



Community • Independence • Empowerment

Jeffrey W. Patton
Chief Executive Officer
Administrative Services:
610 South Burdick Street
Kalamazoo, MI 49007
www.iskzoo.org
(269) 553-8000

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

AGENDA

August 25, 2025

Name: INTEGRATED Services of Kalamazoo Board of Directors
Location: 610 South Burdick St/Kalamazoo, MI., /2nd FL– ISK Boardroom #220
Commencement Time: 4:00PM

- I. CALL TO ORDER - CITY & COUNTY DECLARATION
- II. AGENDA
- III. CITIZEN TIME
- IV. RECIPIENT RIGHTS
 - a. Recipient Rights Monthly Report
 - b. Recipient Rights SEMI-ANNUAL Report
- V. PROGRAM SERVICE REPORT
 - a. *Wanda Brown*, Senior Executive, Integrated Health Services Clinic
 - b. *Beth Ann Meints*, Administrator of Clinical Services - CCBHC Report **VERBAL**
- VI. CONSENT CALENDAR **VERBAL MOTION**
 - a. Minutes *July 28, 2025*
 - b. FINANCE V.04 (Policy)
 - c. ASSET PROTECTION V.07 (Policy & Report)
- VII. MONITORING REPORTS
 - a. Monitoring Executive Performance III.04 (Policy)
 - b. BUDGETING V.03 (Policy)
- VIII. FINANCIAL REPORTS
 - a. Financial Condition Report
 - b. Utilization Report
 - c. July 2025 Disbursement **MOTION**
- IX. CHIEF EXECUTIVE OFFICER VERBAL REPORT
 - a. ISK Board of Directors to enter into CLOSED SESSION (Litigation) **MOTION**
 - b. CEO Report
- X. CITIZEN TIME
- XI. BOARD MEMBER TIME
 - a. Appointment of CEO Search & Transition Committee *Karen Longanecker*
 - b. SWMBH (Southwest Michigan Behavioral Health) Updates *Michael Seals*
- XII. ADJOURNMENT

Office of Recipient Rights
Report to the Mental Health Board
On Complaints/Allegations
Closed in: July 2025

Office of Recipient Rights Report to the Mental Health Board
Complaints/Allegations Closed in July 2025

	July 2025	FY 24-25	July 2024	FY 23-24
Total # of Complaints Closed	32	330	39	318
Total # of Allegations Closed	42	534	58	553
Total # of Allegations Substantiated	18	182	19	163

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

ALLEGATIONS	July 2025		July 2024	
Category	TOTAL	SUBSTANTIATED	TOTAL	SUBSTANTIATED
Consumer Safety	2	0	7	2
Dignity/Respect of Consumer	5	2	11	3
Treatment Issues/Suitable Services (Including Person Centered Planning)	12	2	11	2
Abuse I	0	0	1	0
Abuse II	3	3	4	2
Abuse III	3	2	3	2
Neglect I	0	0	0	0
Neglect II	1	1	0	0
Neglect III	9	6	8	6
	35	16	45	17

APPEALS	July 2025	FY 24-5	July 2024	FY 23-24
Uphold Investigative Findings & Plan of Action	0	2	0	2
Return Investigation to ORR; Reopen or Reinvestigate	0	1	0	0
Uphold Investigative Findings but Recommend Respondent Take Additional or Different Action to Remedy the Violation	0	1	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

July 2025

Re: July 2025 Abuse/Neglect Violations

July

Abuse Violations

- There were three substantiated Abuse II violations in July 2025.
 - The remedial actions for these violations are Employee Termination (1), Written Counseling (1), Written Reprimand (1), Training (2), Other (1).

The 3 violations occurred at different agencies.

- There were two substantiated Abuse III violations in July 2025.
 - The remedial actions for these violations are Employee Termination (1), Written Reprimand (1), and Training (2).

The 2 violations occurred at different agencies.

Neglect Violations

- There was one substantiated Neglect II violation in July 2025. It was a Failure to Report.
 - The remedial action for this violation was Written Counseling (1).
- There were six substantiated Neglect III violations in July 2025.
 - The remedial actions for these violations are Employee Termination (1), Written Counseling (1), Written Reprimand (2), Policy Revision/Development (1), Training (2), and Pending (2).

One of the violations had 2 staff involved. Two of the six violations occurred at the same agency but different program sites.

IV.b.

Office of Recipient Rights
Report to the Mental Health Board
On Semi-Annual Report
Closed in: June 2025

Office of Recipient Rights Demographic Data

**Data Report Covering
October 1, 2024 through March 31, 2025**

Regarding the Current Status of Recipient Rights at

Integrated Services of Kalamazoo

Rights Office Director Name

Lisa Smith

Summary of Complaint Data by Category

Code	Category	Total Received	Investigation	Intervention	Substantiated
7221	Abuse Class I	0	0		0
7224	Abuse Class I Sexual Abuse	6	6		1
72221	Abuse Class II Nonaccidental Act	3	3		0
72222	Abuse Class II Unreasonable Force	8	8		3
72223	Abuse Class II Emotional Harm	1	1		1
72224	Abuse Class II Treating as Incompetent	0	0		0
72225	Abuse Class II Exploitation	7	7		2
7223	Abuse Class III	19	19		6
72251	Neglect Class I	0	0		0
72252	Neglect Class I Failure to Report	2	2		2
72261	Neglect Class II	3	3		1
72262	Neglect Class II Failure to Report	7	7		7
72271	Neglect Class III	54	54		36
72272	Neglect Class III Failure to Report	7	7		7
7040	Civil Rights	0	0	0	0
7044	Religious Practice	0	0	0	0
7045	Voting	0	0	0	0
7081	Mental Health Services Suited to Condition	62	53	9	17
7082	Safe Sanitary and Humane Treatment Environment	21	16	5	5
7083	Least Restrictive Setting	1	1	0	0
7084	Dignity and Respect	70	52	18	16
7100	Physical and Mental Exams	0	0	0	0
7110	Family Rights	5	5	0	3
7120	Individual Written Plan of Service	3	3	0	2
7130	Choice of Physician or Mental Health Professional	1	1	0	0

Code	Category	Total Received	Investigation	Intervention	Substantiated
7140	Notice of Clinical Status and Progress	0	0	0	0
7150	Services of a Mental Health Professional	0	0	0	0
7160	Surgery	0	0	0	0
7170	Electroconvulsive Therapy	0	0	0	0
7180	Psychotropic Drugs	0	0	0	0
7190	Medication Side Effects	0	0	0	0
7240	Fingerprints Photographs Recordings	0	0	0	0
7249	Video Surveillance	0	0	0	0
7261	Visits	2	2	0	0
7262	Telephone	3	3	0	0
7263	Mail	0	0	0	0
7281	Possession and Use of Personal Property	8	4	4	2
7286	Limitations on Personal Property	2	2	0	1
7300	Safeguarding Money (State Hospitals Only)	0	0	0	0
7360	Labor and Compensation	0	0	0	0
7440	Freedom of Movement	3	2	1	1
7400	Restraint	0	0	0	0
7420	Seclusion	1	1	0	0
7460	Complete Record	0	0	0	0
7480	Disclosure of Confidential Information	17	15	2	6
7481	Access Denial to Confidential Information	0	0	0	0
7490	Correction of Record	0	0	0	0
7500	Privileged Communication	0	0	0	0
0000	No Right Involved	15			
0001	Outside ORR Jurisdiction	11			

Substantiated Rights Violations and Remedial Action Taken

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Abuse Class II Emotional Harm	Contracted Provider	Staff Transfer	Suspension
Abuse Class II Exploitation	Contracted Provider	Written Reprimand	Training
Abuse Class II Exploitation	Contracted Provider	Written Reprimand	
Abuse Class II Unreasonable Force	Contracted Provider	Employee Resigned	
Abuse Class II Unreasonable Force	Contracted Provider	Written Reprimand	Training
Abuse Class II Unreasonable Force	Contracted Provider	Written Reprimand	Training
Abuse Class III	Direct Hire	Written Reprimand	
Abuse Class III	Contracted Provider	Employee Resigned	Training
Abuse Class III	Contracted Provider	Written Reprimand	Training
Abuse Class III	Contracted Provider	Employment Termination	Training
Abuse Class III	Contracted Provider	Employee Resigned	
Abuse Class III	Contracted Provider	Employee Resigned	Training
Neglect Class I Failure to Report	Contracted Provider	Written Reprimand	
Neglect Class I Failure to Report	Contracted Provider	Pending	
Neglect Class II	Contracted Provider	Employee Resigned	
Neglect Class II Failure to Report	Contracted Provider	Written Reprimand	
Neglect Class II Failure to Report	Contracted Provider	Employee Resigned	

