Plan Coverage Year MOTION
 - b. Rule of 80 MOTION

- 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
 - ♦ Proposed ENDS based on Feedback from Ownership Linkage Activity
 - b. Decision to hold or cancel the December Board meeting/ VERBAL MOTION
 - c. Renaming 615 * Jeffrey Wilson Patton/BHL/ISK Services Clinic/Karen Longanecker & Michael Schlack

- XIII. ADJOURNMENT



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Integrated Services of Kalamazoo MOTION

Subject:	CLOSED SESSION - Chief Executive Officer Evaluation	
Meeting Date:	November 25, 2024	Approval Date:
Prepared by:	Karen Longanecker	<u>November 25, 2024</u>

RECOMMENDED MOTION:

“I MOVE THAT THE ISK BOARD OF DIRECTORS GO INTO CLOSED SESSION PURSUANT TO Section 8(1)(a) OF THE OPEN MEETINGS ACT TO CONDUCT THE CHIEF EXECUTIVE OFFICER’S EVALUATION.”

SUMMARY OF REQUEST:

<u>ROLL-CALL:</u>	<u>Yes</u>	<u>No</u>
Karen Longanecker	_____	_____
Michael Seals	_____	_____
Erik Krogh	_____	_____
Sharon Spears	_____	_____
Nkenge Bergan	_____	_____
Patrick Dolly	_____	_____
Sarah Carmany	_____	_____
Patricia Guenther	_____	_____
Ramona Lumpkin	_____	_____
Melissa Woosley	_____	_____
Michael Raphelson	_____	_____
John Taylor	_____	_____
 MOTION PASSED:	 _____	 _____

Budget: _____
Staff: _____

Date of Board
Consideration: November 25, 2024

IV.a.

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

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

	October 2024	FY 24-25	October 2023	FY 23-24
Total # of Complaints Closed	30	30	33	33
Total # of Allegations Closed	58	59	51	51
Total # of Allegations Substantiated	17	17	15	15

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	October 2024		October 2023	
Category	TOTAL	SUBSTANTIATED	TOTAL	SUBSTANTIATED
Consumer Safety	1	0	1	0
Dignity/Respect of Consumer	10	2	14	3
Treatment Issues/Suitable Services (Including Person Centered Planning)	13	2	10	1
Abuse I	2	1	0	0
Abuse II	7	1	2	2
Abuse III	8	3	8	2
Neglect I	0	0	0	0
Neglect II	0	0	1	0
Neglect III	2	4	6	4
	43	13	42	12

APPEALS	October 2024	FY 24-25	October 2023	FY 23-24
Uphold Investigative Findings & Plan of Action	0	0	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

November 2024

Re: October 2024 Abuse/Neglect Violations

October

Abuse Violations

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

The 3 violations occurred at 2 different agencies. The 2 violations occurring at the same agency occurred at different program sites. There were 2 employees for 1 violation.

Neglect Violations

- There were four substantiated Neglect III violations in October 2024. One of the four was Neglect III, Failure to Report.
 - The remedial actions for these violations were Employee Termination (1), Employee left agency (1), Written Reprimand (1), Policy Revision/Development (1), and Training (1)

The 4 violations occurred at 2 different agencies. The 3 violations occurring at the same agency occurred at different program sites.



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Integrated Services of Kalamazoo MOTION

Subject:	Recipient Rights Advisory/Appeals Committee	
Meeting Date:	November 25, 2024	Approval Date: <u>November 25, 2024</u>
Prepared by:	Lisa Smith	

Recommended Motion:

Appointment:
"I MOVE TO APPOINT THE FOLLOWING INDIVIDUAL TO THE RECIPIENT RIGHTS APPEALS COMMITTEE (RRAC): JENNIFER LEIGH FOR A ONE YEAR TERM (BEGINNING NOVEMBER 25, 2024 – NOVEMBER, 2025)."

Summary of Request

[Empty box for Summary of Request]

Budget: _____
Staff: LS

Date of Board
Consideration: November 25, 2024



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

October 28, 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
Sarah Carmany	X	Kalamazoo/Kalamazoo	
Patrick Dolly			X
Pat Guenther	X	Kalamazoo/Kalamazoo	
Ramona Lumpkin			X
Michael Raphelson			X
Sharon Spears	X	Kalamazoo/Kalamazoo	
Erik Krogh	X	Kalamazoo/Kalamazoo	
Melissa Woosley	X	Kalamazoo/Kalamazoo	
John Taylor, <i>COMMISSIONER</i>			X

ISK - Staff Present:

Jeff Patton, *CHIEF EXECUTIVE OFFICER*
 Sheila Hibbs
 Beth Ann Meints
 Lisa Brannan
 Wanda Brown
 Chantel Graham
 Amy Rottman
 Dianne Shaffer
 Ed Sova
 Michael Schlack, *CORPORATE COUNSEL*
 Alecia Pollard
 Demeta Wallace, *BOARD LIAISON*

Providers/Guests:

Shenetta Coleman
 Chief Executive
 Officer
 ROI
 Fi Spalvieri
 Chief Executive
 Officer
 CLO

ISK - Staff Absent:

Charlotte Bowser
 Lisa Smith

Call to Order

The Board of Directors (Integrated Services of Kalamazoo) held their meeting on Monday, October 28, 2024. It began @ 4:00PM and was presided over by Chair, *Karen Longanecker*.

AgendaMOTION

Member Guenther, "I move to approve the agenda for the meeting." Supported by Member Spears and carried without dissent.

Citizen Time No citizens came forth.

Recipient Rights

Due to the absence of Lisa Smith, ISK, Director of ORR, Jeff Patton, ISK, CEO, presented the complaints/allegations closed in September 2024.

September

- There were two substantiated Abuse II violations in September 2024.
 - The remedial actions for these violations were Written Reprimand (3), Training (3), and Plan of Service Revision (1). There were two staff involved in one citation.

The 2 violations occurred at the same agency but different program sites.
- There was one substantiated Abuse III violation in September 2024.
 - The remedial actions for this violation were Written Reprimand (2) and Training (2).

Neglect Violations

- There were two substantiated Neglect II violations in September 2024. One was a Failure to Report.
 - The remedial actions for these violations were Written Reprimand (3) and Training (3). There was one staff involved in one citation and two staff involved in the second citation.

The 2 violations occurred at 2 different agencies.
- There were five substantiated Neglect III violations in September 2024. One was a Failure to Report.
 - The remedial actions for these violations were Employee Termination (1), Written Reprimand (4), Training (4), and Policy Revision/Development (1).

The 5 violations occurred at 2 different agencies. One agency had 2 violations at the same program site and same staff. The other agency the 3 violations occurred at different program sites.

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).

Appointments to the ORR Appeals CommitteeMOTION

Member Spears,

“I MOVE TO APPOINT THE FOLLOWING INDIVIDUAL TO THE RECIPIENT RIGHTS APPEALS COMMITTEE: KAREN LONGANECKER FOR A ONE YEAR TERM (BEGINNING OCTOBER 28, 2024 – OCTOBER 28, 2025).”

“I MOVE TO APPOINT THE FOLLOWING INDIVIDUAL TO THE RECIPIENT RIGHTS APPEALS COMMITTEE: MELISSA WOOSLEY FOR A ONE YEAR TERM (BEGINNING OCTOBER 28, 2024-OCTOBER 28, 2025).” Supported by Member Guenther.

MOTION PASSED.Program Service Report

Wanda Brown, Senior Executive, ISK, Integrated Health Services Clinic/Psychiatric Services, presented the October Program Service Report.

The Integrated Health Services Clinic at ISK continues to strive for excellence in delivering quality care to members of our community. Our goal is to create an atmosphere where everyone that we serve has an exceptional experience at every encounter. We are committed to providing equitable health care for all. We continue to look for ways to improve the way we deliver care for our clients/patients. We have made many changes since last year. A few noted changes/improvements are listed below.

- Practice Support Assistant (PSA) positions are fully occupied; this talented team is often the first point of contact when individuals present or call (telephone) for an appointment for services at the IHSC. Their duties include greeting all, check in, check out process and scheduling of appointments.
- Nurse Care Manager (NCM) this dynamic duo continues to lead the Medication Assistance Program (MAP), which was implemented in the 2nd quarter of 2024, the program has been successful and renewed for the current fiscal year. This program provides financial assistance to individuals who meet criteria and are having financial difficulties obtaining their prescribed medications. This team also collaborates with the ISK quality and compliance team to make certain that staff are complying to the metrics and regulations that are required by local, state, and federal entities.
- IHSC Triage and Clinic Nurses, these diverse team members wear many hats including but not limited to; linking the patients and their concerns to their assigned behavioral health medical team member, there has been a sharp increase in the number of prior authorization requests that are processed by this team due to health insurance companies' requirements than in the past. The nursing team has also played a pivotal role in the development of the IHSC Reconnect Clinic Hours more to come on this.
- ISK/WMU Department of Psychiatry research collaboration currently has six research studies in progress. This collaboration is progressing well. A summary or description of the studies is included in this report.

- The IHSC Reconnect Clinic has been developed to ensure all individuals in need of behavioral health/psychiatric services can receive safe, quality, and timely healthcare services. Over the past year the number of no-show appointments and cases of showing up more than ten minutes after the appointment start time has increased and available appointments or accessibility to appointments has decreased. This results in a longer wait time to be seen and receive services in the clinic. When an individual is experiencing a crisis, it is imperative and best practice for patients to receive a timely appointment. There have been many occasions when the wait time exceeds six weeks before an individual can receive an appointment with one of the behavioral health/psychiatric services health team members. The development of this clinic has also identified the need to develop policies, procedures and guidelines that improve wait times for appointments. A thorough data search revealed that there have been many occasions when there were over 500 no show appointments per month; resulting patient and staff dissatisfaction and not being able to provide the highest level of quality care to the members of our community.

In February 2024, an ISK collaborative team started meeting to discuss improvement processes to improve the clinic workflow, improve accessibility, patient, and staff customer service. A timeline has been established which includes introductions, explanations, implementation, and continuous evaluation.

