



Community • Independence • Empowerment

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

## AGENDA

March 23, 2026

Name: INTEGRATED Services of Kalamazoo Board of Directors  
Location: 610 South Burdick Street/Kalamazoo, MI., 2<sup>nd</sup> Floor  
ISK Boardroom #220  
Commencement Time: 4:30PM

- Resolution Honoring the Service, Life & Legacy of *Ms. Sharon Marie Spears*
- Financial Statement and Single Audit Act Compliance/YEAR ENDING September 30, 2025, MOTION/ Joshua Laramy/CPA/BDO

### I. CALL TO ORDER – CITY & COUNTY DECLARATION

### II. AGENDA

#### VI. CONSENT CALENDAR/VERBAL MOTION

Given the importance and time-sensitive nature of this matter, the Chair recommends moving this item earlier on the agenda.

- a. Minutes February 23, 2026 & February 26, 2026
- b. Board Compensation (II.07)(Policy)
- c. Board Members Code of Conduct (II.09)(Policy)
- d. Conflict of Interest (II.II)(Policy)
- e. Utilization Management (Report)

#### VII. FINANCIAL REPORTS

Given the importance and time-sensitive nature of this matter, the Chair recommends moving this item earlier on the agenda.

- a. Financial Condition Report
- b. Utilization Report
- c. February 2026 Disbursement/**MOTION**

### III. CITIZEN TIME

### IV. RECIPIENT RIGHTS

- a. Recipient Rights Monthly Report
- b. Recipient Rights Advisory Committee Appointments/**MOTION**

### V. PROGRAM SERVICE REPORT

- a. Nancy McDonald, Senior Executive – Adult Community Services  
& Rebecca DeBruyn, Program Supervisor-OORP, Presentation “Engagement Team”
- b. Beth Ann Meints, Administrator of Clinical Services, CCBHC Report

### VI. CONSENT CALENDAR/VERBAL MOTION- MOVED UP ON THE AGENDA

- a. Minutes February 23, 2026 & February 26, 2026
- b. Board Compensation (II.07)(Policy)
- c. Board Members Code of Conduct (II.09)(Policy)
- d. Conflict of Interest (II.II)(Policy)
- e. Utilization Management (Report)



**Jeffrey W. Patton**  
Chief Executive Officer

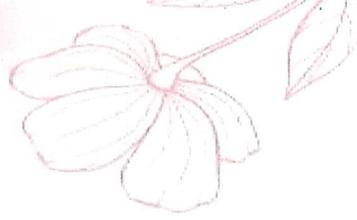
[www.iskzoo.org](http://www.iskzoo.org)  
(269) 553-8000

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

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

- VII. FINANCIAL REPORTS - **MOVED UP ON THE AGENDA**
  - a. Financial Condition Report
  - b. Utilization Report
  - c. February 2026 Disbursement/**MOTION**
  
- VIII. CHIEF EXECUTIVE OFFICER VERBAL REPORT
  - a. CEO Report
  
- IX. CITIZEN TIME
  
- X. ACKNOWLEDGEMENT of MERITORIOUS STATUS  
None
  
- XI. BOARD MEMBER TIME
  - a. SWMBH (Southwest Michigan Behavioral Health) Updates/**Michael Seals**
  
- XII. ADJOURNMENT



## Resolution Honoring the Life and Service of ISK Board of Directors

### *Ms. Sharon Marie Spears*

WHEREAS, the Board of Directors of Integrated Services of Kalamazoo has learned with profound sadness of the passing of Ms. Sharon Marie Spears, a valued member of this Board; and

WHEREAS, Sharon served faithfully as a board member from (February 6, 2007-February 1, 2026), contributing time, wisdom, and leadership with her extensive knowledge on the care necessary for the Intellectual/Developmental Disabilities population and valuing the mission, vision, and guiding values of Integrated Services of Kalamazoo; and

WHEREAS, Sharon demonstrated unwavering commitment, integrity, and compassion, and was instrumental in advancing the organization's work on behalf of our persons-served; and

WHEREAS, Sharon's service and counsel strengthened the Board and the mental health community and her impact on this community and organization will be lasting upon staff, persons-served, politics and advocacy.

BE IT FURTHER RESOLVED, that the Board extends its heartfelt sympathy and condolences to Sharon's family, friends, and loved ones during this time of loss; and

BE IT FURTHER RESOLVED, that this resolution be entered into the permanent records of the organization and that a copy be shared with the family as a testament to the Board's respect, appreciation, and remembrance of Ms. Sharon Marie Spears.

Adopted this 23<sup>rd</sup> day of March 2026, by the Integrated Services of Kalamazoo Board of Directors.

*Karen Longanecker*

*Karen Longanecker*

ISK Board Chair

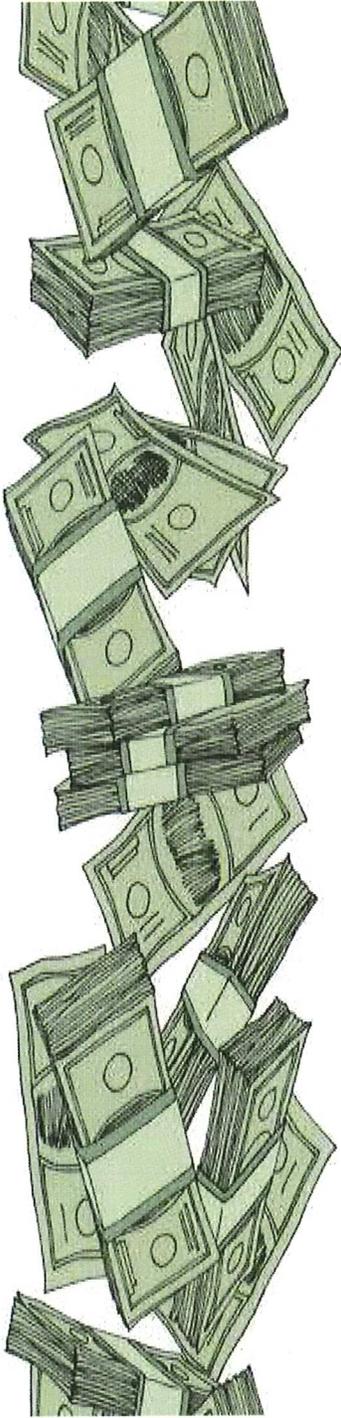


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*Jeff Patton*

*Jeffrey W. Patton*

ISK Chief Executive Officer



The  
Financial  
Statement &  
Single Audit Act  
Compliance  
Report `YE 9.30.25

Will be available for review at the  
Monday, March 23, 2026, ISK Board of  
Directors Meeting @ 4:30pm.

*Many thanks ~*



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## Integrated Services of Kalamazoo MOTION

Subject:	<i>FY 2025</i> Financial Statements & Single Audit Act Compliance
Meeting Date:	March 23, 2026, <u>Approval Date:</u>
Prepared by:	Amy Rottman, CFO <u>March 23, 2026</u>

### Recommended Motion:

“I move to accept and file the FY 2025 Financial Statements and Single Audit Act Compliance Report.”

### Summary of Request:

- ✦ The independent audit of fiscal year 2025 was completed by BDO.
- ✦ The independent audit report is unmodified, or “clean”.
- ✦ There are no reported material weaknesses in internal controls.
- ✦ No findings related to the financial statements which are required to be reported.
- ✦ No findings or questioned costs for federal awards which are required to be reported.
- ✦ Net position changed from \$46.5 million in FY 2024 to \$54.1 million in 2025.

- |                                |                       |
|--------------------------------|-----------------------|
| ▪ Budget:                      | N/A                   |
| ▪ Staff:                       | Amy Rottman           |
| ▪ Date of Board Consideration: | <u>March 23, 2026</u> |

IV.a

Office of Recipient Rights  
Report to the Mental Health Board  
On Complaints/Allegations  
Closed in: February 2026

**Office of Recipient Rights Report to the Mental Health Board**  
**Complaints/Allegations Closed in February 2026**

	February 2026	FY 25-26	February 2025	FY 24-25
<b>Total # of Complaints Closed</b>	<b>41</b>	<b>195</b>	<b>35</b>	<b>169</b>
<b>Total # of Allegations Closed</b>	<b>52</b>	<b>258</b>	<b>52</b>	<b>282</b>
<b>Total # of Allegations Substantiated</b>	<b>18</b>	<b>103</b>	<b>17</b>	<b>86</b>

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.**

<b>ALLEGATIONS</b>	<b>February 2026</b>		<b>February 2025</b>	
<b>Category</b>	<b>TOTAL</b>	<b>SUBSTANTIATED</b>	<b>TOTAL</b>	<b>SUBSTANTIATED</b>
Consumer Safety	2	1	5	0
Dignity/Respect of Consumer	13	3	10	1
Treatment Issues/Suitable Services (Including Person Centered Planning)	13	3	12	2
Abuse I	0	0	0	0
Abuse II	4	1	3	1
Abuse III	2	0	2	0
Neglect I	0	0	1	0
Neglect II	0	0	2	1
Neglect III	15	9	13	11
	<b>49</b>	<b>17</b>	<b>48</b>	<b>16</b>

<b>APPEALS</b>	<b>February 2026</b>	<b>FY 24-5</b>	<b>February 2025</b>	<b>FY 24-25</b>
Uphold Investigative Findings & Plan of Action	0	3	0	1
Return Investigation to ORR; Reopen or Reinvestigate	0	0	1	1
Uphold Investigative Findings but Recommend Respondent Take Additional or Different Action to Remedy the Violation	0	0	0	1
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

## March 2026

### Re: February 2026 Abuse/Neglect Violations

#### February

#### Abuse Violations

- There was one substantiated Abuse II violation in February 2026.
  - The remedial actions for this violation was Written Counseling (1), and Training (1).

#### Neglect Violations

- There were nine substantiated Neglect III violations in February 2026. One of the nine was a Failure to Report.
  - The remedial actions for these violations were Written Counseling (3), Written Reprimand (5), Training (4), and Pending (2).

**Two of the 9 violations occurred at the same agency but different program sites.**

**Three of the 9 violations occurred at the same agency, but different program sites. One of those 3 violations was a Failure to Report.**

**The 4 other violations occurred at different agencies.**

## IV. b.

Office of Recipient Rights  
Report to the Mental Health Board  
Motion to Recipient Rights Advisory  
Committee



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## Integrated Services of Kalamazoo MOTION

Subject:	Recipient Rights Advisory Committee	
Meeting Date:	March 23, 2026	Approval Date: <u>March 23, 2026</u>
Prepared by:	Lisa Smith	

### **Recommended Motion:**

#### Appointment:

“I MOVE TO APPOINT THE FOLLOWING INDIVIDUAL TO THE RECIPIENT RIGHTS APPEALS COMMITTEE (RRAC): ELIZABETH SCHLOTT AND JENNIFER LEIGH FOR A ONE YEAR TERM (BEGINNING MARCH 2026 – MARCH 2028).”

### Summary of Request

Budget: \_\_\_\_\_  
Staff: LS

Date of Board  
Consideration: MARCH 23, 2026

## THE ENGAGEMENT TEAM

The Engagement Team is one of the newest programs at ISK. This program was developed to help improve our ability to engage individuals into services AND also to help ensure people quickly and successfully engage in their first service after they complete an assessment at our front door.

Staff consist of:

- current supervisor, who was determined to have capacity to take on extra duties
- 2 peer support specialists (we are in the process of hiring a 3<sup>rd</sup> peer staff)
- 1 BSW social worker

The program is part of the Adult MIA Department, but serves all populations. To date, the program has primarily served adults seeking MIA services, but has served youth and adults referred to the IDD department as well.

Referrals come from staff who are attempting to link individuals into services: Care Coordinators, Justice Department Staff, Hospital Liaison staff, Housing Staff.

Referrals also come from the front door staff at the UCAC. The engagement team will take any referral; key indicators we've suggested staff look for include: adults on an AOT, individuals who have been closed from services in the last year due to non engagement and have returned seeking services, people/families with multiple social determinants of health, and those who are unhoused.

Staff follow up with clients until they are successfully engaged in their service, or we have been unsuccessful after multiple outreach attempts.

Staff are expected to look for individuals in the community; this is not an office based/telephonic program. However, staff do make lots of phone call reminders and check ins. One member of the team is located at the UCAC every day to immediately engage with new referrals and discuss the program.

Staff are currently working hours that are the busiest at the UCAC and have been determined to be most successful in locating clients: Monday through Friday: 9-7

On average, staff receive 6 new referrals per day; busiest day this month involved 13 new referrals. As of 3/12/26, we have 114 open referrals.