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Neglect Class II Failure to Report	Contracted Provider	Written Reprimand	Training
Neglect Class II Failure to Report	Contracted Provider	Written Counseling	Training
Neglect Class II Failure to Report	Contracted Provider	Pending	
Neglect Class II Failure to Report	Contracted Provider	Employee Resigned	Written Reprimand
Neglect Class II Failure to Report	Contracted Provider	Written Reprimand	
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	
Neglect Class III	Contracted Provider	Written Reprimand	
Neglect Class III	Direct Hire	Pending	
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Employment Termination	Training
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Suspension	

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	
Neglect Class III	Contracted Provider	Contract Action	Policy Revision/Development
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	
Neglect Class III	Contracted Provider	Written Counseling	Training
Neglect Class III	Contracted Provider	Employee Resigned	
Neglect Class III	Contracted Provider	Employee Resigned	Training
Neglect Class III	Contracted Provider	Written Reprimand	
Neglect Class III	Contracted Provider	Staff Transfer	Training
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Employee Resigned	
Neglect Class III	Contracted Provider	Written Counseling	Policy Revision/Development
Neglect Class III	Contracted Provider	Written Reprimand	
Neglect Class III	Contracted Provider	Employee Resigned	Written Reprimand
Neglect Class III	Contracted Provider	Employee Resigned	Written Reprimand
Neglect Class III	Contracted Provider	Written Reprimand	Training

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Contracted Provider	Pending	
Neglect Class III	Contracted Provider	Written Reprimand	Training
Neglect Class III	Direct Hire	Written Reprimand	
Neglect Class III Failure to Report	Contracted Provider	Written Reprimand	
Neglect Class III Failure to Report	Contracted Provider	Employee Resigned	Training
Neglect Class III Failure to Report	Contracted Provider	Written Reprimand	
Neglect Class III Failure to Report	Contracted Provider	Written Reprimand	Training
Neglect Class III Failure to Report	Contracted Provider	Written Reprimand	
Neglect Class III Failure to Report	Contracted Provider	Written Reprimand	
Neglect Class III Failure to Report	Contracted Provider	Written Reprimand	
Mental Health Services Suited to Condition	Contracted Provider	Training	
Mental Health Services Suited to Condition	Direct Hire	Written Reprimand	
Mental Health Services Suited to Condition	Direct Hire	Policy Revision/Development	
Mental Health Services Suited to Condition	Direct Hire	Verbal Counseling	Training
Mental Health Services Suited to Condition	Contracted Provider	Employment Termination	Training
Mental Health Services Suited to Condition	Contracted Provider	Training	

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Mental Health Services Suited to Condition	Contracted Provider	Training	
Mental Health Services Suited to Condition	Contracted Provider	Training	
Mental Health Services Suited to Condition	Direct Hire	Training	
Mental Health Services Suited to Condition	Direct Hire	Training	
Mental Health Services Suited to Condition	Contracted Provider	Training	
Mental Health Services Suited to Condition	Direct Hire	Verbal Counseling	Training
Mental Health Services Suited to Condition	Contracted Provider	Training	
Mental Health Services Suited to Condition	Contracted Provider	Training	Environmental Repair/Enhancement
Mental Health Services Suited to Condition	Contracted Provider	Training	
Mental Health Services Suited to Condition	Contracted Provider	Training	
Mental Health Services Suited to Condition	Direct Hire	Verbal Counseling	Training
Safe Sanitary and Humane Treatment Environment	Contracted Provider	Employment Termination	Training
Safe Sanitary and Humane Treatment Environment	Contracted Provider	Employee Resigned	Training
Safe Sanitary and Humane Treatment Environment	Contracted Provider	Verbal Counseling	Training
Safe Sanitary and Humane Treatment Environment	Contracted Provider	Suspension	
Safe Sanitary and Humane Treatment Environment	Contracted Provider	Pending	
Dignity and Respect	Direct Hire	Policy Revision/Development	
Dignity and Respect	Contracted Provider	Written Counseling	

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Dignity and Respect	Direct Hire	Pending	
Dignity and Respect	Contracted Provider	Employee Resigned	
Dignity and Respect	Direct Hire	Verbal Counseling	Training
Dignity and Respect	Contracted Provider	Verbal Counseling	
Dignity and Respect	Direct Hire	Training	
Dignity and Respect	Direct Hire	Written Counseling	Training
Dignity and Respect	Contracted Provider	Written Counseling	Training
Dignity and Respect	Contracted Provider	Verbal Counseling	Training
Dignity and Respect	Contracted Provider	Training	
Dignity and Respect	Contracted Provider	Written Counseling	Training
Dignity and Respect	Contracted Provider	Training	
Dignity and Respect	Direct Hire	Verbal Counseling	Training
Dignity and Respect	Contracted Provider	Training	
Dignity and Respect	Contracted Provider	Employee Resigned	Training
Family Rights	Direct Hire	Written Counseling	Training
Family Rights	Direct Hire	Written Counseling	Training
Family Rights	Direct Hire	Training	Policy Revision/Development
Individual Written Plan of Service	Direct Hire	Training	

Complaint Category	Service Provider Type	Remedial Action	Remedial Action 2
Individual Written Plan of Service	Contracted Provider	Plan of Service Revision	Training
Possession and Use of Personal Property	Contracted Provider	Policy Revision/Development	
Possession and Use of Personal Property	Contracted Provider	Policy Revision/Development	Training
Possession and Use of Personal Property	Contracted Provider	Pending	
Freedom of Movement	Contracted Provider	Employment Termination	Training
Disclosure of Confidential Information	Direct Hire	Written Counseling	Training
Disclosure of Confidential Information	Contracted Provider	Written Reprimand	Training
Disclosure of Confidential Information	Direct Hire	Written Counseling	Training
Disclosure of Confidential Information	Direct Hire	Written Counseling	Training
Disclosure of Confidential Information	Contracted Provider	Written Counseling	Policy Revision/Development
Disclosure of Confidential Information	Contracted Provider	Policy Revision/Development	
Abuse Class I Sexual Abuse	Direct Hire	Employment Termination	

Data Summary

Demographic Information

Reporting CMH/LPH	Integrated Services of Kalamazoo
Recipient Rights Office Director Name	Lisa Smith
Reporting Period	October 1, 2024 through March 31, 2025

Complaint Data Summary

<i>Type</i>	<i>Received</i>	
All Allegations Received	342	
Allegations Received Subject to Investigation/Intervention	316	
Allegations Received with No Right Involved or Outside Jurisdiction	26	
Investigations Completed	277	
Interventions Completed	39	
Allegations Substantiated	119	
Percent of All Allegations Substantiated	38%	
<i>Highlighted Complaint Categories</i>	<i>Received</i>	<i>Substantiated</i>
Abuse I, II, III	44	13
Neglect I, II, III	73	53
Dignity and Respect	70	16
MH Services Suited to Condition	62	17
Individual Written Plan of Service	3	2
Disclosure of Confidential Information	17	6

Complaint Remediation

<i>Remediation Type</i>	<i>Total</i>
Verbal Counseling	8
Written Counseling	13
Verbal Reprimand	0
Written Reprimand	44
Suspension	3
Demotion	0
Staff Transfer	2
Training	71
Employment Termination	2
Employee Left the Agency but Substantiated	0
Contract Action	1
Policy Revision/Development	9
Environmental Repair/Enhancement	1
Plan of Service Revision	1
Recipient Transfer to Another Provider/Site	0
Other	0
None	0

Wanda Brown, Senior Executive, Integrated Health Services Clinic

Program Service Report

As, the Integrated Health Services Clinic (IHSC) continues to strive for excellence and deliver exceptional experiences for each individual/patient we serve at every interaction. Integrated Services of Kalamazoo (ISK) is committed to health equity for all. We continue to identify quality improvement initiatives that will enhance the services offered at the IHSC.