- September 9, 2024, a letter was also mailed to over 4,600 individuals that are currently receiving services at the clinic. The letter addressed changes to the IHSC Policies and Procedures; Arrival Time, No Show/Cancelled Appointments, Reconnect Clinic. The letter was scanned into the patient record. A tracking tool is used to keep a count of returned letters. As of October 18, 2024, approximately 225 letters have been returned. The scheduling team monitors and tracks the attendance; the individuals will be contacted in writing and by the case manager, and or nursing team member.
- September 10, 2024, a similar letter was sent via email to the ISK Staff and External Providers, addressing the same topics; Arrival Time, No Show/Cancelled Appointments, Reconnect Clinic.
- October 1, 2024, beginning of monitoring and tracking of attendance and late arrivals for individuals with scheduled Evaluation and Management appointments at the IHSC.
- Later in October 2024, a second letter will be sent to the ISK Staff and External Providers, providing more information and explanations of the upcoming changes.
- November and December 2024, continue to share the upcoming changes with staff, internal and external customers, providing explanations of the changes and providing clarification by adding the announcement to the ISK website and social media platforms.
- January 15, 2025, is the tentative date of the official kick off for the IHSC Reconnect Clinic and compliance with the updated and newly implemented policies, procedures and processes of the ISK Integrated Health Services Clinic.

That concludes my report.

CCBHC Report

Beth Ann Meints, ISK, Administrator of Clinical Services, presented the October CCBHC Report.

Quality Bonus Payment Measures and Benchmarks for the CCBHC Calendar Year 2025

1. Quality measures are moving from fiscal year to a calendar year measure starting in 2025.
2. In the first two years of being a demonstration site, the rules for the bonus payment were you had to meet all the measures to receive the first-round payout. If you missed even one measure the CCBHC would be put back in the bucket for the second-round payout based on the total number of indicators successfully obtained. The second round was a reduction of the total bonus pay out by approximately 50%.
3. For Demonstration year 3 and 4 they have changed the payout based on a percentage methodology.

QBP	Measure Name	Steward	Benchmark	Award Methodology
1.	HBD-AD: Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Control for Patients with Diabetes	NCQA	Rate is greater than or equal to the 25 th percentile of the CCBHC demonstration site average at year end for each sub-measure. HbA1c controlled HbA1c poorly controlled	10% of Eligible QBP
2.	DEP-REM-6: Depression Remission at 6 months	MN Community Measurement	Rate is greater than or equal to the 25 th percentile of the CCBHC demonstration site average at year end.	5% of Eligible QBP
3.	I-SERV: Time to Services	SAMHSA	Rate is greater than or equal to the 25 th percentile of the CCBHC demonstration site average at year end for each sub-measure: Time to Evaluation Time to Clinical Service Time to Crisis Response	15% of Eligible QBP
4.	FUH-AD: Follow- Up After Hospitalization for Mental Illness, ages 18+	NCQA	30 day: 75% 7 day: 48%	15% of Eligible QBP

5.	FUH-CH: Follow-Up After Hospitalization for Mental Illness, ages 6 to 17	NCQA	30 day: 88% 7 day: 60%	15% of Eligible QBP
6.	IET-AD: Initiation and Engagement of Alcohol and Other Drug Dependence Treatment	NCQA	Initiation: 41% Engagement: 14%	10% of Eligible QBP
7.	PCR-AD: Plan All-Cause Readmissions Rate	NCQA	10%	10% of Eligible QBP
8.	SRA-A: Adult Major Depressive Disorder: Suicide Risk Assessment	Mathematica	73%	10% of Eligible QBP
9.	SRA-C: Child and Adolescent Major Depressive Disorder (MDD): Suicide Risk Assessment	Mathematica	57%	10% of Eligible QBP

That concludes my report.

Consent Calendar

MOTION

Chair Longanecker, “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 September 23, 2024
- b. Board Purpose and Business Description (Policy)
- c. Treatment of Persons Served w/Substantiated Complaints (Policy & Report)
- d. Guidelines for Mission/Bylaws & Appointments (Policy)
- e. Customer Services (Report)
- f. Customer Advisory Council Annual (Report)

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

Financial Reports/Financial Condition Reports

Amy Rottman, ISK, Chief Financial Officer, presented the Financial Condition Reports for September 30, 2024.

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

Utilization Reports

Amy Rottman, ISK, Chief Financial Officer, presented the Utilization Report for the period ending **September 30, 2024**.

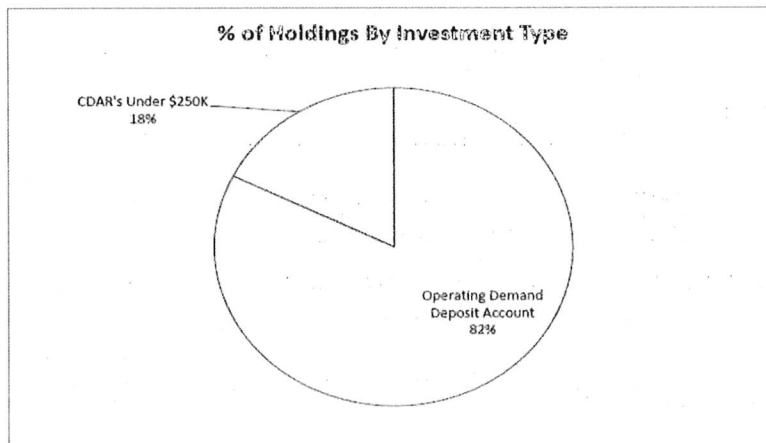
- Autism Services is at (179) clients and is unfavorable at \$755,097
- Youth Community Inpatient Services is at (575) days and is unfavorable at \$471,328
- MI Adult Community Inpatient Services is at (951) days and is favorable at \$1,323,343
- Community Living Supports, Personal Care, and Crisis Residential is favorable at \$817,341

Investment Report

Amy Rottman, ISK, Chief Financial Officer, presented the Investment Report for **September 30, 2024**.

**Quarterly Cash & Investments Report
Quarter Ending September 30th, 2024**

Financial Institution	Type of Investment	Cost Basis	Maturity Date	% Yield
CASH				
PNC	Operating Demand Deposit Account	\$19,068,413	NA	0.03%
	Payroll Account	\$3,719		
	Accrued Leave Reserve	\$121,258		
	Pretax Reimbursement Account	\$100,698		
	Various Petty Cash Funds	\$780		
	Total Cash Accounts	\$19,234,868		
INVESTMENTS				
CDAR's (via Independent Bank)	CD's Issued Under FDIC Limit of \$250,000	\$4,063,693		4.15%
Total CDAR's		\$4,063,693		
	Total Investments	\$4,063,693		
TOTAL CASH AND INVESTMENTS		\$23,298,561		
% of Holdings By Institution				
PNC - Cash		82.56%		
CDAR's (via Independent Bank)		17.44%		
		100.00%		
% of Holdings By Investment Type				
	Cash		82.56%	
	CDAR's		17.44%	
			100.00%	



September DisbursementsMOTION

Member Guenther, "BASED ON THE BOARD FINANCE MEETING REVIEW, I move that ISK approve the September 2024 vendor disbursements of \$11,166,791.40." Supported by Member Spears. MOTION PASSED.

ACTION ITEMS - NEW or REVISITEDMOTIONAmendment of Bylaws

Member Krogh,

"I move that the ISK Board amend Article III, Section 1 of its Bylaws and rules of Procedure to include a provision that a least one member of the Board will have lived experience with homelessness."

Summary of Request

- ✦ At its September 2024 meeting, the Board approved a motion to appoint Melissa Woosley as the Board's representative for services to individuals that are unhoued and amend ISK's Bylaws to state at least one board member will have personal experience with homelessness. This motion is intended to complete the process.
- ✦ The amended section will read as follows, with new language in bold:

Article III, Section 1Board Membership

- ✦ The Board shall consist of twelve (12) members who are appointed or removed by the Kalamazoo County Board of Commissioners. Board members shall have their primary place of residence in Kalamazoo County. "The composition of the Board shall be representative of providers of mental health services, agencies and occupations having a working involvement with mental health services, and the general public. At least one-third (1/3) of the membership shall be primary consumers or family members, and of that one-third (1/3) at least two members shall be primary consumers. Not more than four (4) members of the Board may be County Commissioners and not more than one-half (1/2) may be public officials, as defined by the Michigan Mental Health Code. All board members shall be 18 years of age or older." In addition, at least one board member shall have personal experience with homelessness. Reference: MCLA 330.1222. Supported by Member Carmany

Family Support Advisory CouncilMOTION

Member Krogh,

"I move to accept the appointments for the following individuals:

- Shane Riley
- Essie Brown

to the Integrated Services of Kalamazoo Family Support Advisory Council for Families with Youth who have a Serious Emotional Disturbance." Supported by Member Guenther.

2025 Medical Plan Coverage YearMOTION

Member Krogh,

“I move that the ISK BOARD elects to comply with the requirements of 2011 Public Act 152, the Publicly Funded Health Insurance Contribution Act, by adopting the annual Exemption option for the medical benefit plan coverage year January 1, 2025, through December 31, 2025.”

Summary of Request

During Open Enrollment premium co-pays are developed based on PA 152 and staff elect their insurance coverage and agree to pay their share of the premium. For 2025 PA 152 only increased by .2%. In order to keep healthcare coverage affordable for ISK staff we intend to increase the 2025 PA 152 hard cap employer contribution amount by 3% which aligns with the 3% fringe benefit increase for all staff which requires a board exemption from PA 152.

In order to still comply with PA 152, the Board may elect the “Exemption” Option and exempt itself from the requirements of the Act by an annual 2/3 vote. Supported by Vice Chair Seals.

MOTIONS PASSED.Chief Executive Officer Report

The Southwest Michigan Behavioral Health Board approved 2025 budgets; one version was balanced, and the other version was unbalanced. With deficit projectors at \$8M or potentially \$16M deficit.

SWMBH did receive an increase in rates. Milliman projected a \$1.5M rate increase to SWMBH. However, the increase isn't enough to cover the total deficit amount. SWMBH maintains at least \$3M in their local funds as a regional fund to use in the state share of the Medicaid Risk Corridor and what the risk factors are of the Medicaid Risk Corridor.

The SWMBH CEOs have decided to do a deep dive and a thorough analysis as to why these increases are occurring by looking at DQA data, utilization patterns and psychiatric services. I applaud SWMBH Ops Committee for their efforts to begin sharing monthly progress reports.

That concludes my report.

Citizen Time No citizens came forth.

SWMBH (Southwest Michigan Behavioral Health) Updates/Erik Krogh

This report was combined with the Chief Executive Officer report.

That concludes my report.

Meeting ended at 5:34PM.