# Engagement Program Dashboard

Report ID: C1.09 Refreshed Date: 03/10/2026

725

Referrals

636

Received 90791

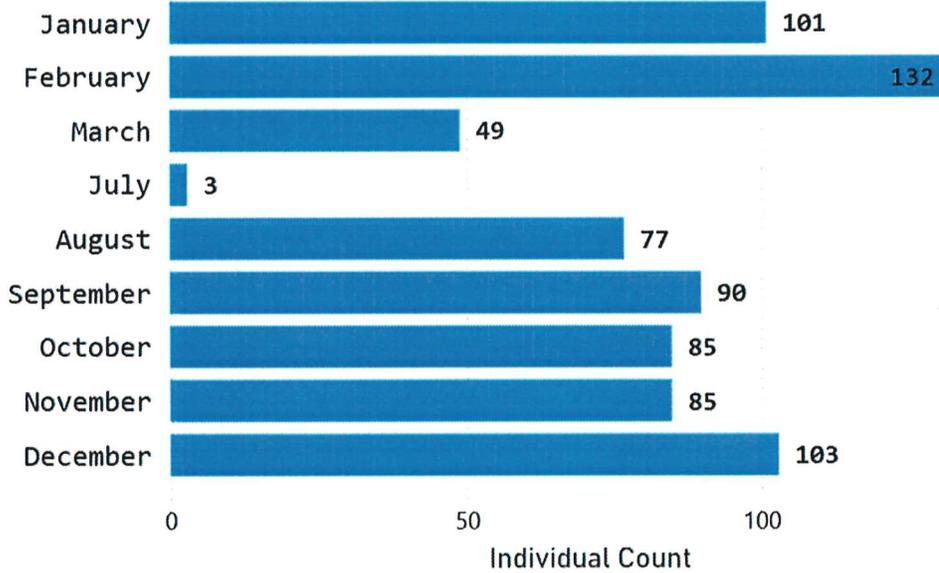
636

Had Follow Up Service After 90791

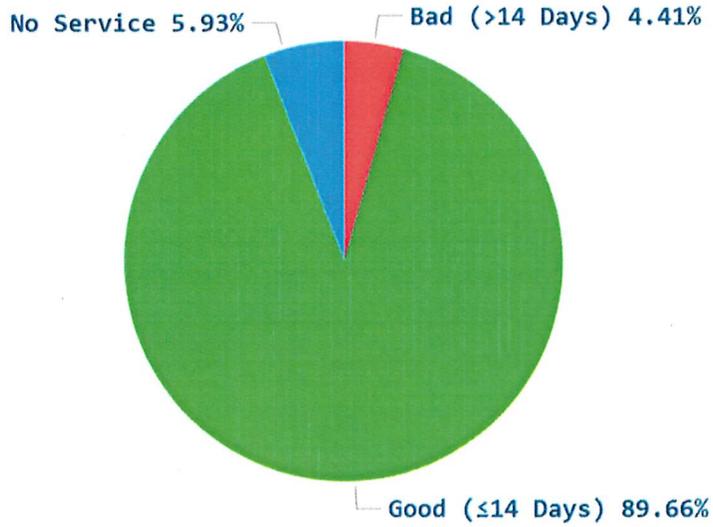
89

Did not Receive 90791

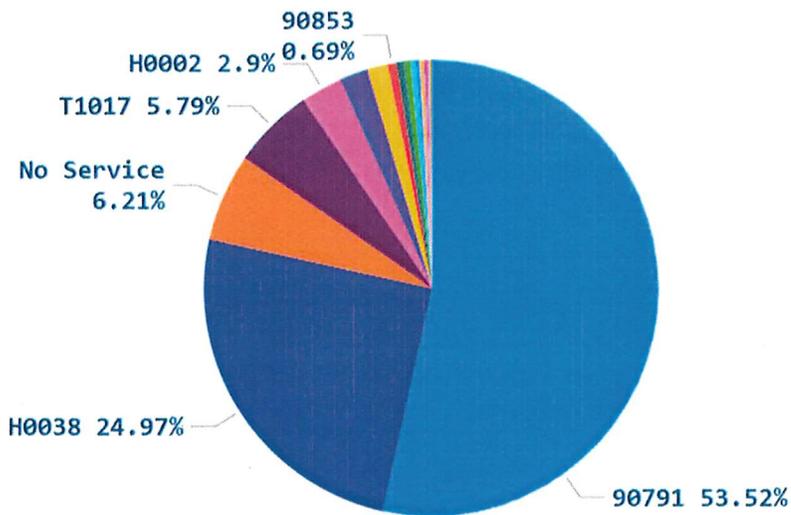
## Enrollment Month



## Service Access Timeliness After Program Referral



## First Service After Program Enrollment





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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

February 23, 2026

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
Michael Seals, <i>VICE CHAIR</i>	X	Kalamazoo/Kalamazoo	
Nkenge Bergan	X	Kalamazoo/Kalamazoo	
Catherine Huynh			X
Patrick Dolly			X
Pat Guenther	X	Kalamazoo/Kalamazoo	
Ramona Lumpkin	X	Kalamazoo/Kalamazoo	
Michael Raphelson	X	Kalamazoo/Kalamazoo	
Melissa Woosley	X	Kalamazoo/Kalamazoo	
Abigail Wheeler, <i>COMMISSIONER</i>			X

ISK - Staff Present:

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

Providers & Guests:

Shenetta Coleman, CEO  
 Residential Opportunities, Incorporated  
 Sean Harris, Executive Director  
 Recovery Institute  
 Latrevia Boston, Executive Director  
 ASK Family Services

Call to Order

The Board of Directors (Integrated Services of Kalamazoo) held their meeting on Monday, February 23, 2026. It began @ 4:35PM and was presided over by Vice Chair, *Michael Seals*.

Moment of Silence

*Ms. Sharon Marie Spears*

Before we continue with today's agenda, we pause to acknowledge the passing of Ms. Sharon Marie Spears, a respected colleague, and board member. Sharon's contributions, wisdom, and her legacy will remain part of this organization.

*-pause-*

Thank you.

AgendaMOTION

Member Guenther,

"I move to approve the agenda by having the following items placed at the start of the agenda due to their time sensitivity, decision-making priority, or strategic importance." Supported by Member Raphelson and carried without dissent.

- Consent Calendar Reports
- Financial Reports
- Monitoring Reports

MOTION PASSED.Consent CalendarMOTION

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

- a. Minutes January 26, 2026
- b. Quality Management (V.09)(Policy)
- c. Board Travel (II.14)(Policy)
- d. Collaboration (V.10)(Policy & Report)

Member Raphelson, "I MOVE TO ACCEPT THE CONSENT AGENDA [CALENDAR] AS PRESENTED." Supported by Member Guenther. MOTION PASSED.

Financial Reports/Financial Condition Reports

Amy Rottman, ISK, Chief Financial Officer, presented the Financial Condition Reports for January 31, 2026.

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 January 31, 2026.

- Autism Services is at (69) clients and is favorable at \$465,679.
- Youth Community Inpatient Services is at (6) days and is favorable at \$3,911.
- MI Adult Community Inpatient Services is at (47) days and is favorable at \$53,760.
- Community Living Supports, Personal Care, and Crisis Residential is favorable at \$231,919.

## January Disbursements

### MOTION

Member Guenther, “BASED ON THE BOARD FINANCE MEETING REVIEW, I move that ISK approve the January 2026 vendor disbursements of \$11,711,509.98.” Supported by Member Raphelson.

### MOTION PASSED.

Citizen Time No citizens came forth.

## Recipient Rights

Lisa Smith ISK, Director of ORR, presented the complaints/allegations closed in January 2026.

## Abuse Violations

- There was one substantiated Abuse II violation in January 2026.
  - The remedial actions for this violation were Written Reprimand (1), and Training (1).
- There were three substantiated Abuse III violations in January 2026.
  - The remedial actions for these violations were Contract Action (2), Written Counseling (1), and Training (1).  
Two of the three violations occurred at the same agency, and the same program site.

## Neglect Violations

- There were five substantiated Neglect III violations in January 2026.
  - The remedial actions for these violations were Employee Terminated (1), Written Counseling (4), Written Reprimand (2), and Training (5). One of the five violations was a Failure to Report.  
Three of the five violations occurred at the same agency, and two of those occurred at the same program site.

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

**Program Service Report**

Timothy Kelly, Director of Outpatient Services

Department Clinical Teams

“Adult Outpatient Therapy, Youth and Family Therapy, SAMM for Adults with Co-Occurring Disorders, Dialectical Behavior Therapy (DBT), Navigate Coordinated Specialty Care for Early Psychosis”

**Staffing**

Full Time Staff	Current	Vacant
Adult Outpatient	13	1
Youth Outpatient	5	1
SAMM	8	NA
DBT	8	1
Navigate	5	NA

**Program Census**

Adult Outpatient	1033
Youth Outpatient	241
SAMM	234
DBT	116
Navigate	43
<b>Total</b>	<b>1667</b>

**FY 26 First Quarter Data**

**Referrals**

	Adult OPT	Youth OPT	SAMM	DBT	Navigate	Department
SDA Referrals	85	58	50	13	4	210
Internal Referrals	87	26	25	16	5	159
<b>Total Referrals</b>	<b>172</b>	<b>84</b>	<b>75</b>	<b>29</b>	<b>9</b>	<b>369</b>

**Program Exits**

	<b>Adult OPT</b>	<b>Youth OPT</b>	<b>SAMM</b>	<b>DBT</b>	<b>Navigate</b>	<b>Department</b>
Discharges	<b>138</b>	86	73	14	4	315
Transfer Out	<b>25</b>	16	10	3	4	58
<b>Total Exits</b>	<b>163</b>	<b>102</b>	<b>83</b>	<b>17</b>	<b>8</b>	<b>373</b>
<b>Goals Met at Exit</b>	<b>52%</b>	<b>55%</b>	<b>42%</b>	<b>65%</b>	<b>75%</b>	<b>53%</b>

Additional Outcome Data for Specialty Programs

DBT utilizes a standard symptom measure—the BSL 23—to compare symptoms at the beginning to the end of treatment. Scores on this measure improved on average from a 2.38 (High Symptom Severity) at the beginning, to a .88 (Low Symptom Severity) at the end of treatment.

In the Navigate program, 76% of individuals served in the quarter were either enrolled in school or working during the quarter, exceeding the goal for the program and a much higher rate than that found in treatment as usual for this population. A key goal of the program is maintaining progress in work and school for this transition age population.

SAMM maintains a partnership with the Drug Treatment Court to serve adjudicated individuals with co-occurring disorders.

Access to Services

All teams are maintaining availability for initial appointments for new individuals within 14 days of assessment. However, the no show rate for first service remains high. We are partnering with the engagement team to assist individuals who may be at risk of dropping out before their first service.

Evidence Based Treatment and the CCBHC Model

We currently exceed CCBHC standards for availability of evidence supported treatment within our outpatient department. Our specialty teams are current with external quality reviews and are meeting or exceeding standards. Our evidence-based treatments have grown considerably over the past year. We now have evidence-based trauma specific treatment available on all outpatient therapy teams.

Department Goals

- Reduce overall case load size on our Adult Outpatient Team with the goal of increasing frequency of service, and earlier program completion.
- Develop a Dashboard to better monitor referral, discharge and outcome data.
- Increase access to group services.
- Increase parent participation in evidence-based parent training model.

Beth Ann Meints, Administrator of Clinical Services, CCBHC Report

The Community Mental Health Association of Michigan was asked by State Representative VanWoerkom to select a couple of CCBHCs to attend the hearing of the House Behavioral Health and Medicaid Committee meeting on March 3, 2026 @ 10:30am. During the hearing they would like the CCBHCs to give presentations on how the CCBHCs have affected their community, increased access to care, openings, or on the ISK Behavioral Health Urgent Care/Access Center, increase in 24/7 crisis service program and expansion of services such as outpatient and psychiatric care. I will be presenting the presentation for ISK.

That concludes my report.Chief Executive Officer Report

The ISK/CEO, Jeff Patton turned the meeting over to ISK/Corporate Counsel, Michael D. Schlack, to provide an update on current litigation matters.

*“After the court released its opinion and findings that MDHHS's request for proposal (RFP) violates Michigan law and must be changed, the Department withdrew the RFP and then filed a motion with the court stating there is no further dispute for the court to consider and seeking to have the case dismissed with prejudice (meaning the case could not be refiled). Our attorneys have filed a response challenging the motion and stating our position that a potential dispute remains between the parties and the court should retain jurisdiction in order to make sure that any future attempt by MDHHS to make changes to the public mental health system in Michigan through an RFP does not also violate Michigan law. The court has scheduled a hearing on the motion in Lansing on April 13, 2026. We will attend that hearing to show support for our position and to allow us to hear and understand the arguments and the court's comments. Based on Michigan law, the court was not required to hold a hearing before deciding the motion and the fact that the judge has scheduled a hearing indicates he wants additional information from the parties.”*

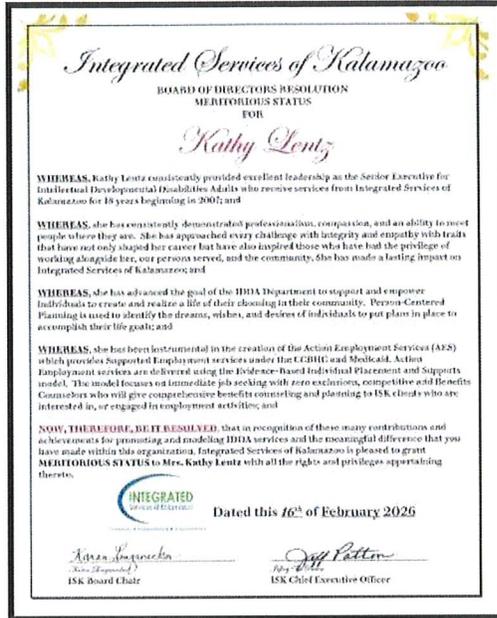
That concludes my report.Citizen Time

No citizens came forth.

**ACKNOWLEDGEMENT of MERITORIOUS STATUS**

Ms. Kathy Lentz, Retired from ISK after 18 years of service!

Dr. Gopal Bedi, M.D., Retired from ISK after 24 years of service!



**SWMBH (Southwest Michigan Behavioral Health) Updates/Michael Seals**

The ISK Board of Directors utilized this time to complete the Southwest Michigan Behavioral Health (SWMBH) Board Ownership Linkage Survey for ISK’s Community Mental Health.

That concludes my report.

Meeting adjourned by voice vote @ 6:00PM.  
MOTION PASSED.

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





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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

February 26, 2026

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	
Catherine Huynh			X
Patrick Dolly			X
Pat Guenther	X	Kalamazoo/Kalamazoo	
Ramona Lumpkin			X
Michael Raphelson	X	Kalamazoo/Kalamazoo	
Melissa Woosley	X	Kalamazoo/Kalamazoo	
Abigail Wheeler, <i>COMMISSIONER</i>			X

ISK - Staff Present:

Michael Schlack, *Corporate Counsel*  
 Lisa Brannan, *Contingent CHR Officer*

Call to Order

The Board of Directors (Integrated Services of Kalamazoo) held their meeting on Thursday, February 26, 2026. It began @ 1:34PM and was presided over by the Chair, *Karen Longanecker*.

Citizen Time No citizens came forth.

CEO Candidate Presentation

CEO Candidate Presentation: Presentation by Beth Ann Meints. Topic - Tell us about a time you had to balance regulatory requirements and funding resource limitations with innovative programming. Were you successful and what did you learn?