The partnership between Integrated Services of Kalamazoo (ISK) and the Western Michigan University Homer Stryker M.D. School of Medicine, Department of Psychiatry, continues to advance successfully. Since the last update to the board, engagement in the various research studies has grown significantly. The research team now occupies two dedicated offices within the Integrated Health Services Center (IHSC), enhancing their accessibility during regular business hours, Monday through Friday, 8:00 a.m. to 5:00 p.m. Additionally, the research team has proactively communicated key details—including the purpose, scope, timeline, and participants—of the collaboration to other departments and teams across ISK. This outreach has fostered a clearer understanding of the research process and highlighted opportunities for staff involvement across the organization.

The collaboration with the WMU Psychiatry Department continues to extend clinical learning opportunities to medical students and 3rd year psychiatry residents. The psychiatry residents attend clinic every Friday afternoon, from 1p-5p under the supervision of Dr. Richard Myers.

Dr. Valrie Honablue continues to provide evidenced based lectures and peer review sessions to the clinical team. Since joining ISK in 2023, Dr. Honablue has reported more than 12 patients under her care have returned to local colleges and universities to continue pursuing their educational degrees. One individual has received a certificate as a chef and is currently working as a junior chef at one of the most prestigious restaurants in Kalamazoo. Three patients have established their own business. She has referred one patient to Tech Town Detroit for funding, they are extremely interested in his project. Tech Town is a business development service in Detroit, Michigan, that is a resource for startup and entrepreneurs with coworking spaces, meeting rooms and local food options; this is located on the campus of Wayne State University.

On June 26, 2025, the renaming ceremony took place at the 615 E. Crosstown Parkway location. The new name is Jeffrey Wilson Patton Bronson Healthy Living Integrated Health Services Clinic. It was a beautiful ceremony honoring Jeff; letting him know how much the staff at ISK and residents of the Kalamazoo community thank and appreciate him for the years of dedicated service he has given to our organization, community, and the Community Mental Health System locally and on a national level. (See the attachments/pictures)

The Reconnect Clinic hours was established on January 15, 2025, with the intent of increasing accessibility and better quality of care for those served. The IHSC commits to all individuals in need of behavioral health/psychiatric services receive safe, quality, and timely healthcare services. This process improvement initiative also provides guidance related to arrival times and no show cancelled appointment thresholds.

The expectations of the Reconnect clinic include:

Decrease in no show rates and last-minute cancellations.

Increased availability of appointments for new and existing patients.

Improve medication safety through better follow up practices.

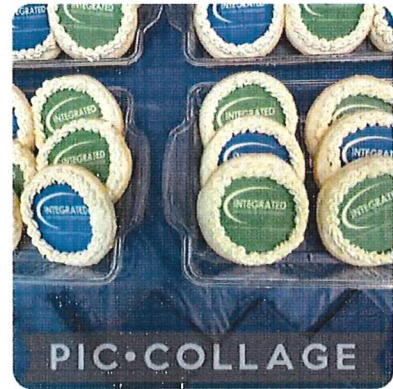
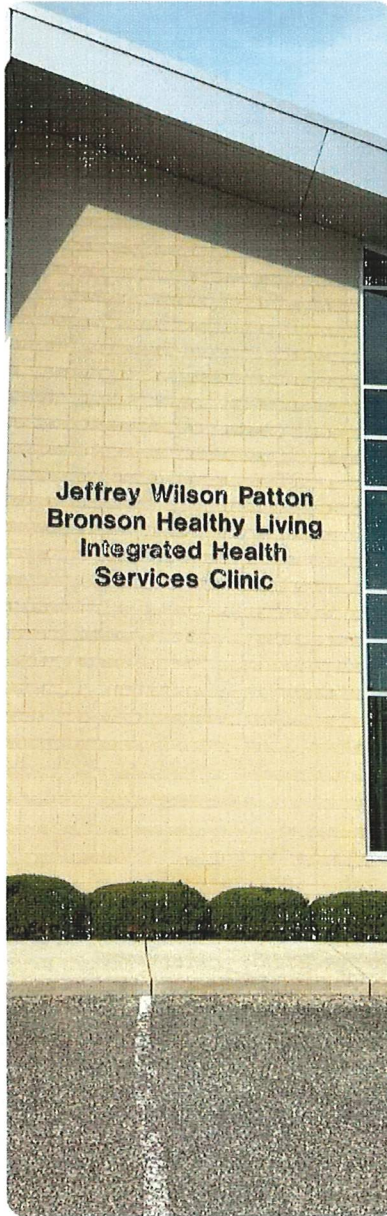
Improve communication and trust between patients and clinical team.

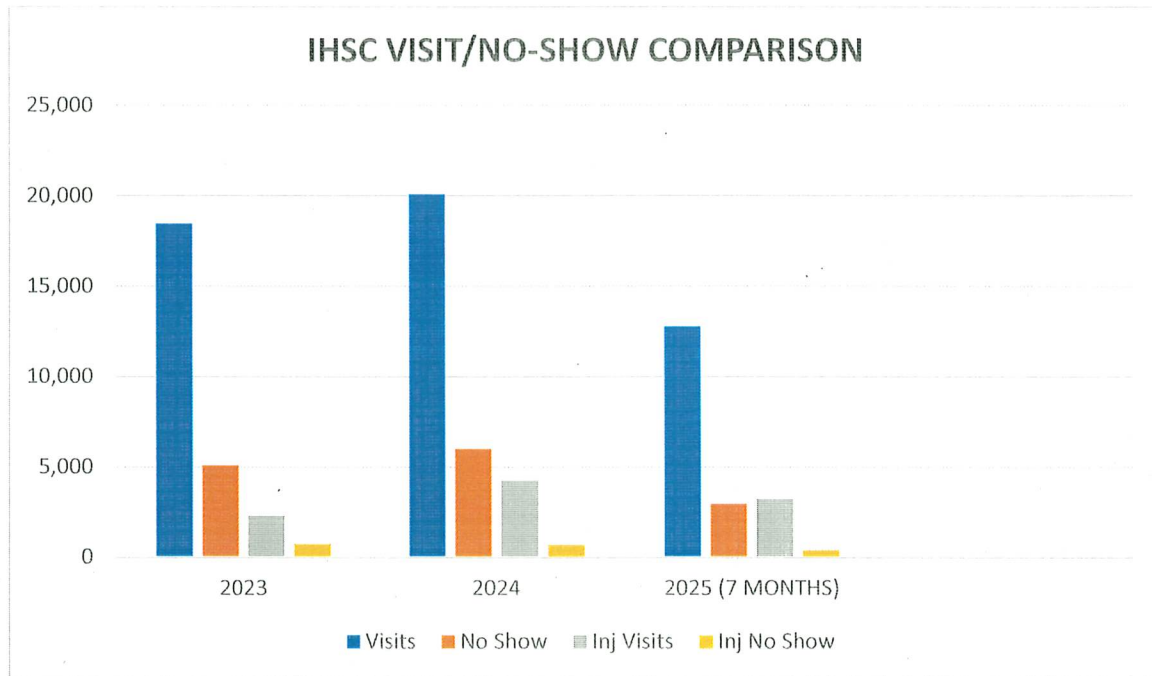
Higher staff satisfaction due to more consistent workloads.

A collaborative team of IHSC leaders, nurse practitioners, physician assistant, leadership from administration, quality department staff, marketing team staff was formed and charged with the tasks of creating, implementing, and re-evaluating all processes and the effectiveness of the Reconnect clinic hours. This initiative is very comprehensive and has implications that extend across the agency, direct care operated (DCO's), and the community as well. There was an extensive amount of time dedicated to identifying the issues and developing solutions. We have dedicated team members that are responsible for tracking and reporting the data to ensure the guidelines are being followed.

The Reconnect Clinic Hours has been in place for seven months and we are receiving feedback and suggestions from prescribers, clinical staff, clinicians, and others. Recently the original committee met with Jeff and Dr. Bedi to discuss concerns related to Reconnect Clinic Hours. We are observing enhanced accessibility and reduced wait times for Evaluation and Management appointments. The data, gathered through Power BI, reflects ongoing progress. This initiative remains active, and we will continue to keep the board informed with regular updates.

Wanda Brown, MSN
Senior Executive
Jeffrey Wilson Patton
Bronson Healthy Living
Integrated Health Services Clinic





Year	Visits	No Show	Injection Visits	Injection No Show
2023	18,434	5049	2270	693
2024	20,065	5963	4212	685
(7 Months) 2025	12,749	2930	3166	383

IHSC RECONNECT MONTHLY ADMISSIONS	
January	3
February	16
March	41
April	43
May	69
June	58
July	78
August 1-11	19
Total # of patients in the Reconnect Clinic	318

As of August 15, 2025, 5 patients have completed the Reconnect Clinic process and returned to their provider of choice; an additional 5 patients have been closed to services.