Demeta J. Wallace

Administrative Coordinator & Board Liaison

Integrated Services of Kalamazoo Board of Directors



INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.06

AREA: Governance	
SECTION: Board Governance Process	PAGE: 1 of 2
SUBJECT: COMMUNICATION AND COUNSEL TO THE BOARD	SUPERSEDES: 01/24/2012 REVISED: 10/29/2018

PURPOSE/EXPLANATION

To establish limitations of means regarding the Chief Executive Officer's (CEO) communication and counsel to the Board.


POLICY

- I. With respect to providing information and counsel to the Board, the CEO may not permit the Board to be uninformed. Accordingly, they may not:
 - A. Neglect to submit monitoring data required by the Board (see policy on Monitoring Executive Performance) in a timely, accurate and understandable fashion, directly addressing provisions of the Board policies being monitored.
 - B. Let the Board be unaware of relevant trends, anticipated adverse media coverage, material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established.
 - C. Fail to advise the Board if, in the CEO's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Staff Relationship, particularly in the case of Board behavior which is detrimental to the work relationship between the Board and the CEO.
 - D. Fail to use a process that utilizes as many internal and external points of view, issues and options as needed for fully informed Board choices.
 - E. Present information in unnecessarily complex or lengthy form.
 - F. Fail to provide a mechanism for official Board, officer or committee communications.
 - G. Fail to deal with the Board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.

H. Fail to report in a timely manner any actual or anticipated non-compliance with any policy of the Board.

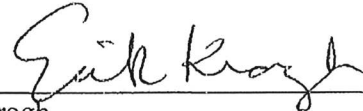
II. This policy will be monitored through internal mechanisms on an annual basis.

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

APPROVED



Erik Krogh
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY II.02

AREA: Governance	
SECTION: Board Governance Process	PAGE: 1 of 2
SUBJECT: GOVERNING STYLE	SUPERSEDES: 01/23/2012 REVISED: 10/29/2018

PURPOSE/EXPLANATION

To establish the Board's governing style.

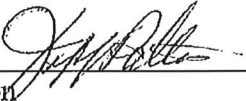
POLICY

The Board will govern with an emphasis on outward vision as well as an awareness of internal operations, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, clear distinction of Board and Chief Executive roles, collective rather than individual decisions, future rather than past or present, and pro-activity rather than reactivity.

The Board will:

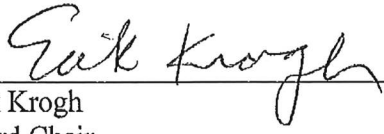
- A. Cultivate a sense of group responsibility. The Board, not the staff, will be responsible for governance. The Board will be an initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual members to enhance the ability of the Board as a body, rather than to substitute the individual judgements for the Board's values.
- B. Direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major focus will be to establish policy that is aimed at having a positive long-term impact on the community.
- C. Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policy-making principles, respect of roles, and ensuring the continuity of governance capability. Continual Board development will include orientation of new members in the Board's governance process and periodic Board discussion of process improvement. The Board will allow no officer, individual or committee of the Board to hinder or be an excuse for not fulfilling its commitments.

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

APPROVED



Erik Krogh
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.05

AREA:	Governance		
SECTION:	Executive Limitations	PAGE:	1 of 1
SUBJECT:	EMERGENCY EXECUTIVE SUCCESSION	SUPERSEDES:	11/27/2023
		REVISED:	01/22/2024


PURPOSE/EXPLANATION

To establish limitations of means regarding emergency executive succession.

POLICY

- I. In order to protect the Board from sudden loss of Chief Executive Officer (CEO) services, the CEO may not have fewer than two other executives familiar with board and CEO issues and processes.
- II. The order of succession in an emergency is as follows:
 - A. Chief Executive Officer
 - B. Administrator of Clinical Services
 - C. Administrator of Operations
 - D. Chief Medical Officer
- III. 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

BOARD POLICY VI.03 / ORGANIZATIONAL POLICY 08.10

AREA: <i>(Board)</i> Governance	
APPLICATION: <i>(Organizational)</i> ISK Staff & Contract Providers	
SECTION: <i>(Board)</i> System Governance <i>(Organizational)</i> Financial Management	PAGE: 1 of 4
SUBJECT: ENDOWMENT FUND	SUPERSEDES: 11/22/2021 REVISED: 11/27/2023

PURPOSE/EXPLANATION

The Integrated Services of Kalamazoo (ISK) Endowment Fund was established in response to the very real needs faced by people. The purpose of the fund is to coordinate grant opportunities for persons who receive services through ISK, when other means of increasing and/or sustaining independence have been exhausted. Fund dollars are not to be utilized for services and/or supports provided through the community mental health service system.

DEFINITIONS**Dollars Available to Grant**

This amount is determined by the Kalamazoo Community Foundation (KCF) and is derived from endowment fund earnings and earmarked donations made to KCF on behalf of ISK.

Yearly Grant Allocation

Through a yearly award process these funds will be made available to Providers and ISK direct operated programs for persons who receive services through ISK. All expenditures must fall within the specific intent of the grant award. A maximum of \$8,000, excluding emergency grant awards, can be granted to any Provider or ISK direct operated program. Whenever grant funds are applied for and utilized, it is anticipated that the applicant/awarded provider/program will coordinate with other CMH programs to ensure that fund dollars are not inadvertently spent when other resources are also available. Each Fiscal year for ISK runs October 1 – September 30.

Contingent Grant Award

Through an “as needed award process” contingent grants will be awarded for specific requests for an individual’s emergency needs that had been previously unknown and cannot be provided for through any other means. Contingent Grant Awards are limited to a maximum of \$800 per individual per each fiscal year. If the Grant is for more than 1 individual, the total for each individual still cannot exceed \$800 per fiscal year.

Individual.

For this policy, Individual is the identifying term for a consumer/customer/person-served by ISK. To be considered for funding, any individual must have a Case # within the ISK Electronic Health Record (EHR) system linking to them.

POLICY

- A. Through the ISK Endowment Fund we are committed to combating the stigma of mental illness, developmental disabilities, and substance use disorders, and to prioritize our grant giving in key areas, which will assist persons served by ISK in taking positive steps toward independence and integration in the community.

Those areas of emphasis for grant giving will be, but not limited to:

1. Assistance with setting up and maintaining Independent Residence
 2. Assistance with clothing, transportation, or other needs related to supporting vocational pursuits related to Competitive Employment
 3. Assistance with crucial Health Care Needs necessary to make community living feasible and not otherwise funded by insurance benefits or other means
 4. Assistance with costs related to supporting Educational Pursuits - including books, tuition/fees, equipment
 5. Support for Community Events that promote education of mental health-related matters, and/or celebrate customer successes, and/or integration of customers in the community and are promoting the reduction of stigma
- B. Of the total dollars available to grant, 90% will be made available for expenditure during the ISK fiscal year through a Yearly Grant allocation award process. A maximum of \$8,000 can be awarded to any Provider or ISK direct operated program for the following purposes:
1. Independent Living Arrangements
 2. Competitive Employment Assistance
 3. Community Living / Health Care Needs
 4. Educational Support
 5. Community Events (not to exceed \$1000)

The Yearly Grant Allocation process will begin at approximately two months before the start of the fiscal year. The Fund applications due date is to allow for fund dollars to be available at beginning of the fiscal year for agencies/departments that receive an award.

Of the total dollars available to grant 10% will be made available for expenditure during the ISK fiscal year through a contingent/discretionary determination by the Endowment Fund Committee. Applications will be accepted throughout the fiscal year. Contingent The Endowment Committee will evaluate each request for Contingent Grant within 10 calendar days of receipt of the application.

Award Limits

Grant awards cannot exceed \$800.00 per individual per fiscal year. Grant allocations for Community Events promoting integration are limited to \$1,000 per event.

- C. The Endowment Fund Committee will consist of seven members and will include at least one Board member (appointed by the Board chair), one individual served by ISK, the Customer Services Manager and service provider. Any member of the committee will abstain from any voting in which the program/department or organization they specifically represent within ISK has a funding application. Any necessary voting by the committee will be determined by a simple majority to consider an application approved or declined.

The Customer Services Manager will notify the ISK CEO of appointments to the committee and the CEO will notify the Board of Directors.

- D. In selecting grant recipients from among the deserving applications, the Endowment Fund Committee will use the Board recommended characteristics for a successful grant proposal:
1. Shows evidence of potential impact of the grant on the life of the person served by ISK
 2. Shows evidence of how the grant would enable an individual to become more independent
 3. Shows evidence of how the grant would improve the quality of life
 4. Shows evidence of how the grant would improve community integrated living

DI. The ISK Board of Directors is committed to the wise allocation of its charitable resources. Accordingly, all grantees will be asked to complete a brief summary report of grant activities and outcome. This report will be completed in a format prescribed by ISK and due dates will be told to awardees with the letter explaining their award. Reporting is required for both Annual Award allocations and Contingent Awards. Each Program/Department/Agency who receives dollars from the ISK Endowment Fund will be provided with the tools to report spending. Unexpended funds will be allowed to carry over for one fiscal year. Any remaining unexpended funds after this period will be returned to ISK.

DII. The ISK Board of Directors will also establish an Oversight Committee for the specific purpose of making emergency grants from the principal funds in the Community Mental Health Endowment Fund held by the Kalamazoo Community Foundation.

The Oversight Committee will determine whether emergency circumstances exist to make grants from principal funds where allowed by the endowment stipulations.

Oversight Committee Composition


The Oversight Committee will consist of the ISK Board Chair, Board Finance & Compliance Committee Chair, Chief Executive Officer, Administrator of Operations & Administrator of Clinical Services.

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

EXHIBITS

- A. Endowment Fund Application (Emergency)
- B. Endowment Fund Application (Full-Year)

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

BOARD CHAIR



Karen Longanecker
Board Chair



ENDOWMENT FUND
EMERGENCY SPENDING APPLICATION
 FOR USE BY ORGANIZATIONS WITHIN THE ISK SERVICE NETWORK
 TO ADDRESS OTHERWISE UNMET AND UNFUNDED NEEDS

APPLICANT ORGANIZATION / ISK DEPARTMENT INFORMATION

Name of Organization / ISK Department: _____

Street Address: _____

City: _____ Zip Code: _____ Phone: _____

Name of staff Applicant: _____

Email address: _____

Name of person **authorizing** this application: _____

Email address: _____

Financial Report(s) will be due within 60 calendar days of approval of this application and the due date will be indicated on the approval letter.