CEO Candidate Questions and Answers: The Board conducted an interview during which time Beth Ann Meints responded to Board Members' questions, after which the candidate left the meeting.

Board Member Time: Upon completion of the interview, the Board discussed the CEO search process, the candidates, and the interview conducted during the meeting.

Lisa Brannan provided a recap of the search process. There were thirty-three applications submitted, from which the CEO search committee selected three candidates as finalists based on the background and experience noted in their application. Those three candidates were requested to respond to written questions provided by the CEO search committee. At that time, one of the finalists informed the committee that she would withdraw her application due to a family issue. The remaining finalists submitted answers to the committee's questions and the committee scheduled interviews with them. Prior to the interview date, a second finalist notified the committee of a family issue that impacted her ability to complete the interview as scheduled. The search committee agreed to allow a short delay and scheduled an alternative interview date. Thereafter, the candidate informed the committee that the family issue continued to impact her ability to complete the interview and she withdrew her candidacy.

The Board discussed whether reopening the search process to seek additional candidates is appropriate. Search committee members expressed their opinions that the process had yielded an appropriately diverse candidate pool. It was the consensus of the Board that the Board should move forward with consideration of making an offer for the CEO position.

### MOTION

Member Guenther, "I MOVE TO OFFER THE CEO POSITION TO BETH ANN MEINTS, AT AN ANNUAL SALARY OF \$200,012.80." Supported by Vice Chair Seals.

After further discussion, the Board conducted a vote resulting in the unanimous approval of the motion, with no abstentions.

### MOTION PASSED

Meeting adjourned by voice vote @ 3:12PM.  
MOTION PASSED

*Michael D. Schlack*  
Corporate Counsel  
Office of the CEO  
Integrated Services of Kalamazoo Board of Directors



## INTEGRATED SERVICES OF KALAMAZOO

## BOARD POLICY II.07

AREA: Governance	
SECTION: Board Governance Process	PAGE: 1 of 2
SUBJECT: <b>BOARD COMPENSATION</b>	SUPERSEDES: 03/22/2021 REVISED: 03/24/2025

**PURPOSE/EXPLANATION**

To establish parameters for compensation of Board members according to the Resolution adopted by the Kalamazoo County Board of Commissioners on November 4, 1997.

**DEFINITIONS****Authority Board**

The Integrated Services of Kalamazoo Board.

**Meetings**

A regular or special meeting of the Authority Board, or a regular or special meeting of the Authority Board acting as a committee of the whole.

**Per diem**

Per day.

**POLICY**

- I. Board members will be compensated for attending regular or special meetings subject to the following conditions:
  - A. If an Authority Board member desires to submit a per diem request, he/she shall submit a signed voucher detailing the meetings attended to the Finance Director within ninety (90) days of the meeting which is the subject of the per diem request.
    1. Vouchers received after ninety (90) days shall not be paid.
    2. All per diem vouchers must be approved by the Board Chair or designee prior to payment.
    3. Compensation shall be paid for both in person and virtual attendance.
  - B. The maximum compensation that Authority Board members may receive shall be \$35.00 per day and \$970.00 per year.
  - C. The compensation that is authorized by the Resolution of the County Board

of Commissioners does not apply to a County Commissioner who is also an Authority Board member.

- II. This policy shall remain in full force and effect until modified or terminated by an appropriate Resolution of the County Board.

**EXHIBIT/REFERENCE**

- A. Kalamazoo County Board of Commissioners “Resolution to Establish Compensation for Kalamazoo County Community Mental Health and Substance Abuse Services Authority Board Members”, November 4, 1997.

**CHIEF EXECUTIVE OFFICER**

**APPROVED**



\_\_\_\_\_  
Jeff Patton  
Chief Executive Officer



\_\_\_\_\_  
Karen Longanecker  
Board Chair

Chm Initial ROA

Clk Initial JS

13759

O. Request for the Adoption of a Resolution Establishing Compensation for Kalamazoo County Community Mental Health Authority Board Members

Commissioner Buskirk moved and it was duly seconded that the following Resolution be adopted:

RESOLUTION TO ESTABLISH COMPENSATION FOR  
KALAMAZOO COUNTY COMMUNITY MENTAL HEALTH  
AUTHORITY BOARD MEMBERS

WHEREAS, on August 6, 1996, the Kalamazoo County Board of Commissioners created the Kalamazoo County Community Mental Health Authority, with an effective date of December 31, 1996 at 12:59 p.m.; and

WHEREAS, on September 22, 1997, the Authority Board adopted a motion requesting that the County Board approve compensation for Authority Board members for attendance at the Authority's Board and committee of the whole meetings; and

WHEREAS, the County Board is willing to authorize compensation as hereinafter set forth.

NOW, THEREFORE, BE IT RESOLVED that the Kalamazoo County Board of Commissioners does hereby authorize compensation for members of the Kalamazoo County Community Mental Health Authority Board on the basis of \$25.00 per diem for attending meetings, subject to the following definitions and conditions:

1. "Per diem" means per day.
2. "Meetings" means a regular or special meeting of the Authority Board or a regular or special meeting of the Authority Board functioning as a committee of the whole, but only if a quorum of the Board or committee is present.
3. If an Authority Board member desires to submit a per diem request, he/she shall submit a signed voucher, detailing the meetings attended, to the Authority finance officer within ninety

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Clk Initial

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(90) days of the meeting which is the subject of the per diem request. Vouchers received after ninety (90) days shall not be paid. All per diem vouchers must be approved by the Authority Board prior to payment.

4. The maximum compensation that an Authority Board member may receive shall be \$25.00 per day and \$850.00 per year.

5. The compensation that is authorized by this Resolution shall not apply to a County Commissioner who is also an Authority Board member.

BE IT FURTHER RESOLVED that this Resolution shall be effective on January 1, 1998, and shall remain in full force and effect until modified or terminated by an appropriate Resolution of the County Board.

The roll call vote was as follows:

Ayes:	All members present except
Nays:	Commissioner Wilson
Abstains:	None
Absent:	Commissioners Houtman and Wenke

The motion carried.

ITEM 9 - Old Business

There was no Old Business.

ITEM 10 - New Business

Commissioner Johnson moved and it was duly seconded that Vice Chairperson Charlotte Sumney be authorized to sign contracts, resolutions and all other documents normally requiring the Chairman's signature that are approved by the County Board at tonight's meeting due to the fact that the Chairman is on vacation for a week.

There being no discussion, the motion carried by a voice vote.

Chm Initial

RAA

Clk Initial

JAS

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ITEM 11 - Chairperson's Report

There was no Chairperson's Report.

ITEM 12 - Vice Chairperson's Report

Vice Chairperson Sumney applauded the efforts of all the individuals who recently participated in meetings attempting to dissuade Pharmacia & Upjohn, Inc. of its intention to relocate approximately 600 area jobs to New Jersey. She then urged everyone - government officials, business leaders and private citizens - to keep working as a team for the betterment of the community.

ITEM 13 - County Administrator's Report

Administrator Freeland reported that the County's total contribution to the Greater Kalamazoo United Way campaign for 1997 amounted to approximately \$46,000, which was up about 11% over 1996. He praised Kenda Horton, the County's United Way campaign coordinator, for having done an excellent job and being the driving force behind the campaign for the past several years.

ITEM 14.- Members' Time

Commissioner Johnson welcomed her Uncle Paul who recently moved here from Texas.

Commissioner Ozier stated that last week's storm, which caused numerous power outages in the area, presented opportunities for individuals to get acquainted with their neighbors.

Commissioner Powers reported on a Comprehensive Plan Meeting she recently attended and stressed the importance of community planners addressing superfund issues.

Commissioner Powers stated that she recently returned from a two-day trip to attend joint commission meetings. She expressed her concern regarding a rumor circulating that the EPA would be eliminating its Region V office. She then requested that the Board send a letter to Senator Levin and Representative Upton questioning the veracity of the rumor,

Chm Initial RON

Clk Initial JPS

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and upon Vice Chairperson Sumney's request, Commissioner Powers indicated that she would prepare a letter.

Commissioner Powers, commenting on the fact that on that day voters in Kalamazoo would elect a new mayor, stated that in her opinion, current Kalamazoo Mayor Barb Larson had done a fine job for the City over the past four years.

Commissioner Provancher stated that earlier that day he had participated in the Road Commission's road tour through Kalamazoo County. He said both the tour and the Commission's planned projects for 1998 had been impressive.

Commissioner Wilson expressed his thanks to Administrator Freeland for his efforts in connection with the tax rollback on the County's operating millage rate being included in the County's 1998 Budget.

ITEM 15 - Adjournment

There being no further business to come before the Board, Vice Chairperson Sumney adjourned the meeting at 7:54 p.m.



Timothy A. Snow  
County Clerk/Register



Robert A. Houtman, Chairman  
Kalamazoo County Board of  
Commissioners

# INTEGRATED SERVICES OF KALAMAZOO

## BOARD POLICY II.09

AREA:	Governance		
SECTION:	Board Governance Process	PAGE:	1 of 4
SUBJECT:	<b>BOARD MEMBERS' CODE OF CONDUCT</b>	SUPERSEDES:	03/28/2011
		REVISED:	03/25/2019

### PURPOSE/EXPLANATION

The purpose of the Board Members' Code of Conduct policy is to promote the highest standards of conduct by members of the ISK Board to maintain and enhance public confidence in the integrity, independence, impartiality and effectiveness of the ISK Board.

### POLICY

- A. ISK Board Members are required to comply with this Code of Conduct, as well as the same ethical standards set forth in 15.342 of Michigan Act 196 of 1973 (and as amended), and Chapter 330 of the Michigan Mental Health Code § 330.1224 for public officers and board members.
- B. The ISK Board adheres to the Carver Model of Policy Governance and its members are expected to incorporate all Ten Principles into their approach. Principles 1-3 define an organization's ownership, the board's responsibility to it, and the board's authority. Principles 4-7 specify that the board defines in writing policies identifying the benefits that should come about from the organization, how the board should conduct itself, and how staff behavior is to be proscribed. Principles 8-10 deal with the board's delegation and monitoring. In general, if a board applies ALL the principles of Policy Governance in its process and decision-making, then the board is likely practicing the model. If a board applies fewer than all the principles, it weakens or destroys the model's effectiveness as a system (The Carver Model of Policy Governance: John & Miriam Carver's guidebook #1).
- C. ISK Board members must be committed to ethical and businesslike conduct in alignment with ISK's Vision, Mission and Guiding Values.
- D. In accordance with ISK Board Policy II.11 (Conflict of Interest), board members must represent unconflicted duty of care and duty of loyalty to the interests of ISK. This accountability supersedes any conflicting loyalty such as to advocacy or interest groups and membership on other boards or staffs. It also supersedes the personal interest of any Board member acting as a person or family member to a person receiving ISK services. Members must adhere to policy [II.11 \(Conflict of Interest\)](#) and complete the annual disclosure packet according to the policy.
  - a. *Duty of Care*

Every Board Member shall act in a reasonable and informed manner and perform his or her duties for ISK in good faith and with a degree of care that an ordinarily prudent person would exercise under similar circumstances.

b. *Duty of Loyalty*

Every Board Member owes a duty of loyalty to act always in the best interests of ISK and not in the interest of the Board member or any other Entity or Person. No board member may personally take advantage of a business opportunity that is offered to ISK unless the Board of Directors determines not to pursue that opportunity, after full disclosure and a disinterested and informed evaluation.

E. When an individual becomes a Board member, he/she must not disclose identifiable information (with or without names) about persons receiving services from ISK, regardless of where this information was obtained from, without informed consent of an authorized party. Board members must comply with all applicable Confidentiality Regulations of the Michigan Mental Health Code, HIPAA and 42 CFR Part 2.

a. All information about persons receiving mental health services through ISK is confidential whether it is written, verbal or observed and must not be disclosed without written informed consent.

b. Confidential information about recipients of ISK services must not be disclosed by a Board member, even if the information is already known to the listener.

c. Confidential information about a recipient of ISK services must not be disclosed by a Board member, even if it was disseminated by the media, and both the listener and the Board member read/heard the media account.

F. Board members will likewise exercise decorum, dignity and respect with speaking about or to employees of ISK, Provider Agencies, persons from MDHHS, other PIHPs, CMHSPs, and other constituents. While persons who are not recipients of services are not lawfully protected by HIPAA, 42 CFR Part 2 or MMHC; ISK Board members will demonstrate a conservative approach when choosing to share business or personal information to or about partners of ISK.

G. Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.

a. Members' interaction with the Chief Executive Officer or with staff, must recognize the lack of authority vested in individuals except when explicitly Board-authorized.

b. Members' interaction with public, press or other entities must recognize the same limitation and the inability of any Board member to speak for the Board.

c. Members will not make or publish false or malicious statements about an employee, ISK, or its services or products.

d. Members will not engage in misconduct that renders a member's presence

in ISK to be detrimental to employees, ISK operations or to others.

- H. Members are expected to vote according to the true merits of each motion, based on facts presented and applicable policy/procedure and law. Members must approach decision making with a mind that is open to persuasion by convincing evidence and argument. Members are expected to vote in the genuine best interest of ISK and the persons served by ISK without undue influence from partisan interest, public opinion, fear of criticism, or the prospect of disapproval from any person, institution or community.
- I. If a Board member has a concern with another member regarding this Code of Conduct, the issue should be directed in the following manner:
- a. If the concern involves a member other than one of the Board Officers, the issue should be directed to the Board Officer.
  - b. If the concern involves a Board Officer, the issue should be directed to the other Board Officer.
  - c. If the concern involves both Board Officers, the Board member should select two other members and direct the issue to them for review of the concern.
- J. If all attempts at an internal resolution of the concern has failed, then either the Board Officer(s) under I.a. or I.b. or the members selected under I.c of this policy. shall refer the matter to the Kalamazoo County Board of Commissioners' Chairperson for resolution under Section 1224 of the Mental Health Code.