Community • Independence • Empowerment

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

July 28, 2025

VI.a.

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

ISK - Staff Present:

Jeff Patton, *CHIEF EXECUTIVE OFFICER*
Alecia Pollard
Willa Burns
Sheila Hibbs
Warwick Barlow
Cheryl Nebedum
Beth Ann Meints
Amy Rottman
Charlotte Bowser
Michael Schlack, *CORPORATE COUNSEL*, Virtual
Dianne Shaffer
Ed Sova

ISK - Staff Absent:

Lisa Smith

Providers & Guests:

Fi Spalvieri
Chief Executive
Officer
CLO - Community
Living Options

Call to Order

The Board of Directors (Integrated Services of Kalamazoo) held their meeting on Monday, July 28, 2025. It began @ 4:00PM and was presided over by Chair, *Karen Longanecker*.

Agenda

MOTION

Member Seals,

"I move to approve the agenda as presented." Supported by Member Guenther and carried without dissent.

MOTION PASSED.

Citizen Time No citizens came forth.

Recipient Rights

Lisa Smith, ISK, Director of ORR, was absent. Therefore, Jeff Patton, ISK, CEO, presented the complaints/allegations closed in June 2025.

Abuse Violations

- There was one substantiated Abuse II violation in June 2025.
 - The remedial action for this violation was Written Reprimand (4).
- There were two substantiated Abuse III violations in June 2025.
 - The remedial actions for these violations were Written Reprimand (1), Training (1), and Contract Action (1).

The 2 violations occurred at different agencies.

Neglect Violations

- There was one substantiated Neglect I violation in June 2025. It was a Failure to Report Violation.
 - The remedial actions for these violations were Verbal Counseling (2), and Policy Revision/Development (2). Additional action is still being requested for this substantiation.
- There were five substantiated Neglect II violations in June 2025. Four were Neglect II Failure to Report Violations.
 - The remedial actions for these violations were Employee left agency but substantiated (2), Written Reprimand (2), and Written Counseling (3).

Three of the Neglect II Failure to Report violations were at the same agency. Two of those were at the same program site.

- There were six substantiated Neglect III violations in June 2025. One was a Neglect III Failure to Report Violation.
 - The remedial actions for these violations were Employment Termination (4), and Written Reprimand (5).

There were four agencies involved. Two of the agencies each had 2 violations occurring at the same program sites. One violation had 3 staff involved. The Neglect III Failure to Report Violation had 3 staff involved.

All of the ORR case information is sent to the ISK Population Directors on a monthly basis for any tracking/trending of the RR information in their areas of authority. *(Agencies can include ISK).

Program Services Report

Sheila Hibbs, ISK, Administrator of Operations, *Warwick Barlow*, ISK, SR. Manager of Analytics and HER Operations & *Cheryl Nebedum*, ISK Community Outreach and Network Engagement Manager, presented, “Bridging the gaps: A Data-Driven approach to equitable service delivery.”

- This statistical study began with ISK exploring the question of; “How equitably are services being delivered across ZIP codes, racial and ethnic groups, age ranges and gender identities?”
- The inquiry launches a collaborative effort with the Analytics Department, using both internal and public data to examine service patterns, reach, and disparities.
- Through modern tools and narrative-focused analysis, we uncovered trends that can guide outreach, inform strategy, and encourage deeper collaboration in 2025 and beyond.

To review the engagement report, please use the following link: <https://iskzoo/about-us/board/>

CCBHC Board Update

Beth Ann Meints, ISK, Administrator of Clinical Services, presented the CCBHC Board Update.

CCBHC Board Update

7/28/2025

The Michigan Department of Health and Human Services (MDHHS) Certified Community Behavioral Health Clinic (CCBHC) Demonstration Team held a meeting with the Michigan CCBHC Demonstration sites announcing the transition from utilizing the PIHP's to the state paying the PPS directly to the CCBHC's. On October 1, 2025, the PPS payment will be paid to CCBHCs directly for each eligible daily visit. The PPS will be inclusive of both the base and supplemental capitation as one payment.

The largest work area to make this transition is setting up our system to submit the CCBHC T1040 as claims within CHAMPS and then encounters to the Prepaid Inpatient Health Plan (PIHP) for non CCBHC services (Community Living Services, Respite, ...etc). ISK is currently working with PCE to make the changes within our electronic health record.

Current Front Door Access Numbers:

First Quarter (10/1/24 – 12-31-24)	First Quarter (1/1/25 – 3-31-25)	First Quarter (4/1/25 – 6-30-25)	Total Year To Date
607 Assessments	669 Assessments	793 Assessments	2069 Assessments
161 Crisis/Preadmission Screens	177 Crisis/Preadmission Screens	242 Crisis/Preadmission Screens	580 Crisis/Preadmission Screens

That concludes my report.

Consent Calendar

MOTION

Chair Longanecker, “Is there anything that is on the Consent Calendar that anyone wants pulled out?” No materials were requested to be removed.

- a. Minutes June 23, 2025
- b. Chief Executive Officer Performance III.03 (Policy)
- c. Chief Executive Officer Role III.01 (Policy)
- d. Delegation to the Chief Executive Officer III.02 (Policy)
- e. Board Finance Committee II.10 (Policy)

Vice Chair Seals, “I MOVE TO ACCEPT THE CONSENT CALENDAR AS PRESENTED.” Supported by Member Spears. MOTION PASSED.

Monitoring Reports

QM Year-End (October 1, 2023-September 30, 2024) Report

Sheila Hibbs, ISK, Administrator of Operations, presented the Quality Management Year-End report.

I. EXECUTIVE SUMMARY

A. Vision, Mission, Guiding Values

Vision – Integrated Services of Kalamazoo provides a welcoming and diverse community partnership which collaborates and shares effective resources that support individuals and families to be successful through all phases of life.

Mission – Integrated Services of Kalamazoo promotes and provides mental health, intellectual and development disability and substance use disorder supports and services that empower people to succeed.

The **Guiding Values** of ISK are community, competence, diversity, effectiveness, integrity, leadership, recovery and self-determination, respect, responsibility, teamwork and trust.

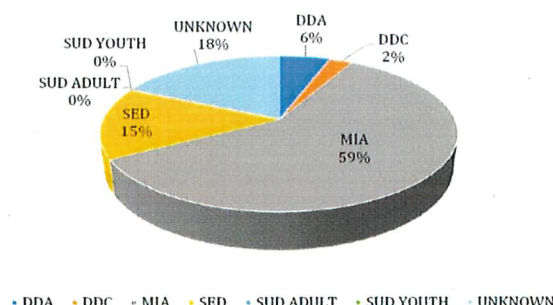


ISK provides a welcoming and diverse community partnership to share effective resources that support individuals and families to be successful through all phases of life. For more than 30 years, ISK has served youth, families and adults with mental health challenges, intellectual and developmental disabilities and substance use disorders in Kalamazoo County. ISK provides services either directly through ISK service programs or through a network of provider agencies that contract with ISK. The agency is one of 46 Community Mental Health Services Programs in Michigan. ISK joined the State of Michigan Department of Health and Human Services (MDHHS) as part of the Certified Community Behavioral Health Clinic (CCBHC) demonstration in October 2021. In addition, ISK provides expanded programming beyond traditional community mental health services to include comprehensive housing assistance and outreach to homeless persons, intensive crisis outpatient services, medication assistance treatment (MAT) for persons addicted to opioids, veteran services, stigma-reduction efforts, community training in Mental Health First Aid and many other initiatives to provide high quality services and supports to our community.

II. CCBHC DEMONSTRATION

The CCBHC state demonstration and continued SAMHSA expansion grants have allowed ISK to continue growth and to provide easier access to needed behavioral health and substance use services, not only to our community but to all that seek and are determined eligible for services. ISK has further expanded integrated care and provides evidence-based treatment models as a needed resource for the community. 8,401 distinct individuals were provided with CCBHC services during FY24.

CCBHC SERVED BY POPULATION



To review the QM Year-End report, please use the following link: <https://iskzoo/about-us/board/>

Monitoring Executive Performance III.04 (Policy)

Chair Longanecker asked that this policy be brought back for review to the Monday, August 25, 2025, meeting. She needs to meet with Sheila Hibbs about more updates to the policy.