Name of the person who will be completing the Financial Report for this application: _____

Applicant? YES NO Authorizer? YES Other: _____

Email address: _____

PROPOSAL

- 1) Emergency Spending Application
EMERGENCY SPENDING IS LIMITED TO A MAXIMUM OF \$500 PER ANY INDIVIDUAL CUSTOMER OF ISK SERVICES PER AN FISCAL YEAR.

Areas the funds will be utilized to assist the customer(s):

- Setting up or maintaining **Independent Residence**
- Needs related to **Competitive Employment Assistance**
- Crucial **Healthcare Needs** to enhance **Community Living**
- Educational Support**

- 2) Awarded funds are anticipated to support:
- One Customer Case #: _____
- Two or more Customers Number of customers anticipated: _____
- ISK Case #s will be required as part of the Fund Expenditure Report**

3) Written summary of the emergency situation:

- 4) How much money is being requested from the Endowment fund? _____ (up to \$500 / individual)



**ENDOWMENT FUND
EMERGENCY SPENDING APPLICATION**
*FOR USE BY ORGANIZATIONS WITHIN THE ISK SERVICE NETWORK
TO ADDRESS OTHERWISE UNMET AND UNFUNDED NEEDS*

- 5) Have you attempted to access other resources for funds?
(such as HRI, Deacon's Conference, Loaves & Fishes) Yes No
- Have you confirmed that no other available Endowment Funds are available to meet this request? Yes No
- Applicant Agency/ISK Department has **no (\$0)** Fund dollars available. Yes No
- Agency/ISK Department providing Primary services has **no (\$0)** dollars available. Yes No
- IS this request being partially funded by another current Endowment Fund Award? Yes No
- Fund Award number being utilized for partial funding? # _____
- Award dollars accessed for this request? \$ _____ N/A

Please list all other resources you have contacted below: N/A

6) Why was money from other resources not available - - or not able to cover all costs?

7) Describe how Endowment funds will support customers of ISK: *(please comment on all that apply in this situation):*

(A) Positively impact the life of the individual(s) served:

(B) Enable individual(s) to become more independent:

(C) Improve the quality of life for the individual(s):

(D) Improve the individual(s) integration into the community:

8) Please add any other information you feel is pertinent to this Endowment Funds application:



**ENDOWMENT FUND
EMERGENCY SPENDING APPLICATION**
*FOR USE BY ORGANIZATIONS WITHIN THE ISK SERVICE NETWORK
TO ADDRESS OTHERWISE UNMET AND UNFUNDED NEEDS*

CERTIFICATION

I certify that I am authorized to sign on behalf of the ISK contract organization / ISK Department that is making this application and that this is an accurate statement of anticipated expenditures from the ISK Endowment Fund to address otherwise unmet and unfunded needs.

Authorized Signature: _____ Date: _____

Please submit application to: ISK Endowment Fund / Customer Services
610 S Burdick Street
Kalamazoo MI 49007-5221

OR

email to communityrelations@iskzoo.org

if you have questions, please call (269) 364-6990

Date received: _____ Initials: _____ Application #: _____



ENDOWMENT FUND
FULL FISCAL YEAR
APPLICATION

For the use by organizations within the ISK Service Network

For Fiscal Year: _____

APPLICANT ORGANIZATION / DEPARTMENT INFORMATION

Name of Organization/ISK Department Applicant: _____

Street Address: _____

City: _____ Zip Code: _____ Phone: _____

Name of staff Applicant: _____

Email address _____

Name of person authorizing this application: _____

Email address: _____

Financial Report(s) will be due at the end of this fiscal year.
Details will be included with the approval letter as appropriate.

Name of the person who will be completing the Financial Report for this application: _____

Applicant? [] YES [] NO Authorizer? [] YES [] NO Other: _____

Email address: _____

PROPOSAL

1) What is being requested?
EACH APPROVED APPLICATION FOR A YEARLY GRANT ALLOTMENT IS MAXIMIZED AT \$8000 PER YEAR, PER AGENCY OR ISK DEPARTMENT

Please check all of the categories for which you intend to spend dollars awarded through his application. Each application may be for any/all of the listed categories. Additionally, while the dollars may be used for a variety of supports for individuals served by ISK, Endowment Funds are to be requested and used for situations in which no other funding is currently available. And, not to cover ISK service costs or replace any insurance coverage or community resource. Please note any individual customer may receive up to \$800 in assistance from the funds of this application.

[] Setting up or maintaining Independent Residence

[] Needs related to Competitive Employment Assistance

[] Crucial Healthcare Needs to enhance Community Living

[] Educational Support

[] Community Event (\$1000 or the \$5000 awarded can be spent to supports the costs of an event

2) Number of customers anticipated to be served by this award: _____
ISK Case #(s) will be required as part of the Fund Expenditure Report



**ENDOWMENT FUND
FULL FISCAL YEAR
APPLICATION**

For the use by organizations within the ISK Service Network

3) Written summary of the request and how the Endowment Funds will be used to meet identified needs:

4) **How much money is being requested from the Endowment fund?** _____

5) Describe how Endowment funds dollars will support customers of ISK (*please comment on all that apply in this situation*):

(A) Positively impact the life of the individual(s) served:

(B) Enable individual(s) to become more independent:

(C) Improve the quality of life for the individual(s):

(D) Improve the individual(s) integration into the community:

6) Please add any other information you feel is pertinent to this Endowment Funds application:



**ENDOWMENT FUND
FULL FISCAL YEAR
APPLICATION**

For the use by organizations within the ISK Service Network

CERTIFICATION

I certify that I am authorized to sign on behalf of the ISK-contract organization / ISK Department that is making this application and that this is an accurate statement of anticipated expenditures from the ISK Endowment Fund to address otherwise unmet and unfunded needs.

Authorized Signature: _____ Date: _____

Please submit ISK Endowment Fund / Customer Services
application to: 610 Burdick Street
Kalamazoo MI 49007-5221
OR
email to communityrelations@iskzoo.org

Date received: _____ Initials: _____ Application #: _____

Fiscal Year 2023-2024 Spending Activities Summary Report

Number of Full Year Applications: 12
Total Full-Year Awards: 12
Dollars Awarded via Full-Year Awards: \$72,240.00

Aside from the ISK Departments serving Adults with Mental Illness (3 awards), Adults with Developmental Disabilities, Youth and Families, Housing Resource Center; awards were granted to these contracted provider organizations: Community Living Options, MRC Industries, Milestone Senior Services, Family & Children Services, Recovery Institute, and Community Healing Center.

Starting this year, ISK divided the awards differently for direct-operated programs serving Adults with Mental Illnesses. Based on the growth of our customer-base, we wanted to ensure that dollars were readily available to the staff departments/teams. We also increased the dollar amount any single customer could receive per fiscal year from \$500 to \$800 to try to keep adjusted for increased costs – especially as related to start-up costs for establishing an independent residence.

Number of Emergency/Contingency requests received: 19
Number of approved contingency requests: 19
Contingency Dollars Awarded: \$14,539.41

Total dollars awarded for the fiscal year: \$86,779.41

Fiscal Year 2024-2025. Award Summary Report (YTD)

Number of Full Year Applications: 13
Total Full-Year Awards: 13
Dollars Awarded via Full-Year Awards: \$90,000.00

Full-year awards were granted to the same ISK departments and contracted provider agencies as had requested in FY 2023-2024.

Number of Emergency/Contingency requests received (YTD): 1
Number of approved contingency requests: 1
Contingency Dollars Awarded: \$409

Total dollars awarded for the fiscal year (YTD): \$90,409.00

Purposes of Award Dollars:

Helping with costs associated with setting up independent housing, education and employment opportunities, healthcare costs not otherwise available/affordable to customer(s), funding for materials for support groups supervised by ISK/provider sites, and/or community events and individual celebrations.



Community • Independence • Empowerment

Jeffrey W. Patton
Chief Executive Officer

www.iskzoo.org
(269) 553-8000

Administrative Services:
610 South Burdick Street,
Kalamazoo, MI 49007

VI.f.

Date: 11/25/2024
To: Integrated Services of Kalamazoo (ISK) Board
From: Family Support Advisory Council (FSAC)
Re: Annual Report to the Board
FSAC respectfully submits the annual report for the period 10/1/2023-9/30/2024.

Board Appointees include:

- ✚ Kathy Hunt, Chair
- ✚ Tina Ellis
- ✚ Kimberly Whittaker
- ✚ Emily Curtis
- ✚ Paula Shane
- ✚ Jalissa Murray, Co-chair
- ✚ April Siepman

Pending Appointees include:

- ✚ Shane Riley
- ✚ Essie Brown

Activities:

1. FSAC members updated their By-laws.
2. Moran Dan provided an overview of Autism resources.
3. Danielle Sackrider presented ISK's Zero Suicide Framework and training opportunities.
4. Dusty Jepkema presented the AFFIRM model to support positive mental health and well-being among LGBTQ+ individuals.
5. Lisa Baptiste presented on ISK's School-Based Prevention Program.
6. FSAC began conversations with the Parent Advisory Group (PAG) at ASK about the potential of merging the groups.
7. FSAC received a summary of Kalamazoo Wraps System of Care.
8. FSAC received updates on state initiatives and pending CTFC implementation grant from Dawn Rasmussen.
9. FSAC discussed a desire to increase the number of FSAC members.

Additional Information

Dawn Rasmussen, Senior Executive for Youth and Families, resigned from the position on August 9, 2024, and Dianne Shaffer stepped in as interim Senior Executive. The group set a goal to reimagine the format and structure of FSAC to be goal oriented, recruit new members, and provide family voice to ISK as well as other system partners.

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

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.11

AREA:	Governance		
SECTION:	Board Governance Process	PAGE:	1 of 4
SUBJECT:	CORPORATE COMPLIANCE AND RISK MANAGEMENT	SUPERSEDES:	10/29/2019 REVISED: 11/27/2023

PURPOSE/EXPLANATION

Integrated Services of Kalamazoo (ISK) is committed to identifying and complying with local, state and federal laws and regulations as they apply to health care delivery managed by ISK. The purpose of this policy is to authorize the establishment of a comprehensive Corporate Compliance Program, including an annual Risk Assessment and a Compliance Plan, designed to minimize risks associated with operational activities and service delivery.

DEFINITIONS**Corporate Compliance**

The mechanisms, including the written Compliance Program and Policies, training efforts, resources and activities that are collectively intended to prevent and detect unethical and/or illegal business practices and violations of law.