## REFERENCES

- STANDARDS OF CONDUCT FOR PUBLIC OFFICERS AND EMPLOYEES: 15.342 of Michigan Act 196 of 1973 (and as amended): Public officer or employee; prohibited conduct
- Michigan Compiled Laws, Chapter 330. Mental Health Code § 330.1224 and as amended
- ISK Board policy [I.01 \(Mission/Vision/Value Statement\)](#)
- The Carver Model of Policy Governance: John & Miriam Carver's guidebook #1.
- HIPAA, 42 CFR Part 2
- 1968 PA 317, MCL 15.321 to 15.330 (contracts of public servants with public entities)
- 1978 PA 566, MCL 15.181 to 15.185 (incompatible public offices)

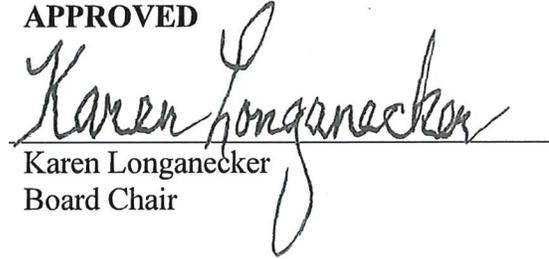
- 18 USC 208 (Federal Conflict of Interest Statute)
- IRS Conflict of Interest Guidelines, Policies and Pronouncements for Charitable Tax-Exempt Nonprofit Entities

**CHIEF EXECUTIVE OFFICER**



Jeff Patton  
Chief Executive Officer

**APPROVED**



Karen Longanecker  
Board Chair

# INTEGRATED SERVICES OF KALAMAZOO

## BOARD POLICY II.11

AREA:	Governance	PAGE:	1 of 7
SECTION:	Board Governance Process	SUPERSEDES:	02/26/2018
SUBJECT:	CONFLICT OF INTEREST	REVISED:	03/28/2022

### PURPOSE/EXPLANATION

The purpose of the Conflict of Interest policy is to:

1. Protect ISK' interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a board member,
2. Clarify the duties and obligations of Board members in the context of potential conflicts of interest and to provide board members with a method for disclosing and resolving potential conflicts of interest,
3. Supplement, but not replace, any applicable state laws governing conflicts of interest applicable to public institutions, along with nonprofit and charitable corporations.

### DEFINITIONS

#### A. Conflict of Interest

A conflict of interest arises when a board member participates or proposes to participate in a transaction, arrangement, proceeding or other matter for ISK, in which the board member, the board member's family member or an organization in which the board member is serving as an officer, director, trustee or employee has a financial interest. Board members should avoid both the appearance of and an actual Conflict of Interest.

#### B. Duty of Care

Every Board Member shall act in a reasonable and informed manner and perform his or her duties for ISK in good faith and with a degree of care that an ordinarily prudent person would exercise under similar circumstances.

#### C. Duty of Loyalty

Every Board Member owes a duty of loyalty to act at all times in the best interests of ISK and not in the interest of the Board member or any other Entity or Person. No board member or family member as defined in this policy may personally take advantage of a business opportunity that is offered to ISK unless the Board of Directors determines not to pursue that opportunity, after full disclosure and a disinterested and informed evaluation.

**D. Compensation**

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. This includes but is not limited to business, political or personal enterprises, personal fundraising, and gifts, monies or gratuities with more than a nominal value. A voting member of the Board of Directors who receives compensation, directly or indirectly, from ISK is precluded from voting on matters pertaining to such compensation arrangement.

**E. Family Member**

Family shall be defined to include spouse, parent, sibling (whole or half-blood), a spouse's parents, children (natural or adopted), grandchildren, great grandchildren, step family members, any person sharing the same living quarters in an intimate, personal relationship and spouses of siblings, children, grandchildren, great grandchildren, and all step family members. Relationships that create a potential conflict of interest or appearance of conflict of interest must be reported on the Conflict of Interest Disclosure Form and Acknowledgment (Exhibit A).

**F. Financial Interest**

A Board member has a Financial Interest if he or she has, directly or indirectly, actually or potentially, through a business, investment or through a family member:

1. An actual or potential ownership, control or investment interest in, compensation arrangement with, or serves in a governance or management capacity for, any entity or individual with which ISK currently has a transaction, arrangement, proceeding or other matter.
2. An actual or potential ownership, control or investment interest in, compensation arrangement with, or serves in a governance or management capacity for, any entity or individual with which the ISK Board is contemplating or negotiating a transaction, arrangement, proceeding or other matter.

**POLICY**

- I. Each ISK Board member shall act in a reasonable and informed manner and perform his or her duties for ISK in good faith and with the degree of care that an ordinarily prudent person would exercise under similar circumstances. In this regard, each Board member has a duty to disclose the existence of a Financial Interest or other actual or potential conflict of interest and all related material facts annually to the Board using the attached form (see Exhibit A).
- II. ISK will provide a means for a Board member to identify and report to the Board any direct or indirect Financial Interest and/or actual or potential conflict of interest. Based on that information, to permit the Board to review such Financial Interests and conflict of interest, ISK will provide a process for the Board to follow when managing financial interests and other actual or potential conflicts of interest, all in accordance with applicable law.

**PROCEDURE**

**I. DUTY TO DISCLOSE**

- A. Each board member shall complete and sign the annual Conflict of Interest Disclosure Form indicating that he/she agrees to abide by the terms of the Conflict of Interest policy and has disclosed the material facts of any actual, apparent or potential conflict of interest in the manner provided in this policy (see Exhibit A).
- B. Each board member has a continuing obligation to disclose (in the manner provided in this policy) the existence and nature of any actual, apparent or potential conflict of interest he/she may have. Such disclosure shall be made promptly any time an actual, apparent or potential conflict of interest arises.
- C. Conflict of Interest Disclosure Forms (Exhibit A) will be collected upon appointment of new board members and annually thereafter. Forms will be returned to the ISK Compliance Officer for review and further action as necessary, according to this policy, and kept on file. Any actual, potential or appearance of Conflict identified by the ISK Compliance Officer will be presented to the Board for further consideration.

**II. ADDRESSING CONFLICTS OF INTEREST INVOLVING BOARD MEMBERS**

- A. When considering a conflict of interest, the Board will consider a number of factors. In making a determination as to whether a Financial Interest is substantial enough to be likely to affect the integrity of the Board member's services to the entity, the Board shall consider, as applicable:
  - 1. Input from ISK Corporate Counsel and ISK Corporate Compliance Officer.
  - 2. The type of interest that is creating the potential conflict (e.g., stock, bonds, real estate, cash payment, job offer or enhancement of a spouse's employment).
  - 3. The identity of the person whose Financial Interest is involved, and if the interest does not belong directly to the Board member, the Board member's relationship to that person.
  - 4. The dollar value of the disqualifying Financial Interest, if known and quantifiable (e.g., amount of cash payment, salary of job to be gained or lost, change in value of securities).
  - 5. The value of the financial instrument or holding from which the disqualifying Financial Interest arises and its perceived value to the individual.
  - 6. The nature and importance of the Board member's role in the matter, including the level of discretion which the Board member may exercise in the matter.
  - 7. The sensitivity of the matter.
  - 8. The need for the Board member's services.
  - 9. Adjustments which may be made in the Board member's services as they relate to the potential conflict.

- B. The minutes of the Board and all committees with Board delegated powers shall contain:
1. The names of the persons who disclosed or otherwise were found to have a possible conflict of interest, the nature of the conflict of interest, any action taken to determine whether a conflict of interest was present and the Board/Committee's or Chief Executive Officer's decision as to whether a conflict of interest in fact existed.
  2. The names of persons who were present for discussions and votes relating to the contract, transaction or arrangement, the context of the discussion, including any alternatives to the proposed contract, transaction or arrangement, and a record of any votes taken in connection therewith.
- C. When a potential conflict arises, the Board will take the following steps:
1. The person who has information about an actual or potential conflict will present the issue to the full Board.
  2. If a majority of the ISK Board is involved in the actual or potential conflict, the matter will be submitted to the Kalamazoo County Board of Commissioners for review and decision.
  3. As necessary, the Board may request additional information from the involved Board Member, to be obtained no later than the next scheduled board meeting for vote.
  4. As necessary, the Board may request verbal input from legal counsel and the ISK Corporate Compliance Officer, to be obtained no later than the next scheduled board meeting for vote.
  5. Once all input has been obtained and presented, the Board will vote to determine whether an actual or potential conflict exists, according to this policy. The Involved Board Member(s) shall not participate in any vote on the matter.
    - a. If it is decided by majority vote of quorum that an actual or potential conflict does not in any way exist, the decision will be well-documented with supporting documentation, presented to the full board and considered resolved.
    - b. If it is decided by majority vote of quorum that a potential or actual conflict exists, the decision will be well-documented with supporting documentation, presented to the full board, and the involved Board Member will decide at that time to do one of two things:
      - i. propose an action in writing to cure the potential or actual conflict (see Step F), or
      - ii. request that the board appoint a committee to review the potential or actual conflict and make recommendations. (see Step G)
- D. If the board member chooses to propose an action to cure the potential conflict in writing he or she will present it to the full board for vote. The Board will vote to

determine whether the proposed action is sufficient as written, according to this policy and relevant law. The Involved Board Member(s) shall not participate in any vote on the matter. If it is decided by majority vote of quorum that the proposed action fully cures the potential or actual conflict as written, the proposed action will be well-documented, enacted with supporting documentation and the issue will be considered resolved. If it is decided by majority vote of quorum that the proposed action does not fully cure the potential or actual conflict, the board will appoint a committee to evaluate the potential or actual conflict and make written recommendations for final vote.

- E. If a committee is requested or required according to this policy, it will assemble before the next scheduled board meeting. The committee will consist of the ISK CEO, Board Chair, at least one other Board Member, ISK Corporate Counsel and the ISK Corporate Compliance Officer (provided that all parties are disinterested). If a committee member is unavailable to meet, she or he will produce a written opinion on the matter. The committee will form a written recommendation with supporting documentation. Upon completion of committee process, the committee will present its findings to the full board for final vote at the next scheduled board meeting (see Step H).
- F. The Board will vote to determine whether the committee's recommendation is sufficient as written, according to this policy and relevant law. The Involved Board Member(s) shall not participate in any vote on the matter. If it is decided by majority vote of quorum that the committee's recommendation is sufficient as written, the recommendation will be enacted with supporting documentation and the issue will be considered resolved.
- G. If it is decided by majority vote of quorum that the committee's recommendation is insufficient as written, the Board shall consider the following:
1. Whether ISK can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest and thus avoid unnecessary risk to the organization.
  2. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the disinterested members of the Board shall consider granting a waiver and shall act with full knowledge and acceptance of all potential risks.
- H. Michigan law specifically provides support for granting a waiver of a Conflict of Interest arising under the following Conflict of Interest exception scenarios:
1. A Community Mental Health Services Program (CMHSP) Board member may be a party to a contract with a CMHSP or administer or financially benefit from that contract, if the contract is between the CMHSP and the Regional Entity;
  2. A CMHSP Board member may also be a member of the Regional Entity Board, even if the Regional Entity has a contract with the CMHSP;

3. A CMHSP Board may approve a contract with the Regional Entity, if a CMHSP Board member is also an employee or independent contractor of the Regional Entity; and
  4. CMHSP public officers (e.g., Board members, officers, executives and employees) may also be Board members, officers, executives and employees of the Regional Entity, even if the Regional Entity contracts with the CMHSP, subject to any prohibition imposed by the Michigan Department of Health and Human Services in that regard.
- I. A conflict of interest waiver may be granted if the Board determines that it is not able, with reasonable efforts, to obtain a more advantageous transaction, arrangement, proceeding or other matter from another person or entity not involving the Board member, or that the actual or potential conflict is not so substantial as to be likely to affect the integrity of the services which the entity may expect from the Board Member. The Board may vote to waive the potential or actual conflict of interest and proceed with the proposed transaction, arrangement, proceeding or other matter and/or the Board member's participation in the matter. A Conflict of Interest Waiver shall be made in writing and signed by the Chairperson of the Board (or Vice Chair if the conflict involves the Chairperson) on the Conflict of Interest Waiver form (Exhibit C). The Conflict of Interest Waiver may restrict the Board member's participation in the matter, to the extent deemed necessary by the Board or the Conflict of Interest waiver may cover all matters the Board member may undertake as part of his/her official duties with the Board, without specifically enumerating such duties. All Conflict of Interest Waivers shall be issued prior to the Board member's participation in any transaction, arrangement, proceeding or other matter on behalf of ISK.

## REFERENCES

- Mental Health Code, 1974 PA 258, MCL 300.1001 to 300.2106
- 1978 PA 566, MCL 15.181 to 15.185 (incompatible public offices)
- 1968 PA 317, MCL 15.321 to 15.330 (contracts of public servants with public entities)
- 45 CFR Part 74 (Federal Procurement Regulations)
- 45 CFR Part 92 (Federal Procurement Regulations)
- 42 USC 1396a (Federal Medicaid Statute)
- Michigan Medicaid State Plan
- 18 USC 208 (Federal Conflict of Interest Statute)

- IRS Conflict of Interest Guidelines, Policies and Pronouncements for Charitable Tax-Exempt Nonprofit Entities

**EXHIBITS**

- A. Board Member Disclosure Statement
- B. Resolution of the Board
- C. Conflict of Interest Waiver

**CHIEF EXECUTIVE OFFICER**



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Jeff Patton  
Chief Executive Officer

**APPROVED**



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Erik Krogh  
Board Chair

# BOARD MEMBER DISCLOSURE STATEMENT

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## PURPOSE

The Conflict of Interest Policy adopted by the Board of Directors of ISK requires annual disclosure of certain Interests. It is not uncommon to have these interests, but you are required to make them known to ISK.

Use this questionnaire to disclose where you or your Family Members have affiliations, interests or relationships, and/or have taken part in transactions. Your answers will be reviewed to determine whether a conflict of interest exists according to ISK Policy.