Supported by Member Guenther and carried without dissent.

Financial Reports/Financial Condition Reports

[Amy Rottman](#), ISK, Chief Financial Officer, presented the Financial Condition Reports for June 30, 2025.

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

Utilization Reports

[Charlotte Bowser](#), ISK, Director of Finance, presented the Utilization Report for the period ending June 30, 2025.

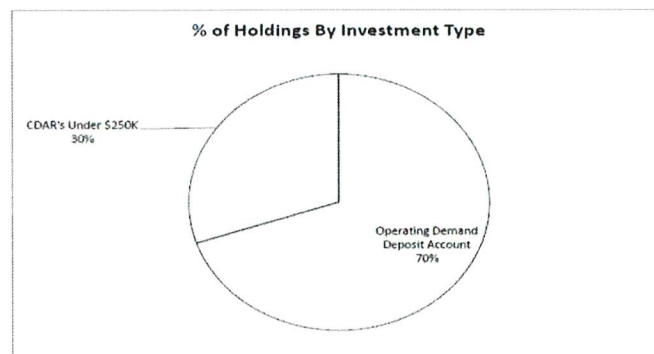
- Autism Services is at (197) clients and is unfavorable at \$673,766.
- Youth Community Inpatient Services is at (42) days and is unfavorable at \$5,682.
- MI Adult Community Inpatient Services is at (624) days and is favorable at \$526,575.
- Community Living Supports, Personal Care, and Crisis Residential is favorable at \$170.

Investment Report

[Charlotte Bowser](#), ISK, Director of Finance, presented the Investment Report for the period ending June 30, 2025.

Quarterly Cash & Investments Report
Quarter Ending June 30th, 2025

Financial Institution	Type of Investment	Cost Basis	Maturity Date	% Yield
CASH				
PNC	Operating Demand Deposit Account	\$9,684,400	NA	0.03%
	Payroll Account	\$4,815		
	Accrued Leave Reserve	\$123,245		
	Pretax Reimbursement Account	\$69,684		
	Various Petty Cash Funds	\$760		
	Total Cash Accounts	\$9,883,319		
INVESTMENTS				
CDAR's (via Independent Bank)	CD's Issued Under FDIC Limit of \$250,000	\$4,174,783		3.40%
Total CDAR's		\$4,174,783		
	Total Investments	\$4,174,783		
TOTAL CASH AND INVESTMENTS		\$14,058,103		
% of Holdings By Institution				
PNC - Cash	70.30%			
CDAR's (via Independent Bank)	29.70%			
	100.00%			
% of Holdings By Investment Type				
	Cash	70.30%		
	CDAR's	29.70%		
		100.00%		



June DisbursementsMOTION

Member Guenther, "BASED ON THE BOARD FINANCE MEETING REVIEW, I move that ISK approve the June 2025 vendor disbursements of \$11,334,150.13 ." Supported by Member Lumpkin.

MOTION PASSED.Reserves Management VI.05 renamed Net Position Management Board Policy VI.05

Vice Chair Seals, "I MOVE TO ACCEPT THE RECOMMENDED changes to ISK Board VI.05. Name changes from Reserves Management VI.05 renamed Net Position Management/Board Policy VI.05 with updated language, In order to ensure ISK meets its requirements to provide medically necessary services, the Board may dedicate Unrestricted Net Position ~~At the discretion of the Board, Unrestricted Net Position can be dedicated towards projects~~ that would result in a fund Net Position balance % below the prescribed percentages. Supported by Member Spears.

MOTION PASSED.Chief Executive Officer Report

Again, I would like to extend my appreciation to the ISK Board of Directors for the outstanding privilege of having the 615-location renamed to *Jeffrey Wilson Patton, Bronson Healthy Living, Integrated Health Services Clinic*.

Jeff moved on to his verbal CEO Report. He began by revisiting the financial situation with SWMBH that Amy touched on during her report. He announced some good news! SWMBH received a substantial payment of Medicaid dollars. While this payment doesn't completely clear their deficit, it greatly reduced it. He also anticipates further improvements from the state, possibly come October. While this additional support will be greatly appreciated, he is not sure it will completely wipe out SWMBH's deficit. We are continuously monitoring the numbers, and they keep changing, so it is hard to say where they will land once a final calculation is reached. But he reiterates that the changes are positive, regardless. He notes that SWMBH did improve quite a bit when reviewing the Acuity Factors, but not in comparison to the data from other PIHPs. There is concern that SWMBH's rates are still lower than other Michigan PIHPs.

Jeff then shifts the conversation to the announcement from the state of its re-procurement of PIHPs. The state has indicated on its website and through various announcements, that they will be reducing the number of Managed Care Entities. It is currently assumed that this will be PIHPs, but he expressed that he is not sure that this is the direction that the state will go. His reasoning is that the state is opening up bidding to the private sector. What this means is that per the CFR (Code of Federal Regulations), the state of Michigan, which has been able to sole-source contract with the Public Community Mental Health System since 1998, will likely no longer operate this way. Jeff will update the board as information becomes available and we see the procurement, which will be thoroughly scrutinized line by line. He has no doubt, however, that despite all the upcoming changes, ISK will land on its feet.

Jeff briefly touched on the Mental Health Framework, at Beth Ann's prompting, which he stated that will permit the Medicaid Health Plans, which are private entities, to begin admitting and likely paying for people that are in hospitals. More information on this will come, also, when we receive the procurement information and be passed on.

That concludes my report.

Citizen Time

No citizens came forth.

SWMBH (Southwest Michigan Behavioral Health) Updates/Michael Seals

There is still a lot of uncertainty around the budget right now. We're watching the situation closely and remain hopeful that we will have a better picture and guidance soon. When we get more clarification, we then can move forward with greater confidence.

That concludes my report.

Meeting adjourned by voice vote @ [6:28PM](#).

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



INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.04

AREA:	Governance	
SECTION:	Executive Limitations	PAGE: 1 of 2
SUBJECT:	FINANCE	SUPERSEDS: 09/27/2021
		REVISED: 08/26/2024

PURPOSE/EXPLANATION

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

POLICY

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

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

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

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

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

APPROVED



Karen Longanecker
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY V.07

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

PURPOSE/EXPLANATION

To establish limitations of means regarding asset protection.

POLICY

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

CHIEF EXECUTIVE OFFICER:



Jeff Patton
Chief Executive Officer

APPROVED:



Karen Longanecker
Board Chair

INSURANCE OVERVIEW FOR ASSET PROTECTION REPORT

July 25, 2025

- Our liability/property insurance is through the Michigan Municipal Risk Management Authority (“MMRMA”). MMRMA was created under the authority of the Michigan statutes to provide risk management and risk financing services to local governmental entities such as ISK.
- Liability coverage through MMRMA totals \$15,000,000 per occurrence.
- ISK board members are covered by MMRMA for their official duties performed on behalf of ISK.
- MMRMA pays for the costs of defending certain claims against ISK as well as any damages assessed.
- Workers compensation insurance is purchased through Accident Fund Co of America. We have limits of \$500,000 per accident and \$500,000 per disease claim.
- Our long term and short-term disability coverage is purchased through The Hartford Group. For long term coverage (LTD), employees will receive 60% of their income up to \$200,000 after a 180-day waiting period (maximum benefit of \$10,000 per month). For short-term disability (STD), employees will receive 60% of their covered salary up to \$208,000 beginning on the 15th day after the accident or 15th day after an illness that causes them to be off work (maximum benefit of \$2,400 per week). Maximum duration for STD is 26 weeks (only 24 are paid due to the 14-day waiting period).
- Group life insurance is through The Hartford Group. Employees receive 0.5 times their salary rounded to the next higher \$1,000 subject to a minimum of \$10,000 and a maximum \$100,000.
- Group accidental death and dismemberment insurance is through The Hartford Group.
- Health care professional liability insurance is through Pro Assurance Casualty Company. Limits are \$1,000,000 per claim and \$3,000,000 aggregate. Our employed prescribers are covered.
- Medical insurance/prescriptions coverage is purchased through Blue Cross Blue Shield of Michigan for employees working at least 30 hours per week.
- Dental insurance is purchased through ADN for employees working at least 30 hours per week.
- Vision insurance is purchased through Blue Cross Blue Shield using the VSP network for employees working at least 30 hours per week.
- Employees working at least 20 and up to 29 hours per week may purchase ISK’s medical insurance/prescriptions coverage, dental insurance, or vision insurance at the full premium cost.