Corporate Compliance Program

The specific compliance principles, components and activities of ISK and its provider network. These include activities ISK performs both for itself as a healthcare management entity and as a service provider as well as for its provider network.

Risk Assessment

The US Sentencing Guidelines of 2021, section §8B2.1. - Effective Compliance and Ethics Program, identifies elements of an "effective compliance program" and includes promotion of ethics and a commitment to compliance with ongoing risk assessment as part of the program. Annual Risk Assessment information will include input from ISK leadership. The objectives of the annual ISK Risk Assessment are as follows:

1. Enhance ISK's compliance and ethics program to meet internal and external requirements and "best practices".
2. Identify and prioritize risks/gaps and monitor/review performance against requirements.
3. Meet US Sentencing Guidelines for "risk assessment" and adhere to other requirements
4. Inform the Annual Corporate Compliance Plan.

Corporate Compliance Plan

The Annual Corporate Compliance Plan include goals and objectives based on current themes gleaned from the Annual Risk Assessment. It is presented to the Board each year for approval with progress reported at least every six months.

Seven Elements of an Effective Compliance Program

In accordance with the US Sentencing Guidelines of 2021 and the Office of Inspector General (OIG), ISK shall be in compliance with seven elements of an effective compliance programs, which have become the benchmark of corporate compliance. The seven elements are as follows:

1. Implementing written policies, procedures, and standards of conduct
2. Governance & Oversight: Designating a compliance officer and compliance committee
3. Conducting effective training and education
4. Developing effective lines of communication
5. Conducting internal monitoring and auditing
6. Enforcing standards and disciplinary action through consistent, well-publicized guidelines
7. Responding promptly to detected offenses and undertaking corrective action

POLICY


- I. ISK is dedicated to the delivery of behavioral health services in an environment characterized by strict conformance with the highest standards of accountability for administrative, business, clinical, financial and marketing management.
- II. The leadership of ISK shall be fully:
 - A. Aware of and committed to the need to prevent and detect fraud, waste, abuse, fiscal mismanagement and misappropriation of funds and to the strict adherence of all federal and state laws, rules and regulations through the development and implementation of a formal Corporate Compliance Program that addresses all required elements promulgated by the Michigan Department of Health and Human Services/Office of Inspector General (MDHHS/OIG) for an effective Compliance Program.
 - B. Committed to the development and implementation of comprehensive policies, procedures and other corporate compliance measures to provide regular monitoring and conformance with all legal and regulatory requirements.
- III. All persons who provide services within, or are formally affiliated with ISK (e.g., officers/board members, employees, consultants, volunteers, students, internal contractors, agents, etc.) must sign an attestation agreeing to conduct themselves in a manner that promotes the ISK Mission/Vision and Code of Ethics. All are expected to abide by the ISK Compliance Program and immediately report suspected compliance issues to the ISK Compliance Officer.

- IV. With respect to the delivery of services to those affected with mental illness, emotional disturbance, co-occurring substance use disorder and developmental disabilities, the Chief Executive Officer shall not cause or allow conditions which are not in strict conformance with laws and regulations governing administrative, business, clinical, financial and marketing practices. The Chief Executive Officer shall not fail to create and implement a comprehensive Corporate Compliance Program and a Risk Management Plan that includes ongoing risk assessment activities.
- V. Accordingly, they shall not fail to:
- A. Reduce the agency's likelihood of exposure to identified risks.
 - B. Comply with the mandated federal and state regulations
 - C. Prevent and detect fraud, abuse, fiscal mismanagement and misappropriation of funds (corporate compliance program).
 - D. Respond to events that could pose a risk to the ISK.
- VI. The ISK Board of Directors shall delegate, by formal resolution or policy, the overall responsibility for ISK Compliance Program to its Chief Executive Officer (CEO). The CEO shall ensure the retainment of a Compliance Officer (CO) capable of managing the functions of the Compliance Office as contained in this policy guideline and other ISK operating policies.
- VII. The ISK Board of Directors shall be notified in writing prior to any change in the Compliance Officer's role, capacity or employment status.
- VIII. Implementation and effectiveness of the corporate compliance and risk management strategies shall be monitored internally at a minimum, quarterly by the Compliance Committee. Additionally, necessary recommendations for actions shall be made to the Chief Executive Officer and/or the Board Members.

REFERENCES

- Federal Laws
 - a. Deficit Reduction Act, United States Code, Vol. 42, Sec. 1396a (a)(68) (Section 6032 of the Deficit Reduction Act of 2005)
 - b. False Claims Act, United States Code, Vol. 31, Secs. 3729-3733
 - c. Program Fraud and Civil Remedies Act, United States Code, Vol. 31, Secs. 3801-3812 (Program Fraud Civil Remedies Act of 1986)
 - d. Anti-Kickback Statute
 - e. United States Organizational Sentencing Guidelines (1991)
 - f. Stark Laws I (1989) and Stark Laws II (1993)
 - g. Health Insurance Portability and Accountability Act of 1996 (HIPAA)

- h. Balance Budget Act of 1997 (BBA)
 - i. Social Security Act, specifically 1903(m)(95)(i)
 - j. Affordable Care Act (Public Law 111-148; 111-152 of 2010)
 - k. Whistleblowers Protection Act of 1980
 - l. HITECH Act of 2009
 - m. 42 CFR, Parts 400 and 438 (Balanced Budget Act)
 - n. 45 CFR Part 164 (Health Information Portability and Accountability Act)
- Michigan Laws
- a. Medicaid False Claims Act, Michigan Compiled Laws, Annotated Sections 400.601-613
 - b. HIPAA Privacy Rule Preemption Analysis Matrix for the Michigan Medical Records Access Act, Public Act 47 of 2004 (revised 11/04)
 - c. Michigan Mental Health Code, PA 258, as amended
 - d. Michigan Public Health Code, PA 368, as amended
- Michigan Department of Health and Human Services (MDHHS)
- a. MDHHS/PIHP Medicaid Managed Specialty Supports and Services Contract – Section 6.9 Regulatory Management
 - b. MSA-Medicaid Provider Manual
 - c. MDHHS: Application for Participation, Section 4.0
- PIHP
- a. Southwest Michigan Behavioral Health Compliance Program
 - b. Southwest Michigan Behavioral Health Policy
 - i. 10.2 (Compliance Policy Development)
 - ii. 10.3 (Code of Conduct Distribution and Training)
 - iii. 10.4 (Compliance Oversight Committee)
 - iv. 10.5 (Compliance Education and Training)
 - v. 10.6 (Compliance Reporting and Responsibilities)
 - vi. 10.7 (Compliance Auditing and Monitoring)
 - vii. 10.8 (Compliance Reviews and Investigations for Reporting)
 - viii. 10.9 (Compliance Enforcement and Discipline)
 - ix. 10.11 (Fraud and Abuse)

CHIEF EXECUTIVE OFFICER

Jeff Patton
Chief Executive Officer

APPROVED

Karen Longanecker
Board Chair

VII.a.



Community • Independence • Empowerment

**Corporate Compliance Program
FY25**

Ashley Esterline, LMSW, CHC

ISK Director of Network Compliance/Corporate Compliance Officer

PURPOSE

ISK is committed to identifying and complying with local, state, and federal laws and regulations as they apply to health care delivery. The Annual Corporate Compliance Plan provides stakeholders, the Board of Directors, Network Providers and other interested parties with a summary of the effectiveness of the Compliance Program during FY24 (October 1, 2023 through September 30, 2024) and the proposed Compliance Plan and Goals for FY25 (October 1, 2024 through September 30, 2025).

PROGRAM PURPOSE

The ISK Compliance Program is designed to provide safeguards to ensure that ISK and the Provider Network are in compliance with laws and regulations related to regulatory compliance, including fraud, waste, and abuse.

The purposes of the Corporate Compliance Program are as follows:

- To prevent noncompliance with applicable laws, whether accidental or intentional;
- To detect any noncompliance which may occur;
- To ensure discipline is implemented for individuals and entities when involved in noncompliance, including the sanctions and/or disbarment when warranted; and
- To prevent the reoccurrence of noncompliance in health care delivery

The scope of the Compliance Program extends to all activities funded by federal healthcare dollars. Each Board Member, Officer, employee, Provider, contractor, subcontractor and/or agent operating within the Provider Network is expected, through its direct employment or contractual involvement in the Provider Network, to comply with ISK compliance activities.

PROGRAM DESIGN

ISK's Compliance Program is structured around technical guidance issued by the Michigan Department of Health and Human Services (MDHHS), the Office of Inspector General (OIG), and the Department of Justice (DOJ). The ISK Compliance Program operates with core management centralized within the ISK Compliance Committee.

Key personnel and components of the Compliance Program are as follows:

- **Director of Network Compliance/Corporate Compliance Officer (CCO)**
The Director of Network Compliance/Corporate Compliance Officer (CCO) operates under the authority of the ISK Board of Directors and has unobstructed access to the Chief Executive Officer (CEO). The CCO is responsible for the development of the Compliance Program, completion of inquiries/investigations, facilitation of financial remediation, and the development of staff/stakeholder trainings.

-
- **Manager of Health Information and Risk Oversight**

The Manager of Health Information and Risk Oversight supports the CCO with the assigned responsibilities related to the implementation of the ISK Corporate Compliance Program and annual Corporate Compliance Plan. The Manager of Health Information and Risk Oversight oversees the operations of ISK Medical Records, is a liaison to the Provider Network, completes inquiries/investigations in conjunction with the CCO, and supports the ISK Risk Management Program.
 - **Compliance and Quality Improvement Coordinator**

The Compliance and Quality Improvement Coordinator supports the CCO through assigned responsibilities related to the implementation of the ISK Corporate Compliance Program and annual Corporate Compliance Plan. The Compliance and Quality Improvement Coordinator completes inquiries/investigations in conjunction with the Manager of Health Information and Risk Oversight, supports the ISK Risk Management Program, and assists in the development and monitoring of the annual Risk Management Plan.
 - **PHI Integrity Team**

The PHI Integrity Team (PHIIT) is comprised of the following personnel: CCO, Manager of Health Information and Risk Oversight, Compliance and Quality Improvement Coordinator, Administrator of Operations, HIPAA Security Officer, HIPAA Privacy Officer, Director of Recipient Rights, and Director of Human Resources. This team monitors, reviews, and processes reported breaches, HIPAA violations, and mitigates privacy concerns impacting the agency.
 - **Compliance Committee**

The Compliance Committee has representatives from all major departments within the agency (e.g., finance, clinical, quality, information technology, Office of Recipient Rights, and Administration) and serves as the oversight committee for compliance-related activities. The Compliance Committee promotes ethical conduct and a culture of compliance within ISK and its Provider Network.
 - **Annual Plan**

The Annual Compliance Plan, reviewed and approved by the ISK Board of Directors, contains the main areas of focus, risks, goals, and compliance improvement activities overseen by the CCO. The annual Compliance Plan ensures ISK is following legal and ethical requirements promulgated by the MDHHS, SWMBH, OIG and DOJ.
 - **Semi-Annual Plan**

This Semi-Annual Plan summarizes the effectiveness of the Compliance Program and includes a summary of all compliance inquiries, investigations, goal attainment, risk monitoring, program development, and improvement activities within the first six months of the fiscal year.