## INSTRUCTIONS

1. Please read the Conflict of Interest policy and know the definitions for terms in this form.
2. Answer all questions. Please do not leave any question blank if the correct response is "no".
3. For purposes of this form, the definition of "Family Member" includes spouse, parent, sibling (whole or half-blood), a spouse's parents, children (natural or adopted), grandchildren, great grandchildren, step family members, any person sharing the same living quarters in an intimate, personal relationship and spouses of siblings, children, grandchildren, great grandchildren and all step family members.
4. Where this form refers to "you," it is also referring separately to each Family Member. Your response should indicate whether you are disclosing an interest of you or a Family Member (and, in the case of a Family Member, the nature of your relationship with that Family Member).
5. Disclose all potential Conflicts of Interest that currently exist, even if you previously reported them.
6. Complete the questionnaire, date it and sign the affirmation at the end of the document.
7. Each Board member has a duty to disclose the existence of a Financial Interest or other actual or potential conflict of interest and all related material facts annually to the Board using this form.

**You must report any relationship that creates a potential Conflict of Interest that occurs between now and the completion of the next annual Conflict of Interest Annual Disclosure and Acknowledgment form completion.** Any potential conflicts of interest that arise after the questionnaire has been completed should be immediately reported to the Compliance Officer.

## CAUTION

May contain privileged and confidential information not subject to FOIA.

# BOARD MEMBER DISCLOSURE STATEMENT

## CONFLICT OF INTEREST DISCLOSURE AND ACKNOWLEDGMENT

Name: \_\_\_\_\_

### I. POSITION (Board Member)

- A. I hold the following additional positions(s) and/or have the following relationship(s) with ISK:

### II. OUTSIDE INTERESTS

- A. Do you or any Family Member hold, directly or indirectly, an ownership or investment interest in any entity that does business with ISK?  
 No  Yes (explain in Part VI-Page 5)
- B. Do you or any Family Member hold, directly or indirectly, a compensation arrangement with any client, business entity, vendor, provider, contractor or consultant that does business with ISK (*examples: compensation for employment or independent contractor services, consulting fees, board stipends or fees, advisory committee fees, honoraria, etc.*)?  
 No  Yes (explain in Part VI-Page 5)
- C. Do you or any Family Member hold, directly or indirectly, a director, trustee, officer or board committee position with any other business entity that does business with ISK?  
 No  Yes (explain in Part VI-Page 5)
- D. Do you or any Family Member have any personal loans, advances or other indebtedness to or from any client, business entity, vendor, provider, contractor or consultant who also does business with ISK? (*Note: you may exclude charge cards and personal or mortgage loans at market rates from financial institutions*)  
 No  Yes (explain in Part VI-Page 5)
- E. Do you or any Family Member provide managerial, consultative or other services to or on behalf of any other client, business entity, vendor, provider, contractor or consultant that does business with ISK?  
 No  Yes (explain in Part VI-Page 5)
- F. Do you or any Family Member employ or otherwise retain any ISK personnel for work on non-ISK business done outside of ISK?  
 No  Yes (explain in Part VI-Page 5)
- G. Have you or any Family Member been a party to any action, lawsuit or proceeding during the past five years that might be deemed material to evaluating your ability, your integrity or your interests with respect to ISK?  
 No  Yes (explain in Part VI-Page 5)
- H. Do you or any Family Member know of any recent or pending actions, lawsuit or proceeding in which you have an interest adverse to the interests of, or are a party adverse to ISK?  
 No  Yes (explain in Part VI-Page 5)

# BOARD MEMBER DISCLOSURE STATEMENT

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## III. INSIDE ACTIVITIES

- A. Have you or any Family Member attempted to influence ISK concerning the employment or retention of any immediate family member or other individual with whom you have a business or personal relationship?  
 No  Yes (explain in Part VI-Page 5)
- B. Do you or any Family Member have any personal loans, advances or other indebtedness owed to ISK?  
 No  Yes (explain in Part VI-Page 5)
- C. Is any ISK director, officer, employee, consultant, contractor or business associate a Family Member?  
 No  Yes  
if yes, please specify name and relationship:  
\_\_\_\_\_
- D. Are you or a Family Member an employee of any ISK director, officer, employee, consultant, contractor or business associate?  
 No  Yes  
if yes, please specify employer(s)  
\_\_\_\_\_
- E. Do you or a Family Member have a written contract with any ISK director, officer, employee, consultant, contractor or business associate?  
 No  Yes  
if yes, please specify name and relationship:  
\_\_\_\_\_

## IV. GIFTS, GRATUITIES AND ENTERTAINMENT

- A. Have you or any Family Member accepted gifts, gratuities or other favors from any client, business entity, vendor, provider or consultant under circumstances from which a reasonable person might think that such action was intended to influence you in the performance of your duties on behalf ISK? (*Note: this does not prohibit the acceptance of reasonable items of nominal value.*)  
 No  Yes (explain in Part VI-Page 5)
- B. Have you or any Family Member accepted any gifts, gratuities, favors or benefits of higher than nominal value from any client, business entity, vendor, provider or contractor, or consultants of ISK?  
 No  Yes (explain in Part VI-Page 5)

## V. OTHER

- Do you or a Family Member have any other interest, activities, investments or involvement that you think might be relevant for full disclosure of all actual, apparent or possible conflicts of interest?  
 No  Yes (explain in Part VI-Page 5)

# BOARD MEMBER DISCLOSURE STATEMENT

**VI. IF YOU ANSWERED YES TO ANY OF THE QUESTIONS ON THE CONFLICT OF INTEREST DISCLOSURE FORM, YOU MUST COMPLETE THIS SECTION**

List the question number and describe the Conflict of Interest exception(s) in detail. Explain how you intend to manage or resolve the disclosed Conflict of Interest exception(s). Attach additional pages as necessary.

**VII. AFFIRMATION**

I hereby state that:

1. I have read, understand and will comply with the ISK Board Conflict of Interest policy.
2. I agree to report to the Compliance Officer any change in the responses to each of the foregoing questions that may result from changes in circumstances that may develop before the completion of my next annual Conflict of Interest Disclosure form.
3. I agree to report to the Compliance Officer any further financial interest, situation, activity or conduct that may develop before completion of my next annual Conflict of Interest Disclosure form.
4. The information contained in this Conflict of Interest Disclosure form is true and accurate to the best of my knowledge and belief as of the date below.

Sign: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

**CONFLICT OF INTEREST**

Name: \_\_\_\_\_

Position: \_\_\_\_\_

**INTERNAL REVIEW (as applicable)**

No conflicts reported

Personal conflict: \_\_\_\_\_

Financial conflict: \_\_\_\_\_

Board review date: \_\_\_\_\_

Board review date: \_\_\_\_\_

Waiver granted by Board -  Yes  No Date: \_\_\_\_\_

\_\_\_\_\_  
Corporate Counsel Signature Date

\_\_\_\_\_  
Compliance Officer Signature Date

**Notes:**

INTEGRATED SERVICES OF KALAMAZOO

RESOLUTION OF THE BOARD

Appointment to the Southwest Michigan Behavioral Health Board

WHEREAS, Integrated Services of Kalamazoo ("CMHSP") has adopted a Conflict of Interest Policy (the "Policy") requiring certain individuals to disclose Conflicts of Interest, as defined in the Policy, on the CMHSP's Conflict of Interest Policy Disclosure Statement to the CMHSP Board (the "Board");

WHEREAS, the Board has received the Conflict of Interest Policy Disclosure Statement Attached as Exhibit A, (the "Statement") in which \_\_\_\_\_ and \_\_\_\_\_ have disclosed a Conflict of Interest which requires the Board's consideration;

WHEREAS, the Board has undertaken such investigation, deliberation and discussion of the Conflict of Interest disclosed on the Statement and the potential Conflict of Interest created thereby, in accordance with the requirements of the Policy, to reach an informed decision regarding the matter; and

WHEREAS, pursuant to MCL 330.1204b, CMHSP is authorized and desires to appoint \_\_\_\_\_ to the Southwest Michigan Behavioral Health Board; and

WHEREAS, pursuant to MCL 330.1204b, CMHSP is authorized and desires to appoint \_\_\_\_\_ as an alternate member of the Southwest Michigan Behavioral Health Board to participate on that Board when \_\_\_\_\_ is unable to do so;

THEREFORE, the Board adopts the following resolutions:

- 1. Due Diligence Review - After due consideration of the factors described in the Policy, the Board has determined that it is not, with reasonable efforts, able to obtain a more advantageous arrangement from a person other than \_\_\_\_\_ and \_\_\_\_\_, and that the Conflict of Interest disclosed on the Statement is not so substantial as to be likely to affect the integrity of services which the CMHSP may expect from \_\_\_\_\_ and \_\_\_\_\_.
2. Waiver - In consideration of such due diligence review, the Board grants the written Conflict of Interest Waivers attached to this resolution as Exhibit B.
3. Appointment - The Board appoints \_\_\_\_\_ to serve on the Southwest Michigan Behavioral Health Board. Further, the Board appoints \_\_\_\_\_ to serve as an alternate member of the Southwest Michigan Behavioral Health Board, to participate on that Board when \_\_\_\_\_ is unable to do so.

Date \_\_\_\_\_ enter Board Members name here , Board Member

**INTEGRATED SERVICES OF KALAMAZOO**  
**CONFLICT OF INTEREST WAIVER**

**Review of the Disclosed Conflict of Interest**

In accordance with the requirements of Integrated Services of Kalamazoo's (the "CMHSP") Conflict of Interest Policy, the CMHSP Board has undertaken appropriate due diligence review and deliberation regarding the Conflict of Interest disclosed by \_\_\_\_\_ on the Conflict of Interest Disclosure Statement (the Statement) attached as Exhibit A.

**Board Resolution Granting Conflict of Interest Waiver**

At the conclusion of such due diligence review and deliberation, at its meeting on \_\_\_\_\_, the Board passed the resolution attached as Exhibit B in which it determined that it is not, with reasonable efforts, able to obtain a more advantageous arrangement from a person other than \_\_\_\_\_ and the Conflict of Interest disclosed on the Statement is not so substantial as to be likely to affect the integrity of services which the CMHSP may expect from \_\_\_\_\_ and granted this Conflict of Interest Waiver under the terms described below.

**Conflict of Interest Waiver Terms and Conditions**

**Name of Interested Person:**

---

**Description of Conflict of Interest:**

\_\_\_\_\_ serves as a member of the Board for Southwest Michigan Behavioral Health and at the same time serves on the CMHSP Board.

**Description of the Transaction, Arrangement, Proceeding or Matter to which the Conflict of Interest Applies:**

CMHSP has contract with Southwest Michigan Behavioral Health under which the CMHSP provides, among other things, mental health services to Medicaid beneficiaries, for which the Southwest Michigan Behavioral Health compensates the CMHSP using federal and state government funds.

**Interested Person's Role in the Transaction, Arrangement, Proceeding or Matter:**

\_\_\_\_\_ serves as a member on the Southwest Michigan Behavioral Health Board and in this role may be directly or indirectly involved in decisions regarding the award of contracts to CMHSP and the amount of federal and/or state government funds paid to CMHSP through or by the Southwest Michigan Behavioral Health.

**INTEGRATED SERVICES OF KALAMAZOO**  
**CONFLICT OF INTEREST WAIVER**

**Scope of Waiver and Restrictions, if any:**

This Conflict of Interest Waiver shall cover all matters \_\_\_\_\_ may undertake as part of his official duties with the CMHSP concerning any matters arising between the CMHSP and the Southwest Michigan Behavioral Health.

\_\_\_\_\_  
President/Chairperson of the Board Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Print Name)



Community • Independence • Empowerment

## **INTEGRATED SERVICES OF KALAMAZOO**

**Utilization Management Plan for Individuals Enrolled in Medicaid, Healthy Michigan Plan, SUD Community Grant, Flint 1115 Waiver, Certified Community Behavioral Health Clinic (CCBHC), Autism Benefit, Serious Emotional Disturbance (SED), Child, and Habilitation Supports Waivers**

**FY 26**

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## Introduction

Integrated Services of Kalamazoo (ISK) is a Community Mental Health Services Program providing specialty behavioral health services and performing delegated benefits management function for the individuals receiving services under the Medicaid Managed Specialty Supports and Services Demonstration 1115 Waiver, 1915 (c) (i) Program(s), the Healthy Michigan Program, the Flint 1115 Waiver, Substance Use Disorder Community Grant Programs, and Certified Community Behavioral Health Clinic for behavioral health specialty and substance use disorder services for Kalamazoo County.

These various funding sources/programs possess different definitions, criteria and benefits. The Medicaid Managed Specialty Supports and Services program is available to both youth and adults and is funded under Medicaid which is a Federal and state entitlement program that provides physical and behavioral health benefits to low-income individuals who have no insurance. Criteria for Medicaid varies based among other indicators including disability type, physical health status, age, and income. Healthy Michigan Plan provides comprehensive health care coverage for a category of eligibility for individuals who are 19-64 years of age; have income at or below 133% of the federal poverty level; do not qualify for or are not enrolled in Medicare; do not qualify for or are not enrolled in other Medicaid programs; are not pregnant at the time of application; and are residents of the State of Michigan. The Flint 1115 Waiver is a program available under Medicaid. Eligibility for coverage includes children up to the age of 21 who are or were being served by Flint's water system between April 2014 and a future date when the water system is deemed safe. Pregnant women and their children also will be made eligible. Substance Use Disorder Community Block Grant is a federal program that provides substance use disorder benefits to low-income individuals who have no insurance. The General Fund program provides a limited set of mental health benefits to low-income individuals who have no insurance.