Background:

Insurance plays a critical role in safeguarding our company's assets against various risks and uncertainties. It is essential to understand the types of insurance we have in place and how they contribute to protecting our assets.

Overview:

1. Property Insurance:

- This insurance covers our physical assets such as buildings, equipment, and inventory against risks such as fire, theft, and natural disasters.

2. Liability Insurance:

- Liability insurance protects the company from legal claims and lawsuits that arise due to bodily injury, property damage, or negligence claims. This coverage is crucial for protecting our financial interests in case of unforeseen circumstances.

3. Business Interruption Insurance:

- In the event of a disaster or other covered incident that disrupts our business operations, business interruption insurance helps cover lost income and ongoing expenses, ensuring continuity and financial stability.

4. Cyber Insurance:

- As digital threats become more prevalent, cyber insurance protects against losses related to data breaches, cyberattacks, and other digital risks that could impact our operations and assets.

5. Directors and Officers (D&O) Insurance:

- D&O insurance provides protection to directors and officers against legal claims alleging wrongful acts in their roles. It helps attract and retain talent by offering personal liability protection.

Conclusion:

Understanding our insurance coverage is essential for maintaining effective asset protection strategies. If you have any further questions or need additional details, please don't hesitate to contact me.

Thank you.

~~KALAMAZOO COMMUNITY MENTAL HEALTH AND
SUBSTANCE ABUSE~~ INTEGRATED SERVICES OF
KALAMAZOO

BOARD POLICY III.04

AREA:	Governance	
SECTION:	Board – Executive Relationship	PAGE: 1 of 2
SUBJECT:	MONITORING EXECUTIVE PERFORMANCE	SUPERSEDES: 06/22/2015 06/22/2019
		REVISED: 06/22/2019

PURPOSE/EXPLANATION

To establish the mechanisms for monitoring the performance of the Chief Executive Officer (CEO).

POLICY

- I. The Board's chief evaluation interest is whether the organization achieves the Board's ends and operates within the Board's executive limitations. The evaluation of the CEO's performance consists of comparing performance data against a reasonable interpretation of the degree to which the Board Ends and Executive Limitation policies are carried out.
 - A. The monitoring of executive performance will take place throughout the year during board meetings through the monitoring reports of the Board Ends and Executive Limitation policies and other mechanism established by the Board. A routine schedule and format will be utilized, requiring a minimum of Board time so that discussion will focus on the future rather than reviewing the past.
 - B. At the discretion of the Board, any ends and limitations policy may also be monitored by any of the following methods at any time:
 1. *Internal Report*
Periodic reports to the Board demonstrating compliance with Board Ends and Executive Limitation policies.
 2. *External Report*
Receipt and review of information having an impact on the Board Ends and Executive Limitation policies from federal, state or local regulatory bodies. Additionally, an external report may be received from an impartial third party selected by the Board to review a particular Board policy or set of circumstances.
 3. *Direct Inspection*
 - a. Monitoring executive performance may also be done through the complaint

process (exhibits B & C)

- b. When other information is brought to the Board's attention causing the Board to question the implementation of a policy, the Board may appoint a member or committee to conduct a policy compliance review. The results shall be reported back to the Board.

4. *Performance Objectives*

The Board and Chief Executive Officer may establish performance objectives that aim to achieve specific targets for a Board Ends or Executive Limitation policy within a time frame and with available resources.

5. At the discretion of the Board, the results obtained through internal and external reports, direct inspection, or performance objectives may also be included in the CEO's annual evaluation.

- II. The Board Chairperson will appoint a committee to collect and compile the information obtained throughout the year with respect to achievement of ends and limitations policies by the CEO. The Board Chairperson will utilize the Board approved standardized template and will disperse the draft evaluation to Board members for review, feedback, and approval. The Board will conduct a formal review of the CEO in November or as otherwise scheduled (Refer to Exhibit A) with the ISK Chief Human Resources Officer or designee.

EXHIBITS

- A. Process for Conducting Executive Evaluation
- B. Handling Complaints About the Chief Executive Officer's Non-Compliance with Board Policy
- C. Chief Executive Officer Board Policy Non-Compliance Complaint Form
- D. CEO Annual Evaluation
- E. CEO Monthly Board Monitoring Activities

CHIEF EXECUTIVE OFFICER:

APPROVED:

Jeff Patton
Chief Executive Officer

~~Erik Krogh~~ Karen Longanecker
Board Chair

~~KALAMAZOO COMMUNITY MENTAL HEALTH AND
SUBSTANCE ABUSE INTEGRATED SERVICES OF
KALAMAZOO~~

BOARD POLICY V.03

AREA:	Governance	
SECTION:	Executive Limitations	PAGE: 1 of 2
SUBJECT:	BUDGETING	SUPERSEDES: 08/22/2011 <u>09/27/2021</u>
		REVISED: 09/27/2021 <u>08/25/2025</u>

Formatted Table

PURPOSE/EXPLANATION

To establish limitations of means regarding the budgeting process.

POLICY

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

SUBJECT: V.03 Budgeting - Revised By Amy Rottman 07.24.2025
Budgeting

Page: 2 of 3

Formatted: No underline

Formatted: No underline

Formatted Table

- II. This policy will be monitored through internal mechanisms on a quarterly basis, and external mechanisms on an annual basis.

SUBJECT: V.03 Budgeting - Revised By Amy Rottman 07.24.2025
V.03
BudgetingBudgeting

Page: 2 of 3

Formatted: No underline

Formatted: No underline

Formatted Table

EXHIBITS

A. MCL Section 141.412.

CHIEF EXECUTIVE OFFICER

Jeff Patton
Chief Executive Officer

APPROVED

Karen Longanecker
Board Chair

BUDGET HEARINGS OF LOCAL GOVERNMENTS (EXCERPT)
Act 43 of 1963 (2nd Ex. Sess.)

141.412 Local unit of government; public hearing on proposed budget; notice.

Sec. 2. A local unit shall hold a public hearing on its proposed budget. The local unit shall give notice of the hearing by publication in a newspaper of general circulation within the local unit at least 6 days before the hearing. The notice shall include the time and place of the hearing and shall state the place where a copy of the budget is available for public inspection. The notice shall also include the following statement printed in 11-point boldfaced type: "The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing."

History: 1963, 2nd Ex. Sess., Act 43, Imd. Eff. Dec. 27, 1963;—Am. 1995, Act 40, Imd. Eff. May 22, 1995.

INTEGRATED
SERVICES OF
KALAMAZOO



Period Ended
July 31, 2025

Monthly Finance
Report

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

INTEGRATED SERVICES OF KALAMAZOO

Statement of Net Position

July 31, 2025

	July 2024 (unaudited)	July 2025
Assets		
Current assets		
Cash and investments	\$ 29,069,372	\$ 26,465,171
Accounts receivable	3,324,816	6,312,268
Due from other governments	8,072,203	9,652,865
Prepaid items	1,077,024	1,444,289
Total current assets	41,543,415	43,874,592
Non-current assets		
Capital assets, net of accumulated depreciation	13,463,851	14,879,639
Net pension asset, net of deferred outflows	7,214,053	8,442,339
Total non-current assets	20,677,904	23,321,978
Total assets	\$ 62,221,319	\$ 67,196,570
Liabilities		
Current liabilities		
Accounts payable	\$ 12,465,878	\$ 9,485,046
Due to other governments	891,432	182,131
Due to providers	195,240	65,612
Accrued payroll and payroll taxes	1,847,176	3,117,864
Unearned revenue	33,573	153,390
Total current liabilities	15,433,299	13,004,044
Net position		
Designated	8,654,636	8,654,636
Undesignated	22,342,389	24,523,412
Investment in fixed assets	17,276,260	13,277,168
Previous year close	-	-
Net gain (loss) for period	(1,485,265)	7,737,310
Net position	\$ 46,788,020	\$ 54,192,526