PROGRAM ELEMENTS

To maintain an effective Compliance Program, ISK engages in seven (7) core functions on a continuous basis. The seven (7) core functions are identified in the US Sentencing Guidelines as essential to an effective compliance and ethics program.

- **Assessment of Risk and Establishing Audit Priorities**

The CCO is responsible for ensuring that compliant and ethical practices within ISK and its Provider Network are conducted so that the risk of fraud, waste, and abuse are understood and minimized.

- **Monitoring, Audits, and Investigations**

The CCO, with assistance from the Compliance Committee and PHI Integrity Team, monitor the results of both internal and external audits for the purpose of identifying potential risk areas and recommend appropriate follow-up measures. This core group utilizes internal tools to evaluate program effectiveness and detect questionable conduct.

- **Policy and Procedure Review, Revision, and Development**

Policies and procedures are subject to initial and ongoing organizational assessment. Areas of high risk are reviewed and revised by the CCO, with the input of the Compliance Committee and other resources to augment and strengthen policies and procedures to ensure they are consistent with laws and regulations. Robust policies, procedures and protocols identify, detect and eliminate fraud, waste, and abuse activities.

- **Prevention Activities: Training of Staff and Dissemination of Effective Communication and Information Regarding Corporate Compliance Program and Expectations**

The Compliance and Quality Improvement Coordinator conducts initial orientation and ongoing training activities with staff and Providers ensuring all employees receive necessary information and training on Corporate Compliance.

- **Detection Activities**

The system for detecting noncompliance has two components: (1) auditing and monitoring activities conducted by ISK of direct-operated services and the Provider Network; (2) establishing mechanisms for confidential reporting of suspected fraud, waste, or abuse by employees, Network Providers, and agents. All staff must know that failure to report suspected fraudulent behavior is unethical and nonreporting does not align with agency expectations. All reported allegations are held in confidence, as allowed by law. Reporters are not penalized for reporting suspected incidents. A fair and objective investigation of all allegations is conducted prior to any action taken by the CCO. The Department of Network Compliance has established and encourages open lines of communication through the utilization of a Compliance Hotline, anonymous reporting measures, and unencumbered access to the CCO.

▪ **Investigation, Disciplinary Activity, Disclosure Activities**

The Department of Network Compliance assumes investigative activities when a preliminary review of audit and monitoring data or a report of suspected noncompliance indicates reasonable cause that noncompliance is occurring. Should an investigation determine noncompliance, effective corrective measures and reporting action is taken, including necessary disciplinary steps.

▪ **Assessment and Evaluation**

The annual assessment and evaluation of the Compliance Program determines whether the required elements of the Plan have been implemented. Assessment and evaluation additionally explore completion of established goals.

ANNUAL REPORT SUMMARY

The remaining sections of the Compliance Annual Report detail the monitoring function, results, compliance investigations results, and plan status (goal status, outcomes and deliverables) from FY24 and the Compliance Plan focus areas with goals for FY25.

Contained in this report are the following attachments:

- FY24 Compliance and Risk Management Status Report
- FY25 Compliance Plan with Goals and Objectives

Integrated Services of Kalamazoo
Corporate Compliance / Risk Management
FY24 Year End Report

Program Name:	COMPLIANCE & RISK MANAGEMENT	Report Period:	<input checked="" type="checkbox"/> October <input type="checkbox"/> January	<input 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 October 1, 2024.		
Current Committee goals and deliverables per work plan	<u>Project Goal/Task</u>	<u>Status:</u>	
	<ol style="list-style-type: none"> 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. ISK will remain involved in the oversight, monitoring, and implementation of changes to rules/regulations pursuant to post-Public Health Emergency (PHE) policy implementation. ISK will monitor and identify high-risk areas related to fraud, waste, and abuse and work toward successfully mitigating such occurrences. 	<ol style="list-style-type: none"> Implementation of Conflict Free Access and Planning is paused. There are pending meetings with PIHP CEOs and MDHHS in November 2024 to discuss further implementation steps. ISK will continue 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 affected Providers related to mitigating issues with ongoing service delivery. ISK’s Youth and Families Department has made proactive strides at ensuring all individuals affected by the elimination of Wraparound retain medically necessary services pursuant to their individual plans of service and to further ensure a smooth transition of services as applicable. ISK Compliance Officer, Chief Information Officer and Senior Executive of IDDA Services worked collaboratively with ISK’s Provider Network and PCE to ensure compliance with MDHHS’ EVV (electronic visit verification) expectations. Consistent communication, meetings, and written correspondence were ongoing throughout the quarter with Provider Network. Providers and Primary Clinicians assisted ISK to identify exclusion criteria for Providers and/or individuals served. Safeguards were implemented within the HER. Internal protocols are being written to maintain ongoing accurate reporting. New Level of Care Assessment for Youth: MichiCANS will go live on 10/1/24. Training for clinical and administrative staff is ongoing. Implementation of MichiCANS into ISK’s electronic health record is complete; testing of the tool is in progress. Final implementation will be complete prior to 10/1/24 go-live. Throughout Q4, Compliance worked closely with internal ISK teams to ensure accurate data/encounter reporting related to psychiatric service delivery. Compliance Department and ISK Finance/Reimbursement problem-solved to ensure all historic, current, and future data were/are submitted without error. <p>There has been/will continue to be increased oversight and monitoring of individuals</p>	

Integrated Services of Kalamazoo
Corporate Compliance / Risk Management
FY24 Year End Report

	<p>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).</p>	<p>with Medicaid Spenddowns. To mitigate potential misuse of our General Funds, multiple departments/ISK Leadership are working to streamline a process to ensure individuals served have active Medicaid coverage at the earliest point in the month. This process not only affects potential use of GF, but also assists in securing iSPA coverage for individuals who may erroneously lose coverage due to lack of active Medicaid.</p> <p>4. Implementation of internal safeguards continue. ISK IT continues to conduct monthly penetration testing that includes phishing simulation attacks. CISecurity.org benchmarks for best practices continue to be implemented. Email security features have been enhanced to alert staff when sending emails outside of the ISK network.</p>
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Integrated Services of Kalamazoo
Corporate Compliance/Risk Management
FY24 Year End Recoupment/Reallocation Data Report

Summary	Source	Risk	Quality Improvement/Training/ Education	Recoupment/Reallocation (If Appropriate)	Federal or State Reporting Required?
FY 24 Q4 Investigations Completed					
Enhanced staffing was billed for an individual by one Provider. Supporting documentation for enhanced staffing was not available 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	No
Network Provider submitted claims for services not rendered/lacking documentation	Staff Report	High	Corrective Action Plan submitted to Provider to ensure accurate, timely and comprehensive documentation is available for any service rendered/claimed.	N/A	No
Enhanced staffing was billed for multiple individuals by one Provider. Supporting documentation for enhanced staffing was not available in the electronic health record.	Department of Network Compliance	High	Quarterly monitoring and oversight coupled with Corrective Action Plans for Provider are ongoing.	\$80,150.40	Yes - OIG/AG declined referral

**INTEGRATED SERVICES OF KALAMAZOO COMPLIANCE PLAN
FY 25 – GOALS / OBJECTIVES**

#	GOAL	OBJECTIVES / ACTION STEPS	MEASURES
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.	<ol style="list-style-type: none"> 1. ISK will monitor and address areas of poor performance and low utilization. Monitoring will include follow-up, utilization management reviews, corrective action, and sanctioning as necessary. Concurrent collaboration with Leadership to mitigate risk as needed will occur. 2. Compliance Officer will assess and identify at-risk and/or new services and programs. Meetings will be held with program staff to review procedures, standards, and protocols to ensure compliance. 3. ISK will maintain fiscal responsibility and sustainability to ensure direct operated programs and Provider Network are sustainable and operational in times of crisis and need. Compliance Officer will ensure Provider Network is allocating direct care wage (DCW) dollars appropriately and in accordance with law. 	<ol style="list-style-type: none"> 1. Identify changes to organizational and clinical practices through data mining of high/low utilizers of identified services with strong focus on mitigating potential for fraud, waste, and abuse. 2. Number of training opportunities, educational communications, and support provided during FY will increase. 3. Number of direct-operated programs and Provider Network agencies who communicate financial insecurity or request additional resources to provide services will decrease.
2	ISK will remain involved in the oversight, monitoring, and implementation of changes to rules/regulations as directed by State and Federal Mandates.	<ol style="list-style-type: none"> 1. Ongoing involvement in state-level workgroups to obtain updates to rules/regulations and inform direct-operated programs and Provider Network of upcoming changes. 2. Timely response to changes in policies, procedures, rules, and regulations evidenced through communications, updated ISK policies, and continuous oversight and monitoring. 3. ISK will create and implement a monitoring plan to identify direct-operated programs and/or Provider Network agencies who may fall out of compliance with updates to MDHHS promulgated policy changes. 	<ol style="list-style-type: none"> 1. Formal quarterly updates from workgroup members to appropriate committees with implementation of ISK sub-workgroups and Corporate Compliance as necessitated. 2. Number of QMRs/QRRs identifying direct-operated programs and/or Provider Network agency compliance with updated rules/policies, codes/modifier reporting will increase. 3. Establish monitoring plan of revised policies/procedures promulgated by MDHHS within identified/established timeframes. Successful implementation of monitoring plan and follow-up as needed.
3	ISK will monitor and identify high-risk areas related to fraud, waste, and abuse and work toward successfully mitigating such occurrences.	<ol style="list-style-type: none"> 1. ISK Compliance Officer and Provider Network staff will work to oversee high-risk, highly utilized, and costly supports and services (e.g., Self-Determined arrangements, ABA services). 2. Utilize Michigan Medicaid Provider Manual guidance to ensure internal controls are implemented to disallow lack of appropriate implementation of high-risk, highly utilized, and costly supports and services. 3. Mitigate fraud, waste, and abuse through monitoring and investigation of high-risk programming and ensure follow-up is reflective of training, education, and guidance of compliant documentation and reporting of services and encounters. 	<ol style="list-style-type: none"> 1. Identify individuals receiving high-risk, highly utilized supports and services by December 31, 2024. 2. Development of Compliance Monitoring Plan and implementation of targeted audits to assess for appropriate implementation of identified supports and services. 3. Deploy Compliance Monitoring Plan and ensure follow-up/communication/remediation with