Certified Community Behavioral Health Clinics were federally established and approved in Michigan as a CCBHC Demonstration State, which launched October 1, 2021. The CCBHC demonstration aims to improve the behavioral health of all by increasing access to high-quality care, coordinating integrated behavioral health with physical health care, promoting the use of evidence-based practices, and establishing standardization and consistency with a set criterion for all certified clinics. Integrated Services of Kalamazoo is designated as a demonstration site through the Michigan Department of Health and Human Services (MDHHS). The Michigan Department of Health and Human Services directed a transition towards a direct payment model for the remaining duration of the CCBHC Demonstration which has resulted in removing the oversight of the CCBHCs from the PIHPs. The PIHPs with CCBHC sites in their region no longer have additional oversight and monitoring for CCBHC covered services for Medicaid beneficiary. Effective October 1, 2026, CCBHC report submissions will be sent directly to MDHHS. CCBHCs are responsible for all oversight and monitoring of the Medicaid eligible CCBHC services. The Utilization Management Plan will identify and incorporate the CCBHC aspects that vary from the Medicaid Managed Specialty Supports and Services program.

CCBHC program requirements stipulate that CCBHCs cannot refuse service to any person based on either ability to pay or residence, expanding the population eligible for the robust service array. Any fees or payments required by the clinic for such services will be reduced or waived to ensure appropriate accessibility and availability. Additionally, CCBHCs must follow standards intended to make services more available and accessible, including expanding service hours, utilizing telehealth, engaging in prompt intake and assessment processes, offering 24/7 crisis interventions, and following person and family-centered treatment planning and service provision.

CCBHCs must serve all individuals regardless of residency or ability to pay. CCBHCs may define service catchment areas for targeted outreach that correspond directly to the required annual needs assessment (See Program Requirements, criteria 1A. within the CCBHC Handbook). For individuals residing out of state, CCBHCs are responsible for providing, at a minimum, crisis response, evaluation, and stabilization services and should have protocols developed for coordinating care across state lines.

Any person with a mental health or substance use disorder (SUD) ICD-10 diagnosis code as cited in Appendix B of the CCBHC Handbook is eligible for CCBHC services. The mental health or SUD diagnosis does not need to be the primary diagnosis. Individuals with a dual diagnosis of intellectual disability/developmental disability are eligible for CCBHC services. Eligibility review should align with assessment and diagnosis (see 1.D of the CCBHC Handbook for more on requirements) and take place as frequently as clinically appropriate. If an individual continues to have a behavioral health diagnosis, they are eligible for all CCBHC services.

For those with Medicaid, eligible Medicaid beneficiaries include those enrolled in Medicaid (MA), Health Michigan Plan (MA-HMP), Freedom to Work (MA-FTW), MICHild Program (MA-MICHILD), Full Fee-for-Service Health Kids-Expansion (HK-EXP), and Integrated Care – MI Health Link (ICO-MC). Medicaid beneficiaries cannot be enrolled in the PACE or Brain Injury Services Benefit Plans concurrently with CCBHC.

Medicaid beneficiaries eligible for CCBHC are eligible for all Medicaid covered services. However, payment for duplicative services on the same day is prohibited. The CCBHC must choose which available Medicaid covered service best meets the person's needs.

### **Purpose**

The purpose of the Utilization Management (UM) Program is to maximize the quality of care provided to individuals while effectively providing services under and managing the Medicaid, Healthy Michigan Plan, Flint 1115 Waiver, Autism Benefit, Habilitation Supports, SED and Child Waivers, SUD Community Grant, and Certified Community Behavioral Health Clinic resources of the Plan while ensuring uniformity of benefit. Integrated Services of Kalamazoo is responsible for monitoring the provision of delegated UM managed care administrative functions related to the delivery of behavioral health and substance use disorder services to members enrolled in Medicaid, Healthy Michigan Plan, Flint 1115 Waiver, Certified Community Behavioral Health Clinic, Autism Benefit, Habilitation Supports, SED and Child Waivers. Integrated Services of Kalamazoo is responsible to ensure adherence to Utilization Management related statutory, regulatory, and contractual obligations associated with the Southwest Michigan Behavioral Health (SWMBH) and Michigan Department of Health and Human Services (MDHHS) Medicaid Specialty Services contracts, Medicaid Provider Manual, mental health and public health codes/rules and applicable provisions of the Medicaid Managed Care Regulations, the Affordable Care Act and 42 CFR. Per 42 CFR §438.210(a)(1) ISK must identify, define and specify the amount, duration, and scope of each service that must be furnished in an amount, duration, and scope for the same services furnished to members under FFS Medicaid, as set forth in §440.230, and for members under the age of 21, as set forth in subpart B of part 441.

The Utilization Management Program consists of functions that exist solely to ensure that the right person receives the right service at the right time for the right cost with the right outcome while

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

## **Values**

Integrated Services of Kalamazoo intends to operate a high-quality Utilization Management system for public behavioral health and substance use services which are responsive to community, family and individual needs. The entry process must be clear, readily available and well known to all constituents. To be effective, information, assessment, referral and linkage capacity must be readily and seamlessly available. Level of care and care management decisions must be based on medical necessity and on evidence based, wellness, recovery and best practice. ISK is committed to ensuring use of evidence-based services with individuals served, driving outcomes/results/value for taxpayer dollars and maximization of equity across beneficiaries. As a steward of managing taxpayer dollars, Integrated Services of Kalamazoo is committed to the identification, development, and use of innovative and less costly supportive services (e.g., Assistive Technology, Certified Peer Supports and Recovery Coaches, etc.) while meeting the service needs of individuals in the region. Integrated Services of Kalamazoo recognizes that access to physical and behavioral health services is critical to successful recovery and outcomes at both the individual and service management levels. Maximizing access to integrated service depends upon appropriate utilization throughout all aspects of the screening/assessment, level of care and care management decision making processes and care coordination and through oversight, fidelity and outcomes monitoring.

## **Authority and Structure**

### **Program Oversight**

The Integrated Services of Kalamazoo Utilization Management Program shall operate under the oversight of the ISK Administrator of Operations and Chief Medical Officer. Additionally, the Integrated Services of Kalamazoo Clinical Operations Committee shall serve in a critical role involving deliberation, consultation and proof of performance realms. The Administrator of Operations and Chief Medical Officer are overall accountable for management of the Community Mental Health Services Programs (CMHSP) Utilization Management Program. Jointly with the Chief Medical Officer, the Administrator of Operations and Manager of Utilization Management provide clinical and operational oversight and direction to the UM program and staff and ensure that ISK has qualified staff accountable to the organization for decisions affecting persons served. Additional established and integrated assurances exist within the Utilization Management Program and Utilization Management department to ensure distinct separation between service determination, authorization, and direct service delivery to mitigate against risks of conflict of interest.

### **Committee**

Integrated Services of Kalamazoo has an established Clinical Operations committee to review and provide input and coordination regarding utilization management policy, medical necessity criteria,

clinical practice, review of service utilization, population health trends, and outlier management. The Clinical Operations committee shall serve in a support and advisory capacity to the UM Program and annually evaluate the efficiency and effectiveness of the UM Program and offer feedback related to necessary modifications. Ad hoc members will be included in the committee meetings based on need and agenda focus.

### **Membership**

The Clinical Operations committee will consist of cross collaborative leadership representation from Integrated Services of Kalamazoo including the Administrator of Operations, Administrator of Clinical Services, Manager of Utilization Management, Corporate Compliance, Quality Management, and each population's Senior Executives/Directors and Managers. Ongoing consultation and ad hoc representation from the ISK Chief Executive Officer, Chief Medical Officer, Customer Services, Finance, IT, and Provider Network staff are available to the committee. Clinical Operations committee clinical representatives are experienced administrative and clinical professionals with ad hoc specialty representation for Child and Adolescents with Serious Emotional Disturbance, Adults and Children with Intellectual/Developmental Disabilities, Adults with Serious and Persistent Mental Illness, and Adults and Children with Substance Use Disorders. The Clinical Operations committee typically meets on a monthly basis.

### **Roles of the Committee**

The Clinical Operations committee is charged with the following:

1. Ensure adherence to consistent application of assessment tools, level of care guidelines and medical necessity criteria. Provide recommendations for and implementation of Clinical Protocols and Clinical Practice Guidelines.
2. Review and provide input on the UM Program on an annual basis assuring adherence to and synchronization with contractual and accreditation requirements, with final approval by the Administrator of Operations and Chief Medical Officer.
3. Provide input regarding the Utilization Management Program including level of care and service utilization guidelines that may be provided without authorization, level of care and typical service utilization guidelines at the local care management level and monitor outlier levels of care and typical service utilization data.
4. Ensure that services rendered are delivered by qualified staff or contracted practitioner providers. Ensure that timely and focused utilization review (UR) is provided for delegated Utilization Management functions.
5. Develop, review and act upon service utilization and outcomes data and/or reports for purposes of demonstrating consistent Uniform Benefit (including reports of under and over utilization, length of stay, etc.).
6. Review service use and population health data that may affect policy and procedure including, but not limited to Appeal/Fair Hearing determinations, Recipient Right decisions, clinical best practices and service utilization and cost data.
7. Identify practice-based evidenced measures (i.e. clinical outcome metrics) that demonstrate the overall effectiveness and impact of clinical services being rendered.
8. Identify gaps and make recommendations for necessary clinical training to ensure delivery of quality clinical service through the use evidenced based practices that adhere to fidelity measures.
9. Assure adherence to related data and report specifications through cross collaboration with applicable ISK teams and committees.

## Standards and Philosophy

Integrated Services of Kalamazoo is responsible for monitoring the provision of services to individuals enrolled in Medicaid, Healthy Michigan Plan, Flint 1115 Waiver, Certified Community Behavioral Health Clinic, Autism Benefit, Habilitation Supports, SED and Child Waivers and SUD Community Grant and those receiving services under General Funds. Integrated Services of Kalamazoo ensures adherence to statutory, regulatory, and contractual obligations. Furthermore, the utilization management program is designed to be consistent with and supportive of assuring achievement of Integrated Services of Kalamazoo mission, vision and values.

The UM program document and subsequent policies provide a description of processes, procedures and criteria necessary to ensure cost-effectiveness, achieving the best individual's outcome for the resources spent. As a CMHSP with delegated managed care UM functions, Integrated Services of Kalamazoo's duty is to assure the **uniformity** of:

1. Benefit
2. Adequate timely access
3. Application of functional assessment tools, evidenced based practices and medical necessity criteria.
4. UM decision-making including application of eligibility criteria and level of care guidelines.

Management information system(s) adequate to support the UM Program is central. ISK currently utilizes a variety of reporting systems including reports available through SWMBH and Integrated Services of Kalamazoo PCE KARE and Power BI reports to manage UM data needs. The functionalities and maintenance of such systems include, but are not limited to:

1. Utilization of electronic health information systems and incorporation/integration of behavioral health and physical health data
2. Real-time access to aggregate and case level information, which is complete, accurate, timely.
3. Reporting services which are automated and routine, inclusive of rule-based alerts
4. Reporting formats which are readily available, graphically presented, easy to understand and present actionable information aligned to Board Ends and dashboard performance and clinical outcome goals.
5. Collection of uniform behavioral health and physical health data elements and utilization of functional assessment tools that provide input into severity of illness and a means to provide the data to ISK to manage over/under utilization and employ risk stratification models both in an effort to manage and impact population health.

### **Access to Integrated Services of Kalamazoo Behavioral Health Services**

A beneficiary may access the system through any of the following avenues:

1. Requesting services directly from Integrated Services of Kalamazoo during business and after-hours toll-free access/crisis line.
2. Face-to-Face evaluation by Integrated Services of Kalamazoo
3. Crisis behavioral health services through the Integrated Services of Kalamazoo, inpatient hospitals, mobile crisis teams, and urgent care centers.
4. Requesting substance use disorder services and depending on the level of medically necessary care and individual choice, subsequently collaborates with SWMBH and other providers for screening, service provision and/or service determination.

**Access Standards**

Integrated Services of Kalamazoo shall comply with the MDHHS Access Standards, Michigan Mission Based Performance Indicator System (MMBPIS) and the CCBHC Performance Measures per the MDHHS CCBHC Handbook.

The MDHHS MMBPIS standards and expectations for FY26 include:

1. The percent of new persons receiving a face-to-face assessment with a professional within 14 calendar days, 10 business days of a non-emergency request for services. (MMBPIS #2) (\*Standard = 62%)

The CCBHC performance measures related to Access to services include:

- **I-SERV:**
  - Average number of days until Initial Evaluation for New Persons Served
  - Average number of days until Initial Clinical Service for New Persons Served
  - Average number of hours until Provision of Crisis Services following a first Crisis Episode Contact
  - Average number of hours until the provision of crisis services following a mobile Crisis Episode Contact
  - Average Number of Hours until Provision of Crisis Services following an Urgent Care Crisis Episode Contact.
  - Average Number of Hours until Provision of Crisis Services following any other Crisis Episode Contacts
- **21.A Initiation of SUD Treatment:** The percentage of new SUD episodes that result in treatment initiation through an inpatient SUD admission, outpatient visit, intensive outpatient encounter, partial hospitalization, telehealth visit, or medication treatment within 14 days.
- **21.B Engagement of SUD Treatment:** The percentage of new SUD episodes that have evidence of treatment engagement within 34 days of initiation.