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through July 31, 2025

Percent of Year is 83.33%

	Original 2025 Budget	YTD Totals 7/31/25	Remaining Budget	Percent of Budget - YTD
Operating revenue				
Medicaid:				
Traditional Capitation	\$ 71,759,922	62,171,101	\$ 9,588,821	86.64%
Healthy Michigan Capitation	13,011,361	4,163,943	8,847,418	32.00%
Settlement	6,448,857	9,745,727	(3,296,870)	151.12%
State General Fund:				
Formula Fundings	3,900,516	3,439,152	461,364	88.17%
CCBHC Demonstration	35,053,525	30,404,852	4,648,672	86.74%
CCBHC Quality Bonus	-	1,326,190	(1,326,190)	0.00%
CCBHC Accrual	-	2,603,069	(2,603,069)	0.00%
County Allocation	1,550,400	1,292,000	258,400	83.33%
Client Fees	620,500	902,385	(281,885)	145.43%
SUD Block Grant	-	436	(436)	0.00%
Other grant revenue	8,558,938	6,866,298	1,692,640	80.22%
Other earned contracts	3,974,361	1,957,003	2,017,358	49.24%
Interest	181,000	127,291	53,709	70.33%
Local revenue	610,000	509,940	100,060	83.60%
Total operating revenue	<u>\$ 145,669,379</u>	<u>\$ 125,509,388</u>	<u>\$ 20,159,992</u>	<u>86.16%</u>
Operating expenses				
Salaries and wages	\$ 32,439,500	\$ 24,056,957	8,382,543	74.16%
Employee benefits	11,472,088	7,896,076	3,576,012	68.83%
Staff development	301,171	136,128	165,043	45.20%
Payments to providers	88,887,199	74,213,403	14,673,796	83.49%
Administrative contracts	10,183,932	8,764,017	1,419,915	86.06%
IT software and equipment	926,784	739,183	187,601	79.76%
Client transportation	50,280	21,682	28,598	43.12%
Staff travel	389,228	295,246	93,982	75.85%
Office expenses	646,434	441,813	204,621	68.35%
Insurance expense	158,746	147,232	11,514	92.75%
Depreciation expense	535,265	450,103	85,162	84.09%
Utilities	358,571	309,853	48,718	86.41%
Facilities	49,039	46,129	2,910	94.07%
Local match	305,108	254,257	50,851	83.33%
Total operating expenses	<u>\$ 146,703,345</u>	<u>\$ 117,772,077</u>	<u>\$ 28,931,267</u>	<u>80.28%</u>
Change in net position	(1,033,966)	7,737,310	\$ (8,771,276)	
Beginning net position	<u>46,455,216</u>	<u>46,455,216</u>		
Ending net position	<u>\$ 45,421,250</u>	<u>\$ 54,192,526</u>		

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through July 31, 2025

Percent of Year is 83.33%

	Specialty Services		Healthy Michigan		SUD Block Grant		Totals		
	Budget	YTD Totals 7/31/25	YTD Budget	YTD Totals 7/31/25	YTD Budget	YTD Totals 7/31/25	YTD Budget	YTD Totals 7/31/25	Variance
Operating revenue									
Medicaid:									
Traditional Capitation	\$ 59,799,935	\$ 73,780,651	\$ -	\$ -	\$ -	\$ 93,298	\$ 59,799,935	\$ 73,873,948	\$ 14,074,013
Healthy Michigan Capitation	-	-	10,842,801	7,628,159	-	-	10,842,801	7,628,159	(3,214,642)
Autism Capitation	-	-	-	-	-	-	-	-	-
CCBHC Base Payment	-	(11,609,550)	-	(3,464,216)	-	-	-	(15,073,766)	(15,073,766)
Settlement Estimate	11,473,440	9,208,102	(6,099,393)	537,625	-	(92,862)	5,374,047	9,652,865	4,278,818
Client Fees	-	5,721	-	52	-	-	-	5,773	5,773
Total operating revenue	\$ 71,273,375	\$ 71,384,924	\$ 4,743,408	\$ 4,701,620	\$ -	\$ 436	\$ 76,016,783	\$ 76,086,980	\$ 70,197
Operating expenses									
Internal services	\$ 1,956,045	\$ 1,651,298	\$ 97,802	\$ 13,037	\$ -	\$ 436	\$ 2,053,847	\$ 1,664,771	(389,076)
External services	63,571,449	60,669,965	4,266,622	4,091,624	-	-	67,838,072	64,761,589	(3,076,483)
Delegated managed care	5,745,881	9,063,660	378,984	596,959	-	-	6,124,865	9,660,620	3,535,755
Total operating expenses	\$ 71,273,375	\$ 71,384,924	\$ 4,743,408	\$ 4,701,620	\$ -	\$ 436	\$ 76,016,783	\$ 76,086,980	\$ 70,197
Change in net position	-	0	-	(0)	-	0	-	-	

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

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through July 31, 2025

Percent of Year is 83.33%

	State General Fund		CCBHC		Other Funding Sources		Totals		
	YTD Budget	YTD Totals 7/31/25	YTD Budget	YTD Totals 7/31/25	YTD Budget	YTD Totals 7/31/25	YTD Budget	YTD Totals 7/31/25	Variance
Operating revenue									
General Fund	\$ 3,250,430	\$ 3,439,152	\$ -	\$ -	\$ -	\$ -	\$ 3,250,430	\$ 3,439,152	\$ 188,722
Projected GF Carryforward	-	-	-	-	-	-	-	-	-
CCBHC Demonstration	-	-	29,041,994	35,718,375	-	-	29,041,994	35,718,375	6,676,381
Other Federal and State Grants	-	-	-	-	7,132,448	6,373,481	7,132,448	6,373,481	(758,967)
Earned Revenue	-	-	-	-	3,311,967	1,333,776	3,311,967	1,333,776	(1,978,192)
COFR Revenue	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	150,833	127,291	150,833	127,291	(23,542)
County Allocation	-	-	-	-	1,292,000	1,292,000	1,292,000	1,292,000	-
Local Revenue	-	5,166	-	-	343,790	509,940	343,790	515,106	171,316
Transfer from GF	-	-	-	200,174	-	-	-	200,174	200,174
Settlement Revenue (Expense)	-	-	-	-	-	-	-	-	-
Total operating revenue	\$ 3,250,430	\$ 3,444,318	\$ 29,041,994	\$ 35,918,549	\$ 12,231,039	\$ 9,636,488	\$ 44,523,463	\$ 48,999,355	\$ 4,475,892
Operating expenses									
Internal Programs	\$ 745,742	\$ 762,992	\$ 28,582,702	\$ 28,274,487	-	\$ 332	\$ 29,328,444	\$ 29,037,811	\$ (290,632)
External Programs	1,956,045	2,080,496	-	-	500,000	431,974	2,456,045	2,512,470	56,425
Other Federal and State Grants	-	-	-	-	12,022,193	7,122,924	12,022,193	7,122,924	(4,899,269)
HUD Grants	-	-	-	-	1,161,401	1,360,493	1,161,401	1,360,493	199,092
Managed Care Administration	207,830	400,655	-	-	6,051	-	213,881	400,655	186,774
Homeless Shelter	-	-	-	-	391,209	301,019	391,209	301,019	(90,190)
Transfer from GF	340,813	200,174	-	-	-	-	340,813	200,174	(140,639)
Local match expense	-	-	-	-	254,257	254,671	254,257	254,671	414
Non-DCH Activity Expenditures	-	-	-	-	67,761	71,828	67,761	71,828	4,067
Total operating expenses	\$ 3,250,430	\$ 3,444,317	\$ 28,582,702	\$ 28,274,487	\$ 14,402,873	\$ 9,543,241	\$ 46,236,004	\$ 41,262,045	(4,973,959)
Change in net position	0	0	459,292	7,644,062	(2,171,834)	93,248	\$ (1,712,541)	7,737,310	9,449,851

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 July 31, 2025

Percent of Year is 83.33%

	CCBHC Medicaid	CCBHC Healthy MI	CCBHC Non-Medicaid	CCBHC YTD Totals
Operating revenue				
Prepayment	\$ 10,164,321	\$ 5,166,765	\$ -	\$ 15,331,086
CCBHC SAMSHA Grant	-	-	492,818	492,818
CCBHC QBP	-	-	1,326,190	1,326,190
CCBHC Base Payment Reclass	11,609,550	3,464,216	-	15,073,766
Remaining CCBHC revenue due	3,352,861	(749,791)	-	2,603,069
Client fees	446,123	66,365	378,957	891,446
Total CCBHC Revenue (PPS-1 of \$367.50 x encounters)	\$ 25,572,855	\$ 7,947,555	\$ 2,197,965	\$ 35,718,375
Operating expenses				
Internal services	\$ 13,887,603	\$ 4,800,283	\$ 2,928,707	\$ 21,616,593
DCO Contracts	4,451,903	1,383,567	822,424	6,657,894
Total operating expenses	\$ 18,339,506	\$ 6,183,850	\$ 3,751,131	\$ 28,274,487
Operating change in net position	7,233,349	1,763,705	(1,553,167)	7,443,888
Reclassification to cover Non-Medicaid	-	-	200,174	200,174
Total change in net position	\$ 7,233,349	\$ 1,763,705	\$ (1,352,993)	\$ 7,644,062