**INTEGRATED SERVICES OF KALAMAZOO COMPLIANCE PLAN
FY 25 – GOALS / OBJECTIVES**

#	GOAL	OBJECTIVES / ACTION STEPS	MEASURES
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. ISK Compliance Committee and ISK PHI Integrity Team will work in tandem to identify and mitigate any potential or actual cyber security attacks, phishing attempts, and/or breaches of information as they are discovered. 2. Penetration testing and cybersecurity oversight and guidance will continue throughout fiscal year 2025 to identify areas of risk and improvement. 3. Continuous user education and training opportunities will be offered to the ISK workforce to inform of the dangers of cyber security attacks and their implications for clients, staff, and stakeholders. 	<p>Providers, internal teams, SWMBH, MDHHS and OIG as necessitated.</p> <ol style="list-style-type: none"> 1. ISK's PHI Integrity Team will meet monthly to review submission of suspected and actual breaches. ISK Privacy Officer will complete Breach Risk Assessment to determine reportable breaches to DHHS. 2. Penetration testing and cybersecurity consultation will continue to be implemented throughout FY25. 3. The number of staff members clicking on phishing e-mails and potentially exposing client PHI will decrease by half by September 30, 2025.

**INTEGRATED
SERVICES OF
KALAMAZOO**



Period Ended
October 31, 2024

Monthly Finance
Report

INTEGRATED SERVICES OF KALAMAZOO

Statement of Net Position

October 31, 2024

	October 2023 (unaudited)	October 2024
Assets		
Current assets		
Cash and investments	\$ 32,382,215	\$ 24,466,966
Accounts receivable	4,263,229	934,492
Due from other governments	948,809	11,472,823
Prepaid items	1,356,713	1,064,141
Total current assets	<u>38,950,966</u>	<u>37,938,421</u>
Non-current assets		
Capital assets, net of accumulated depreciation	13,405,602	13,444,114
Net pension asset, net of deferred outflows	7,339,625	7,214,053
Total non-current assets	<u>20,745,227</u>	<u>20,658,167</u>
Total assets	<u>\$ 59,696,193</u>	<u>\$ 58,596,588</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 8,912,208	\$ 9,609,405
Due to other governments	2,264,147	106,387
Accrued payroll and payroll taxes	1,871,484	2,016,165
Unearned revenue	715,458	38,305
Total current liabilities	<u>13,763,297</u>	<u>11,770,263</u>
Net position		
Designated	8,671,891	7,021,797
Undesignated	27,987,225	22,342,389
Investment in fixed assets	9,471,053	17,276,260
Previous year close	-	-
Net gain (loss) for period	(197,273)	185,879
Net position	<u>\$ 45,932,896</u>	<u>\$ 46,826,325</u>

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through October 31, 2024

Percent of Year is 8.33%

	Original 2025 Budget	YTD Totals 10/31/24	Remaining Budget	Percent of Budget - YTD
Operating revenue				
Medicaid:				
Traditional Capitation	\$ 71,759,922	\$ 5,679,548	\$ 66,080,374	7.91%
Healthy Michigan Capitation	13,011,361	379,485	12,631,876	2.92%
Settlement	6,448,857	1,072,849	5,376,008	16.64%
State General Fund:				
Formula Fundings	3,900,516	325,043	3,575,473	8.33%
CCBHC Demonstration	35,053,525	3,098,353	31,955,172	8.84%
CCBHC Quality Bonus	-	-	-	0.00%
CCBHC Accrual	-	294,198	(294,198)	0.00%
County Allocation	1,550,400	129,200	1,421,200	8.33%
Client Fees	620,500	41,883	578,617	6.75%
SUD Block Grant	-	9,330	(9,330)	0.00%
Other grant revenue	8,558,938	487,620	8,071,317	5.70%
Other earned contracts	3,974,361	167,609	3,806,752	4.22%
COFR	-	-	-	0.00%
Interest	181,000	14,608	166,392	8.07%
Local revenue	610,000	-	610,000	0.00%
Total operating revenue	\$ 145,669,379	\$ 11,699,727	\$ 133,969,652	8.03%
Operating expenses				
Salaries and wages	\$ 32,439,500	\$ 2,420,081	30,019,418	7.46%
Employee benefits	11,462,010	701,724	10,760,286	6.12%
Staff development	301,171	15,201	285,970	5.05%
Payments to providers	88,887,199	7,478,694	81,408,505	8.41%
Administrative contracts	10,183,932	654,116	9,529,816	6.42%
IT software and equipment	926,784	69,477	857,307	7.50%
Client transportation	50,280	1,082	49,198	2.15%
Staff travel	388,315	9,675	378,640	2.49%
Office expenses	647,347	57,258	590,089	8.84%
Insurance expense	158,746	1,771	156,976	1.12%
Depreciation expense	535,265	45,657	489,608	8.53%
Utilities	358,571	30,782	327,789	8.58%
Facilities	59,117	2,904	56,213	4.91%
Local match	305,108	25,426	279,682	8.33%
Total operating expenses	\$ 146,703,345	\$ 11,513,848	\$ 135,189,497	7.85%
Change in net position	(1,033,966)	185,879	\$ (1,219,845)	
Beginning net position	46,640,446	46,640,446		
Ending net position	\$ 45,606,480	\$ 46,826,325		

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through October 31, 2024

Percent of Year is 8.33%

	Specialty Services		Healthy Michigan		SUD Block Grant		Totals		
	Budget	YTD Totals 10/31/24	YTD Budget	YTD Totals 10/31/24	YTD Budget	YTD Totals 10/31/24	YTD Budget	YTD Totals 10/31/24	Variance
Operating revenue									
Medicaid:									
Traditional Capitation	\$ 5,979,994	\$ 6,968,873	\$ -	\$ -	\$ -	\$ 9,330	\$ 5,979,994	\$ 6,978,203	\$ 998,210
Healthy Michigan Capitation	-	-	1,084,280	729,584	-	-	1,084,280	729,584	(354,696)
CCBHC Base Payment	-	(1,289,325)	-	(350,099)	-	-	-	(1,639,424)	(1,639,424)
Settlement Estimate	1,147,344	885,379	(609,939)	196,800	-	(9,330)	537,405	1,072,849	535,444
Client Fees	-	192	-	-	-	-	-	192	192
Total operating revenue	\$ 7,127,338	\$ 6,565,119	\$ 474,341	\$ 576,285	\$ -	\$ -	\$ 7,601,678	\$ 7,141,404	\$ (460,274)
Operating expenses									
Internal services	\$ 195,604	\$ 192,242	\$ 9,780	\$ 1,373	\$ -	\$ -	\$ 205,385	\$ 193,616	(11,769)
External services	6,357,145	5,929,673	426,662	536,007	-	-	6,783,807	6,465,680	(318,127)
Delegated managed care	574,588	443,203	37,898	38,904	-	-	612,486	482,108	(130,379)
Total operating expenses	\$ 7,127,338	\$ 6,565,119	\$ 474,341	\$ 576,285	\$ -	\$ -	\$ 7,601,678	\$ 7,141,404	\$ (460,275)
Change in net position	-	0	-	0	-	-	-	1	

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position
 October 1, 2024 through October 31, 2024
 Percent of Year is 8.33%

	State General Fund		CCBHC		Other Funding Sources		Totals		
	YTD Budget	YTD Totals 10/31/24	YTD Budget	YTD Totals 10/31/24	YTD Budget	YTD Totals 10/31/24	YTD Budget	YTD Totals 10/31/24	Variance
Operating revenue									
General Fund	\$ 325,043	\$ 325,043	\$ -	\$ -	\$ -	\$ -	\$ 325,043	\$ 325,043	\$ -
Projected GF Carryforward	-	-	-	-	-	-	-	-	-
CCBHC Demonstration	-	-	2,904,199	3,434,242	-	-	2,904,199	3,434,242	530,043
Other Federal and State Grants	-	-	-	-	713,245	487,620	713,245	487,620	(225,624)
Earned Revenue	-	-	-	-	331,197	123,515	331,197	123,515	(207,681)
COFR Revenue	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	15,083	14,608	15,083	14,608	(476)
County Allocation	-	-	-	-	129,200	129,200	129,200	129,200	-
Local Revenue	-	-	-	-	34,379	-	34,379	-	(34,379)
Transfer from GF	-	-	-	-	-	-	-	-	-
Settlement Revenue (Expense)	-	-	-	-	-	-	-	-	-
Total operating revenue	\$ 325,043	\$ 325,043	\$ 2,904,199	\$ 3,434,242	\$ 1,223,104	\$ 754,943	\$ 4,452,346	\$ 4,514,229	\$ 61,882
Operating expenses									
Internal Programs	\$ 74,574	\$ 47,495	\$ 2,858,270	\$ 3,145,004	-	\$ -	\$ 2,932,844	\$ 3,192,499	\$ 259,655
External Programs	195,604	279,888	-	-	-	43,259	195,604	323,147	127,542
Other Federal and State Grants	-	-	-	-	50,000	577,866	50,000	577,866	527,866
HUD Grants	-	-	-	-	1,202,219	148,601	1,202,219	148,601	(1,053,619)
Managed Care Administration	-	23,284	-	-	-	-	-	23,284	23,284
Homeless Shelter	20,783	-	-	-	116,140	31,743	136,923	31,743	(105,180)
Transfer from GF	-	-	-	-	605	-	605	-	(605)
Local match expense	34,081	-	-	-	39,121	25,426	73,202	25,426	(47,777)
Non-DCH Activity Expenditures	-	-	-	-	-	5,786	-	5,786	5,786
Total operating expenses	\$ 325,043	\$ 350,667	\$ 2,858,270	\$ 3,145,004	\$ 1,408,085	\$ 832,680	\$ 4,591,399	\$ 4,328,351	(263,048)
Change in net position	0	(25,624)	45,929	289,238	(184,982)	(77,736)	(139,052)	185,878	324,930