**Level of Intensity of Service Determination**

Level of Intensity	Definition	Regulatory Decision Response Time
Emergent - Psychiatric	The presence of danger to self/ others; or an event(s) that changes the ability to meet support/personal care needs including a recent and rapid deterioration in judgment	Within 3 hours; Prior authorization not necessary for the screening event. Disposition required for an inpatient admission within 3 hours of request
Urgent – Psychiatric	At risk of experiencing an emergent situation if support/service is not given	Within 72 hours of request; prior authorization required; if services is denied/ appealed and deemed urgent, Expedited Appeal required within 72 hours of denial
Routine	At risk of experiencing an urgent or emergent situation if support/service is not given	Within 14 days; Prior authorization required.  * Effective 10/01/2027, routine (standard) prior authorization requests must receive determination notifications within 7 days. The 42 CFR 438.210 changes have a start date of 1/1/2026; however, MDHHS was approved for

		an exception to begin at the next state fiscal year.
Retrospective	Assessing appropriateness of medical necessity on a case-by-case or aggregate basis after services were provided	Within 30 calendar days of request
Post-stabilization	Covered specialty services that are related to an emergency medical condition and that are provided after a beneficiary is stabilized in order to maintain the stabilized condition, or, under the circumstances described in 42 CFR 438.114(e) to improve or resolve the beneficiary's condition.	Within 1 hour of request

**Coordination and Continuity of Care**

Integrated Services of Kalamazoo is committed to ensuring each individual served receives services designed to meet each individual special health need as identified through a population specific functional assessment tool and a Biopsychosocial Assessment. The screening and assessment process contains mechanisms to identify needs and integrate care that can be addressed with specialty behavioral health supports and/or substance use disorder treatment services. Services and supports address integrated physical health needs and needs that may be accessed in the community such as employment, housing, financial assistance, etc. The assessment is maintained in a uniform managed care information system with collection of common data elements and contains functional assessment tool data that generates population-specific level of care guidelines. To assure consistency, the tools utilized are the same version across the ISK direct operated and its provider network. Standardized functional assessment tools include the Level of Care Utilization System (LOCUS) for Adults with Mental Illness or Co-Occurring Disorder, MichiCANS (Michigan Child and Adolescent Needs and Strengths) for identifying the needs of the child/youth and family, ASAM-PPC (American Society for Addiction Medicine-Patient Placement Criteria) for persons with a Substance Use Disorder. MDHHS made the decision to utilize the WHODAS (World Health Organization Disability Assessment Schedule); however, at this time, there has not been a specific implementation date provided by MDHHS. Components of the assessments generate a needs list which is used to guide the treatment planning process. Functional assessments are completed by appropriate clinical professionals and according to identified timeframes/ standards or whenever there is a perceived or necessary change in level of care. Treatment plans are developed through a person-centered planning process with the individual served participation and with consultation from any specialists providing care to the individual.

Integrated Services of Kalamazoo ensures adherence to statutory, regulatory, and contractual obligations through four primary Utilization Management Functions.

1. Access and Eligibility: To ensure timely access to services, Integrated Services of Kalamazoo provides and monitors local access, triage, screening, and referral. Integrated Services of Kalamazoo ensures that the Access Standards are met including standards set through the Michigan Mission Based Performance Indicator System (MMBPIS) and the MDHHS CCBHC Handbook.
2. Clinical Protocols: To ensure Uniform Benefit for individuals served, consistent functional assessment tools, medical necessity, level of care and clinical protocols/practices have been identified and implemented for service determination and service provision.

3. Service Authorization/Determination: Service Authorization procedures will be efficient and responsive to individuals while ensuring sound benefits management principles consistent with managed care business industry standards. The service determination/authorization process is intended to maximize access and efficiency on the service delivery level, while ensuring consistency in meeting federal and state contractual requirements. Service authorization utilizes level of care principles in which intensity of service is consistent with severity of illness as adopted by SWMBH. Authorization/service determination functions are dictated by policies and practices to ensure that appropriate staff with roles separate from providing ongoing direct service delivery are responsible for the review and authorization of medically necessary services.
4. Utilization Management: Through outlier management and level of care service utilization guidelines for behavioral health and outlier management, level of care service utilization guidelines and central care management processes for substance use disorders, an oversight and monitoring process is utilized to ensure utilization management standards are met, such as appropriate level of care determination and medically necessary service provision and standard application of Uniformity of Benefit.

The Integrated Services of Kalamazoo Utilization Management plan is designed to maximize timely local access to services for individuals while providing an outlier management process to reduce over and underutilization (financial risk). The Utilization Management Plan endorses two core functions.

1. Outlier Management of identified high cost, high risk service outliers or those with need under-utilizing services.
2. The Outlier Management process provides real-time service authorization determination and applicable appeal determination for identified service outliers. The policies and procedures meet accreditation standards for the Integrated Services of Kalamazoo for behavioral health services (Specialty Behavioral Health Medicaid, Certified Community Behavioral Health Clinic, and SUD Medicaid and Community Grant and General Fund). Service authorization determinations are delivered real-time via a managed care information system or a telephonic review process (prospective, concurrent, and retrospective reviews). Outlier Management and level of care guideline methodology is based upon service utilization across the SWMBH region including Integrated Services of Kalamazoo. The model is flexible and consistent based upon utilization and funding methodology.

The Utilization Review process will use scheduled review of outlier management reports. The reports and UR tool speak to ensuring intensity of service matching level of care with services and typical service utilization as well as any additional external audit findings (SWMBH, etc.). Should any performance area be below the established benchmark standard, the Utilization Review process requires that an action plan be developed to address any performance deficits.

The outlier management process and subsequent reports to manage it, including over-and under-utilization and uniformity of benefit, are based on accurate and timely assessment information, level of care functional assessment tool scores and service determination criteria. Assessment data is housed in the ISK Electronic Health Record and submitted to the SWMBH data warehouse as required.

## Review Activities

### Utilization Management

Based on an annual review by ISK cross collaborative departments utilizing clinical and data model audits, an annual Utilization Management Program is developed, and UM oversight and monitoring activities are conducted with the CMHSP and provider network to assure the appropriate delivery of services. ISK has been delegated utilization management functions for mental health services and outpatient SUD services for Medicaid beneficiaries under their Memorandum of Understanding with SWMBH. SWMBH provides, through a central care management process, UM functions for all services delivered by SUD providers and all acute/high intensity SUD services inclusive of Withdrawal Management, Residential and Medications for Opioid Use Disorder (MOUD), including Methadone.

Provider Network practitioners and ISK clinical staff review and provide input regarding policy, procedure, clinical protocols, evidence-based practices, service delivery needs and workforce training. Inter-rater reliability testing is conducted annually for ISK clinical staff making medical necessity determinations. SWMBH provides review of over and under utilization of services and oversight of ISK delegated functions. Inter-rater reliability (IRR) testing is required annually for the LOCUS.

### Determination of Medical Necessity

Treatment under the individual's behavioral health care benefit plan is based upon a person-centered process and meets medical necessity criteria/standards before being authorized and/or provided. Medical necessity criteria for mental health, intellectual/developmental disabilities, and substance use supports and services and provider qualifications are found in the Michigan Department of Health and Human Services (MDHHS) Medicaid Provider Manual. For the purposes of utilization control, ISK ensures all services furnished can reasonably achieve their purpose and the services supporting individuals with ongoing or chronic conditions or who require long-term services and supports are authorized in a manner that reflects the member's ongoing need for such services and supports. Levels of Care, service utilization expectations, changes (if any) in MDHHS Medicaid criteria or professional qualifications requirements, and utilization management standards are reviewed annually by the Clinical Operations Committee with final approval by the ISK Chief Medical Officer. ISK uses the MCG (Milliman Care Guidelines) as the medical necessity criteria for Inpatient Psychiatric Hospitalization, Crisis Residential Treatment and Partial Hospitalization Programs. \*\*MCG was selected for state parity purposes by MDHHS to create consistency across the state for Michigan's Medicaid Beneficiaries.

### Services selected based upon medical necessity criteria are:

1. Delivered in a timely manner, with an immediate response to emergencies in a location that is accessible to the individual.
2. Responsive to particular needs of multi-cultural populations and furnished in a culturally relevant manner.
3. Provided in the least restrictive appropriate setting; (inpatient and residential treatment shall be used only when less restrictive levels of treatment have been unsuccessful or cannot be safely provided).
4. Delivered consistently with national standards of practice, including standards of practice in community psychiatry, psychiatric rehabilitation and in substance use, as defined by standard clinical references, generally accepted practitioner practice or empirical practitioner experience.
5. Provided in a sufficient amount, duration and scope to reasonably achieve their purpose – in other words, are adequate and essential; and
6. Provided with consideration for and attention to integration of physical and behavioral health needs.

## **Process Used to Review and Approve the Provision of Medical Services**

1. Review decisions are made by qualified medical professionals. Appropriately trained behavioral health practitioners with sufficient clinical experience and authorized by the PIHP or its delegates shall make all approval and denial determinations for requested services based on medical necessity criteria in a timely fashion. A required service will not be arbitrarily denied or reduced by amount, duration or scope based solely on a diagnosis, type of illness, or condition of the member.
2. Any decision to deny a service authorization request or to authorize a service in an amount, duration, or scope that is less than requested, be made by an individual who has appropriate expertise in addressing the member's medical, behavioral health, and/or long-term services and supports needs.
3. Efforts are made to obtain all necessary information, including pertinent clinical information, and consulting with treating physicians as appropriate.
4. The reasons for decisions and the criteria on which decisions are made are clearly documented and available to the individual served and provider.
5. Well-publicized and readily available appeals mechanisms for both providers and individuals served exist. Notification of a denial includes a description of how to file an appeal and on which criteria the denial is based.
6. Decisions and appeals are made in a timely manner as required by the exigencies of the situation.
7. There are mechanisms to evaluate the effects of the program using data on customer satisfaction, provider satisfaction or other appropriate measures.
8. Utilization management functions that are delegated to a CMHSP may not be sub-delegated without prior approval and pre-delegation assessment by SWMBH.

ISK, in cooperation and partnership with SWMBH, specifies what constitutes "medically necessary services" in a manner that is no more restrictive than what is used in the MDHHS Medicaid program, and includes quantitative and non-quantitative treatment limits, as indicated in MDHHS statutes and regulations, the MDHHS Plan, and other MDHHS policy and procedures. The medically necessary services should address to what extent the PIHP is responsible for covering services that address the prevention, diagnosis, and treatment of a member's disease, condition, and/or disorder that results in health impairments and/or disability; the ability for a member to achieve age-appropriate growth and development; the ability for a member to attain, maintain, or regain functional capacity; and the opportunity for a member to have access to the benefits of community living, to achieve person-centered goals, and live and work in the setting of their choice.

### CCBHC Considerations

The CMHSP clinical UM staff that provides utilization management decisions for the CCBHC authorization requests must report to a supervisor who is separate and distinctly different from the supervisor of staff delivering services.

### **Use of Incentives**

The use of incentives related to service determination approvals, denials or promotion of underutilization is prohibited. Service determinations are based only on medical necessity criteria and benefits coverage information. This information is provided to members, staff and providers via policy and other informational documentation such as the Customer Services handbook and the ISK Portal.

Medically necessary is determined in a manner in which it is no more restrictive than what is used in the MDHHS Medicaid program, and includes quantitative and non-quantitative treatment limits, as indicated

in MDHHS statutes and regulations, the MDHHS Plan, and other MDHHS policy and procedures. The medically necessary services should address to what extent the PIHP and CMHSP is responsible for covering services that address the prevention, diagnosis, and treatment of an individual's disease, condition, and/or disorder that results in health impairments and/or disability; the ability for an individual to achieve age-appropriate growth and development; the ability for an individual to attain, maintain, or regain functional capacity; and the opportunity for a member to have access to the benefits of community living, to achieve person-centered goals, and live and work in the setting of their choice.

### **Intensity of Service and Severity of Illness (Levels of Care)**

The expectation for service provision is that intensity of service will be aligned with severity of illness. For each population served (adults with mental illness, youth with emotional disturbances, persons with intellectual and developmental disabilities, and persons with substance use disorders), SWMBH utilizes a standardized functional assessment to identify level of need at initiation of services and at established intervals throughout service provision. SWMBH and its participant CMHs have established regional Levels of Care that correspond to needs identified through the functional assessment process, which are based on severity of illness and intensity of need. Levels of Care and Core Service Menus are in place for adults with mental illness, youth with emotional disturbances, adults with intellectual and developmental disabilities, and persons with substance use disorders. The levels and service menus that were developed in 2016 and last revised in 2022. New Levels of Care were created in 2024 for 10/01/2024 implementation and mandated use of MichiCANs for the child and adolescent population.

Each Level of Care contains a Core Service Menu with suggested service types as well as expected annual amounts of services, corresponding to needs commonly presenting at each level. Services that fall within the Core Service Menu for a given Level of Care are services for which medical necessity has been established via the functional assessment, and do not require additional UM review. Services requested that fall outside of the Core Service Menu for an individual's Level of Care may be authorized if medical necessity is established through a utilization review. These requests are referred to as exceptions.

Most services designated as Exceptions are authorized through Local Care Management via a delegation to the CMHSPs. CMHSPs are delegated Healthy Michigan Plan and Medicaid authorization/UM functions for behavioral health community-based supports and services. For those CMHSPs which are delegated authorization/UM functions for substance use services, CMHSPs authorize and provide medically necessary services according to the SWMBH Levels of Care for SUD. For authorization of any Exception, a utilization management professional will review the request to determine if medical necessity has been established for the service, including the amount, scope, and duration of the service being requested. Exception approvals always clearly document medical necessity, and how the intensity of the service is indicated by the individual's level of need.

### **Levels of Care for Mental Health Specialty Services**

Levels of Care for each of the ISK population areas are described below. Core Service Menus with recommended authorization thresholds for all levels of care have been developed and are attached to SWMBH Regional Policy 4.10 Levels of Care.

### **PIHP Service Eligibility**

Not all Medicaid-eligible persons with mental illness or emotional disturbances are eligible for PIHP services. For adults with mental illness and youth with emotional disturbance, thresholds for meeting eligibility for PIHP services are denoted below Level of Care descriptions that follow. Behavioral health services for persons with mild to moderate mental illness or emotional disturbances are provided through Medicaid Health Plans or Certified Community Behavioral Health Clinic coverage. All Medicaid

behavioral health services for persons with substance use disorders and intellectual and developmental disabilities are provided through the PIHP or Certified Community Behavioral Health Clinic based on determined enrollment and eligibility.

### **Crisis Services**

Crisis services are considered a benefit for any ISK individual or anyone who is in need of urgent intervention. Crisis services are not considered a Level of Care and do not require prior authorization. Appropriately trained and qualified CMHSP behavioral health practitioners with sufficient clinical experience who meet the qualifications for a preadmission unit pursuant to Michigan Mental Health Code 330.1409 Sec 409 provide prescreening services and authorization of up to 3 days of psychiatric inpatient, crisis residential, partial hospitalization and any appropriate diversion and/or second opinion services. Any crisis service requests resulting in a diversion should be accompanied by an Adverse Benefit Determination and Second Opinion Rights.