CCBHC Cost per daily visit

	2023	FY 2024	7/31/25
Total CCBHC Cost	\$ 27,687,187	\$ 31,777,786	\$ 28,274,487
Daily Visits	99,802	110,326	104,067
Cost per daily visit	277.42	288.04	271.70

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

AUTISM SERVICES

Report Period: October 1st, 2024 through July 31st, 2025

UTILIZATION COMPARISONS FY 24/25									
	FY 23/24 Actual		FY 24/25 Budget		FY 24/25 Actual		Clients Served Difference Favorable (Unfavorable)	Cost Difference Favorable (Unfavorable)	Cost YTD Favorable (Unfavorable)
		Dollars	Clients Served	Dollars	Clients Served				
OCTOBER	167	\$789,944	180	\$879,750	187		(7)	(\$64,923)	(\$64,923)
NOVEMBER	167	\$785,423	180	\$879,750	175		5	(\$14,846)	(\$14,846)
DECEMBER	172	\$882,947	180	\$879,750	170		10	\$81,639	\$81,639
JANUARY	183	\$793,167	180	\$879,750	190		(10)	(\$59,050)	(\$59,050)
FEBRUARY	182	\$832,410	180	\$879,750	197		(17)	(\$13,365)	(\$13,365)
MARCH	182	\$802,870	180	\$879,750	193		(13)	(\$169,106)	(\$169,106)
APRIL	182	\$964,823	180	\$879,750	189		(9)	(\$271,412)	(\$271,412)
MAY	182	\$973,468	180	\$879,750	199		(19)	(\$97,872)	(\$97,872)
JUNE	181	\$919,481	180	\$879,750	197		(17)	(\$64,831)	(\$64,831)
JULY	180	\$1,020,346	180	\$879,750	197		(17)	(\$91,141)	(\$91,141)
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	1,894		(94)	(\$764,907)	
MONTHLY AVERAGES	178		180		189				
GROSS ANNUAL COST		\$10,695,585		\$10,557,005				(\$764,907)	

Favorable/(Unfavorable):

Total

(764,907)

YOUTH COMMUNITY INPATIENT SERVICES
Report Period: October 1st, 2024 through July 31st, 2025

UTILIZATION COMPARISONS FY 24/25										
	FY 23/24 Actual		FY 24/25 Budget		FY 24/25 Actual		Days Difference (Unfavorable)	Cost Difference (Unfavorable)	Cost YTD (Unfavorable)	
		Dollars	Days	Dollars	Days					
OCTOBER	92	\$85,808	85	\$81,845	111	\$96,759	(26)	(\$14,914)	(\$14,914)	
NOVEMBER	78	\$72,462	85	\$81,845	117	\$114,545	(32)	(\$32,700)	(\$32,700)	
DECEMBER	139	\$129,020	85	\$81,845	52	\$51,318	33	\$30,527	\$30,527	
JANUARY	73	\$67,966	85	\$81,845	97	\$95,247	(12)	(\$13,402)	(\$13,402)	
FEBRUARY	101	\$93,755	85	\$81,845	100	\$97,792	(15)	(\$15,947)	(\$15,947)	
MARCH	16	\$14,400	85	\$81,845	77	\$75,342	8	6,503	6,503	
APRIL	170	\$157,466	85	\$81,845	80	\$78,400	5	3,445	3,445	
MAY	50	\$46,450	85	\$81,845	82	\$80,360	3	1,485	1,485	
JUNE	69	\$64,101	85	\$81,845	42	\$41,160	43	40,685	40,685	
JULY	143	\$132,763	85	\$81,845	47	\$46,178	38	35,667	35,667	
AUGUST	76	\$70,558	85	\$81,845						
SEPTEMBER	120	\$111,452	85	\$81,845						
TOTALS	1,127	\$1,046,201	7,848	\$982,140	805	\$777,101	45	\$41,349		
MONTHLY AVERAGES	94		85		81					
GROSS ANNUAL COST		\$1,046,201		982,140		\$777,101		\$41,349		

Favorable/(Unfavorable):

Total

41,349

COMMUNITY INPATIENT SERVICES
Report Period: October 1st, 2023 through July 31st, 2025

UTILIZATION COMPARISONS FY 24/25										
	FY 23/24 Actual		FY 24/25 Budget		FY 24/25 Actual		Days Difference (Unfavorable)	Cost Difference (Unfavorable)	Cost YTD (Unfavorable)	
		Dollars	Days	Dollars	Days					
OCTOBER	33	\$35,799	608	\$705,361	641	\$557,465	(33)	\$147,896	\$147,896	
NOVEMBER	352	\$373,018	608	\$705,361	644	\$702,403	(36)	\$2,958	\$2,958	
DECEMBER	601	\$633,797	608	\$705,361	709	\$779,181	(101)	(\$73,820)	(\$73,820)	
JANUARY	583	\$615,285	608	\$705,361	610	\$637,214	(2)	\$68,147	\$68,147	
FEBRUARY	681	\$718,593	608	\$705,361	465	\$490,738	143	\$214,623	\$214,623	
MARCH	815	\$860,902	608	\$705,361	637	\$699,742	(29)	5,619	5,619	
APRIL	616	\$649,551	608	\$705,361	527	\$579,255	81	126,106	126,106	
MAY	612	\$644,976	608	\$705,361	526	\$577,479	82	127,882	127,882	
JUNE	645	\$680,946	608	\$705,361	624	\$685,811	(16)	19,550	19,550	
JULY	709	\$746,405	608	\$705,361	795	\$873,545	(187)	(168,184)	(168,184)	
AUGUST	596	\$626,317	608	\$705,361						
SEPTEMBER	654	\$687,522	608	\$705,361						
TOTALS	6,897	\$7,273,111	7,296	\$8,464,332	6,178	\$6,582,833	(98)	\$470,777		
MONTHLY AVERAGES	575		608		618					
GROSS ANNUAL COST		\$7,273,111		\$8,464,332		\$6,582,833		\$470,777		

Favorable/(Unfavorable): Total 470,777

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

Report Period: October 1st, 2024 through July 31st, 2025

SERVICE	FY 24/25 Budget			FY 24/25 Actual		
	Month	Avg. Daily Rate	No. Served	Days of Service	Dollars	Favorable / (Unfavorable)
PC/CLS	July	\$301	397	114,021	34,269,962	(\$793,109)
CRISIS RES.		\$602	53	906	\$545,212	\$284,871
CLS (SIP)	July	NA	343		11,552,668	\$318,159
Annual Cost						(\$190,079)

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.

VIII.c.



Community • Independence • Empowerment

Integrated Services of Kalamazoo

MOTION

Subject:	July 2025 Disbursements	
Meeting Date:	August 25, 2025	Approval Date:
Prepared by:	Charlotte Bowser	<u>August 25, 2025</u>

Recommended Motion:

“Based on the Board Finance meeting review, I move that ISK approve the July, 2025 vendor disbursements of \$11,601,322.75.”

Summary of Request:

As per the July 2025 Vendor Check Register Report dated 08/05/2025 that includes checks issued from 07/01/2025 to 07/31/2025.

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

Staff: Charlotte Bowser, Director of Finance

Date of Board

Consideration: August 25, 2025

IX.a.



Integrated Services of Kalamazoo

MOTION

Subject:	Motion for Board to Enter Closed Session	
Meeting Date:	August 25, 2025	Approval Date:
Prepared by:	Jeff Patton	August 25, 2025

Recommended Motion

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

Summary of Request

The Michigan Open Meetings Act allows the ISK board to enter closed session to discuss litigation, including settlement strategy.

2/3 of the ISK board must vote to approve a closed session (8 members) and there must be a roll call vote.

Once the closed session is completed, the board may conduct a voice vote to return to an open session.

Staff: Jeff Patton, CEO

Date of Board
Consideration: August 25, 2025