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

INTEGRATED SERVICES OF KALAMAZOO

CCBHC

October 1, 2024 through October 31, 2024

Percent of Year is 8.33%

	CCBHC Medicaid	CCBHC Healthy MI	CCBHC Non-Medicaid	CCBHC YTD Totals
Operating revenue				
Prepayment	\$ 968,209	\$ 490,720	\$ -	\$ 1,458,929
CCBHC SAMSHA Grant	-	-	-	-
CCBHC QBP	-	-	-	-
CCBHC Base Payment Reclass	1,289,325	350,099	-	1,639,424
Remaining CCBHC revenue due	374,706	(80,508)	-	294,198
Client fees	17,803	2,986	20,902	41,691
Total CCBHC Revenue (PPS-1 of \$287.35 x encounters)	\$ 2,650,043	\$ 763,298	\$ 20,902	\$ 3,434,242
Operating expenses				
Internal services	\$ 1,631,137	\$ 572,161	\$ 317,907	\$ 2,521,204
DCO Contracts	408,966	117,795	97,038	623,800
Total operating expenses	\$ 2,040,103	\$ 689,956	\$ 414,945	\$ 3,145,004
Operating change in net position	609,939	73,341	(394,042)	289,238
Reclassification to cover Non-Medicaid	-	-	-	-
Total change in net position	\$ 609,939	\$ 73,341	\$ (394,042)	\$ 289,238

CCBHC Cost per daily visit

	2023	FY 2024	10/1/24
Total CCBHC Cost	\$ 27,687,187	\$ 31,777,786	\$ 3,145,004
Daily Visits	99,802	110,326	10,999
Cost per daily visit	277.42	288.04	285.94

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AUTISM SERVICES
Report Period: October 1st, 2024 through October 31st, 2024

UTILIZATION COMPARISONS FY 24/25										
MONTH	FY 23/24 Actual		FY 24/25 Budget		FY 24/25 Actual		Clients Served Difference		Cost Difference	
	Clients Served	Dollars	Clients Served	Dollars	Clients Served	Dollars	Favorable	(Unfavorable)	Favorable	(Unfavorable)
OCTOBER	167	\$789,944	180	\$879,750	180	\$957,661	0		(\$77,911)	
NOVEMBER	167	\$785,423	180	\$879,750						
DECEMBER	172	\$882,947	180	\$879,750						
JANUARY	183	\$793,167	180	\$879,750						
FEBRUARY	182	\$832,410	180	\$879,750						
MARCH	182	\$802,870	180	\$879,750						
APRIL	182	\$964,823	180	\$879,750						
MAY	182	\$973,468	180	\$879,750						
JUNE	181	\$919,481	180	\$879,750						
JULY	180	\$1,020,346	180	\$879,750						
AUGUST	180	\$987,283	180	\$879,750						
SEPTEMBER	179	\$943,423	180	\$879,750						
TOTALS	2,137	\$10,695,585	2,160	\$10,557,005	180	\$957,661	0		(\$77,911)	
MONTHLY AVERAGES	178		180		180					
GROSS ANNUAL COST		\$10,695,585		\$10,557,005		\$957,661			(\$77,911)	

Favorable/(Unfavorable): Total **(\$77,911)**

YOUTH COMMUNITY INPATIENT SERVICES
Report Period: October 1st, 2023 through October 31st, 2024

UTILIZATION COMPARISONS FY 24/25										
MONTH	FY 23/24 Actual		FY 24/25 Budget		FY 24/25 Actual		Days Difference Favorable (Unfavorable)	Cost Difference Favorable (Unfavorable)	Cost YTD Favorable (Unfavorable)	
	Days	Dollars	Days	Dollars	Days	Dollars				
OCTOBER	92	\$85,808	85	\$81,845	51	\$50,402	34	\$31,443	\$31,443	
NOVEMBER	78	\$72,462	85	\$81,845						
DECEMBER	139	\$129,020	85	\$81,845						
JANUARY	73	\$67,966	85	\$81,845						
FEBRUARY	101	\$93,755	85	\$81,845						
MARCH	16	\$14,400	85	\$81,845						
APRIL	170	\$157,466	85	\$81,845						
MAY	50	\$46,450	85	\$81,845						
JUNE	69	\$64,101	85	\$81,845						
JULY	143	\$132,763	85	\$81,845						
AUGUST	76	\$70,558	85	\$81,845						
SEPTEMBER	120	\$111,452	85	\$81,845						
TOTALS	1,126	\$1,046,199	1,020	\$982,142	51	\$50,402	34	\$31,443		
MONTHLY AVERAGES	94		85		51					
GROSS ANNUAL COST		\$1,046,199		\$982,142		\$50,402		\$31,443		

Favorable/(Unfavorable): Total **31,443**

COMMUNITY INPATIENT SERVICES
Report Period: October 1st, 2024 through October 31st, 2024

UTILIZATION COMPARISONS FY 24/25									
MONTH	FY 23/24 Actual		FY 24/25 Budget		FY 24/25 Actual		Days Difference Favorable (Unfavorable)	Cost Difference Favorable (Unfavorable)	Cost YTD Favorable (Unfavorable)
	Days	Dollars	Days	Dollars	Days	Dollars			
OCTOBER	33	\$35,799	608	\$705,361	703	\$772,742	(95)	(\$67,381)	(\$67,381)
NOVEMBER	352	\$373,018	608	\$705,361					
DECEMBER	601	\$633,797	608	\$705,361					
JANUARY	583	\$615,285	608	\$705,361					
FEBRUARY	681	\$718,593	608	\$705,361					
MARCH	815	\$860,902	608	\$705,361					
APRIL	616	\$649,551	608	\$705,361					
MAY	612	\$644,976	608	\$705,361					
JUNE	645	\$680,946	608	\$705,361					
JULY	709	\$746,405	608	\$705,361					
AUGUST	596	\$626,317	608	\$705,361					
SEPTEMBER	654	\$687,522	608	\$705,361					
TOTALS	6,896	\$7,273,111	7,848	\$8,464,327	703	\$772,742	(95)	(\$67,381)	
MONTHLY AVERAGES	575		608		703				
GROSS ANNUAL COST		\$7,273,111		8,464,327		\$772,742		(\$67,381)	

Favorable/(Unfavorable):

Total **(\$67,381)**

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

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

SERVICE	Month	Avg. Daily Rate	No. Served	Days of Service	FY 24/25 Budget		FY 24/25 Actual	
					Dollars	Dollars	Dollars	Favorable / (Unfavorable)
PC/CLS	Oct	\$287	371	11,501	\$3,347,685	\$3,306,426	\$41,259	
CRISIS RES.	Oct	\$599	4	111	\$83,008	\$66,514	\$16,494	
CLS (SIP)	Oct	NA	270		\$1,187,083	\$1,199,069	(\$11,986)	
Annual Cost							\$45,767	

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.



Integrated Services of Kalamazoo

MOTION

Subject:	<u>October 2024 Disbursements</u>	
Meeting Date:	November 25, 2024	Approval Date:
Prepared by:	Charlotte Bowser	<u>November 25, 2024</u>

Recommended Motion:

“Based on the Board Finance meeting review, I move that ISK approve the October 2024 vendor disbursements of \$10,462,574.51.”

Summary of Request:

As per the October 2024 Vendor Check Register Report dated 11/14/2024 that includes checks issued from 10/01/2024 to 10/31/2024.

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: **November 25, 2024**



Community • Independence • Empowerment

Integrated Services of Kalamazoo

MOTION

Subject:	2025 Medical Plan Coverage Year	Approval Date:
Meeting Date:	October 28, 2024	<u>October 28, 2024</u>
Prepared by:	Chantel Graham	

RECOMMENDED MOTION:

“I move that the ISK BOARD elects to comply with the requirements of 2011 Public Act 152, the Publicly Funded Health Insurance Contribution Act, by adopting the annual Exemption option for the medical benefit plan coverage year January 1, 2025 through December 31, 2025.”

SUMMARY OF REQUEST:

During Open Enrollment premium co-pays are developed based on PA 152 and staff elect their insurance coverage and agree to pay their share of the premium. For 2025 PA 152 only increased by .2%. In order to keep healthcare coverage affordable for ISK staff we intend to increase the 2025 PA 152 hard cap employer contribution amount by 3% which aligns with the 3% fringe benefit increase for all staff which requires a board exemption from PA 152.

In order to still comply with PA 152, the Board may elect the “Exemption” Option- and exempt itself from the requirements of the Act by an annual 2/3 vote.

Budget: _____
 Staff: _____

Date of Board
 Consideration: October 28, 2024



Community • Independence • Empowerment

Integrated Services of Kalamazoo MOTION

Subject:	ISK Employees' Retirement System Rule of 80	
Meeting Date:	November 25, 2024	Approval Date:
Prepared by:	Chantel Graham/Lisa Brannan	<u>November 25, 2024</u>

RECOMMENDED MOTION:

“I move to approve and submit to the Kalamazoo County Board of Commissioners the resolution to amend the Kalamazoo County Employees' Retirement System to align the ISK retirement eligibility with changes made by Kalamazoo County, including the Rule of 80 effective January 1, 2025.”

SUMMARY OF REQUEST:

- The Rule of 80 allows a staff member to retire without financial penalty who is age 50 or older and has acquired enough Credited Service so that the sum of the member's age and the member's actual Credited Service equals or exceeds 80.
- ISK employees participate in the Kalamazoo County Employees' Retirement System, a defined benefit retirement plan, which is qualified under section 401(a) of the Internal Revenue Code.
- The Kalamazoo County Board of Commissioners similarly amended the Retirement Resolution for certain Kalamazoo County employees to be effective January 1, 2025.
- The proposed change will add another option for ISK staff to meet the requirements for retirement without being subjected to the early retirement reduction factor.
- An Actuarial Valuation was completed and reviewed by the ISK CFO
- This recommendation is proposed to:
 - It is less expensive to allow staff to retire earlier
 - Most benefit enhancements are geared towards new hires, very few are geared towards senior staff as well as those who start with the agency under 30 years old
 - Align ISK with Kalamazoo County retirement options

Budget: _____
Staff: _____

Date of Board
Consideration: November 25, 2024