### **Levels of Care for Adults (18 years or older) with Serious Mental Illness or Co-occurring MI and Substance Use Disorders**

The Level of Care Utilization System (LOCUS) is utilized to identify the level of care needs for the purpose of assessment and treatment referral and service provision.

#### **Level VI- Intensive High Need/Acute (Medically Managed Residential)**

Individuals receiving services at this level of care are adults with a LOCUS score typically of 28 or higher including a score of 4 on dimension I and who present as a persistent danger to self or others. Treatment is typically provided in an inpatient setting and is aimed at ensuring safety and minimizing danger to self and others and alleviating the acute psychiatric crisis.

#### **Level V – Intense Need/Acute (Medically Monitored Residential)**

Individuals receiving services at this level of care are adults with a LOCUS score typically of 23-27 including a score of 4 on dimension II or III and who present as danger to self or others. Treatment is typically provided in a community based free standing residential setting such as Crisis Residential and is aimed at providing reasonable protection of personal safety and property and minimizing danger to self and others.

#### **Level IV – High Need (Medically Monitored Non- Residential Services)**

Individuals receiving services at this level of care are adults with a LOCUS score typically of 20-22 including a score of 4 on dimension IV or V and who present with a significant impairment of functioning in most areas, moderate to significant risk of harm to self or others, with significant supported needed to function independently in the community. May be engaging in high-risk behaviors and be involved in the criminal justice system. Treatment typically is provided in the community and includes services such as Assertive Community Treatment and Partial Hospitalization

#### **Level III – Moderate Need (High Intensity Community Based Services)**

Individuals receiving services at this level of care are adults with a LOCUS score typically of 17-19 including a sum score of 5 or less on dimension IV A & B and who present with intensive support and treatment needs however demonstrate low to moderate risk of harm to self or others, require minimal support to reside independently in the community. Occasional risk activities. Needs regular assistance with linking/coordinating and developing skills and self-advocacy. Treatment is typically provided in the community and includes such services as targeted case management.

#### **Level II – Low Need (Low Intensity Community Based Need)**

Individuals receiving services at this level of care are adults with a LOCUS score typically of 14-16 who present with ongoing treatment needs however have a low impairment of functioning

in most areas, low to minimal risk of harm to self or others, able to reside independently in the community. Minimal assistance with linking/coordinating actively utilizing self-improvement and treatment skills acquired. Treatment is provided in the community and is typically clinic based.

**Level I – Minimal Need (Recovery Maintenance and health Management)**

Individuals receiving services at this level of care are adults with a LOCUS score typically of 10-13 with minimal impairment of functioning, minimal to no risk of harm to self or others, reside independently in the community. Minimal encouragement with linking/coordinating actively utilizing self-improvement and treatment skills acquired. May use PSR assistance with maintaining recovery. Treatment is provided in the community and is typically clinic based.

**Level 0 -- Basic Services**

Basic services are those services that should be available to all members of a community. They are services designed to prevent illness or to limit morbidity. They often have a special focus on children and are provided primarily in community settings but also in primary care settings. There is clinical capability for emergency care, evaluations, brief interventions, and outreach to various portions of the population. This would include outreach to special populations, victim debriefing, high-risk screening, educational programs, mutual support networks, and day care programs. There are a variety of services available to provide support, address crisis situations and offer prevention services.

**Thresholds for PIHP Service Eligibility for Adults with Mental Illness (subject to confirmation from biopsychosocial assessment):**

Eligible for PIHP Medicaid Services (Severe need):

- LOCUS Recommended Disposition Level of 3, 4, 5, or 6, or
- LOCUS Recommended Disposition Level of 2 with need for specialty behavioral supports and services as evidenced by meeting Michigan Mental Health code definition for SMI.

Not Eligible for PIHP Medicaid Services (Mild/Moderate need):

- LOCUS Recommended Disposition Level 0 or 1, or
- LOCUS Recommended Disposition Level 2 but does not meet Michigan Mental Health code definition for SMI. Considerations for determining if individuals with a recommended LOCUS Recommended Disposition Level 2 meets specialty service eligibility criteria are also outlined in the SWMBH policy 4.11.

**Levels of Care for Children (ages 0 – 21)  
Serious Emotional Disturbance (SED) and/or Intellectual/  
Developmental Disabilities (IDD)**

The **Michigan Child and Adolescent Needs and Strengths (MichiCANS)** is a comprehensive integration tool used to support potential eligibility for services, assist with initial determinations of needs and strengths, and provide information for appropriate referrals for behavioral health services. The MichiCANS Screener is required at point of access for ages birth – 21 to provide a level of care recommendation for mild/moderate, severe/serious, or crisis continuum of care needs. The Devereaux Early Childhood Assessment (DECA) should be used at intake and treatment planning for ages 1 month to 6 years for individuals with a Serious Emotional Disturbance or with SED and Intellectual/Developmental Disabilities (IDD). Use of the MichiCANS Comprehensive will identify areas of strength and needs to assist in guiding the planning process.

<b>MichiCANS Screener Decision Support Model for Ages 0 – 5 years:</b>
<b>Level 3 - Crisis</b>
A youth will be classified as 'CRISIS' if they meet at least one (1) of the MichiCANS Screener Criterion 3.1, which includes the following: impulsivity/hyperactivity (ages 36+ months), self-harm (for 12+ months), exploited, regulatory, flight risk/bolting, safety (caregiver need), and/or atypical behaviors.
<b>Level 2 – Severe/Serious Level of Need</b>
A youth will be classified as 'SEVERE/SERIOUS LEVEL OF NEED' if they meet at least one (1) of the MichiCANS Criterion 2.1 or 2.2, which includes the following: (2.1) developmental/intellectual, autism spectrum disorder, (2.2) impulsivity/hyperactivity (ages 36+ months), attachment difficulties, atypical behaviors, depression, adjustment to trauma, aggression, regulatory, anxiety, and/or oppositional behavior (ages 36+ months) AND at least one (1) of the Criterion 2.3, 2.4, or 2.5 which includes the following: (2.3) family functioning, early care and education, sleep (ages 12+ months), social & emotional functioning, (2.4) failure to thrive, exploited, cultural stress (caregiver need), self-harm (ages 12+ months), flight risk/bolting, (2.5) adjustment to trauma, supervision, knowledge, mental health, involvement with care, safety, and/or caregiver capacity.
<b>Level 1 – Mild/Moderate</b>
A youth will be classified as 'MILD/MODERATE LEVEL OF NEED' if they meet at least one (1) of the MichiCANS Criterion 1.1, 1.2, 1.3, 1.4, or 1.5, which includes the following: (1.1) developmental/intellectual, autism spectrum disorder, (1.2) impulsivity/hyperactivity (ages 36+ months), attachment difficulties, atypical behaviors, depression, adjustment to trauma, sleep (ages 12+ months), regulatory, aggression, anxiety, oppositional behavior (ages 36+ months), (1.3) family functioning, medical/physical, sensory responsiveness, social & emotional functioning, motor (fine/gross), restricted interests, early care and education, (1.4) substance exposure in utero, labor and delivery, exploited, environmental toxin exposure, birth weight, self-harm (ages 12+ months), prenatal care, failure to thrive, flight risk/bolting, (1.5) adjustment to trauma experiences, supervision, knowledge, and/or caregiver capacity.
<b>MichiCANS Screener Decision Support Model for Ages 6 - 21 years:</b>
<b>Level 3 - Crisis</b>
A youth will be classified as 'CRISIS' if they have a rating of 3 on (1) of the MichiCANS Screener Criterion 3.1, which includes the following: (3.1) suicide risk, other self-harm victimization/exploitation, non-suicidal self-injurious behavior, danger to others, and/or psychosis; OR meets Criterion 3.2 with a rating of 3 on the Runaway item and a rating of 2 or 3 on suicide risk, other self-harm, victimization/exploitation, non-suicidal self-injurious behavior, danger to others, and/or psychosis.
<b>Level 2 – Severe/Serious Level of Need</b>
A youth will be classified as 'SEVERE/SERIOUS LEVEL OF NEED' if they meet at least one (1) of the MichiCANS Criterion 2.1 or 2.2, which includes the following: (2.1) psychosis, oppositional behavior, eating disturbance, impulsivity/hyperactivity, conduct, adjustment to trauma, depression, anger control, substance use, anxiety, (2.2) developmental/intellectual, and/or autism spectrum disorder AND at least one (1) of the Criterion 2.3 or 2.4 which includes the following: (2.3) family functioning, medical physical, sleep, living situation, school, decision making social functioning, job functioning (ages 16+ years) caregiver supervision, legal (ages 11+ years, (2.4) suicide risk, danger to others, runaway, non-suicidal

self-injurious behavior, problematic sexual behavior, victimization/exploitation, and/or other self-harm.
<b>Level 1 – Mild/Moderate</b>
All children/youth are recommended for this level of care unless they are eligible for a higher level.

**Thresholds for PIHP Service Eligibility for Youth with Emotional Disturbance, ages 0-21** (subject to confirmation from biopsychosocial assessment):

Eligible for PIHP Medicaid Services (Severe need):

- MichiCANS Level 2, for Severe/Serious Level of Need

Not Eligible for PIHP Medicaid Services (Mild/Moderate need):

- MichiCANS Level 1 Mild/Moderate

**Levels of Care for Adults (ages 18 and older) Intellectual and Developmental Disabilities (Functional Assessment Tool TBD)**

MDHHS chose not to renew the contract for use of the SIS (Supports Intensity Scale) and has determined to replace it with the World Health Organization Disability Assessment Schedule 2.0(WHODAS 2.0), however an implementation date has yet to be determined by MDHHS. Biopsychosocial and other applicable needs assessments will continue to be utilized, and medical necessity criteria will document the individual’s needs based on the person-centered planning process. At the time MDHHS mandates use of WHODAS 2.0, policies and plans will be updated to reflect the new contractual standards.

**Level VI- Acute (Any functional support needs, extraordinary medical and/or behavioral support needs).**

Individuals receiving services at this level of care are adults (18 years or older) and demonstrate extraordinary behavioral and/or medical needs typically provided in an acute care setting or a nursing home. May have potentially harmful, injurious or dangerous behaviors requiring frequent and consistent proactive interventions, and a formal behavior treatment plan. May have extensive medical/health needs, requiring monitoring and/or oversight multiple times during the day. Nursing services are typically required to develop and train on health care protocols, if applicable.

**Level V – Intense Need (Any functional support needs, high medical and/or behavioral support needs).**

Individuals receiving services at this level of care are adults (18 years or older) and typically demonstrate significant medical needs and/or extensive behavioral needs and require total assistance on a daily basis with 1:1 or higher level of staffing. May have potentially harmful, injurious or dangerous behaviors requiring frequent and consistent proactive interventions, and a formal behavior treatment plan. May have extensive medical/health needs, requiring daily (or more) monitoring and/or oversight and hands on assistance. Nursing services may be required to develop and train on health care protocols, if applicable.

**Level IV – High Need (Any functional support needs, moderate medical and/or behavioral support needs).**

Individuals receiving services at this level of care are adults (18 years or older) and typically demonstrate substantial behavioral needs and/moderate physical healthcare needs due to medical conditions. Safety risks exist to self or others, potentially with the need for environmental accommodations. May have harmful, injurious or dangerous behaviors requiring

frequent and consistent proactive interventions, and a formal behavior treatment plan. May have medical/health needs requiring weekly (or more) monitoring and/or oversight and assistance.

**Level III – Moderate Need (High functional support needs, low medical and behavioral support needs).**

Individuals receiving services at this level of care are adults (18 years or older) and typically require frequent prompts/reminders, coaching, and/or training to engage or complete activities (less than daily/more than weekly) or physical support, or some hands-on physical support/guidance. Moderate behavioral issues may be present with or without the need for a Behavior Plan. May experience physical health issues that require increased support.

Safety risks may be present that need to be addressed or monitored; include safety to self and safety in the community.

**Level II – Low Need (Moderate functional support needs, low medical and behavioral support needs).**

Individuals receiving services at this level of care are adults (18 years or older) and typically require occasional verbal prompts/reminders, coaching, and/or training to engage or complete activities (weekly or less) and monitoring of support needs with changes as situation dictates. May require a behavior support plan to ensure consistency and proactive approaches.

**Level I – Minimal Need (Low functional support needs, low medical and behavioral support needs).**

Individuals receiving services at this level of care are adults (18 years or older) and typically require minimal prompts to engage or complete activities, monitoring of support needs with changes as situation dictates. Support may be needed for community inclusion. May require a behavior support plan to ensure consistency and proactive approaches.

**Levels of Care for Substance Use Treatment Services for Adults and Adolescents. The American Society of Addiction Medicine - Patient Placement Criteria (ASAM)** is utilized to identify level of care needs for the purpose of assessment and treatment referral and service provision. Substance Use Treatment Service eligibility and determination of level of care is determined by SWMBH Utilization Management.

**Level 0.5 – Early Intervention**

Services include assessment and education for those who are at risk, but do not currently meet the diagnostic criteria for a substance-related disorder. Individuals who are determined to have this level of need are typically referred to available community resources including support groups and prevention activities. Individual is screened for co-occurring mental health issues and referred to appropriate levels of care to meet identified needs. Per definition, early intervention as a specifically focused treatment program, including stage-based intervention for individuals with substance use disorders as identified through a screening or assessment process, and individuals who may not meet the threshold of abuse or dependence.

**Level 1.0 – Outpatient Services**

Community-based substance use outpatient treatment of less than 9 hours per week for adults and less than 6 hours per week for youth. Treatment is directed at recovery, motivational enhancement therapy and strategies to reduce or eliminate substance use and improve ability to cope with situations without substance use.

**Level OTP – Opioid Treatment Program**

Opioid medication and counseling are available daily or several times per week to maintain multidimensional stability for those with opioid dependence. Opioid maintenance therapy is an appropriate and effective treatment for opiate addiction for some Individuals, particularly

Individuals who have completed other treatment modalities without success and are motivated to actively engage in the treatment necessary in OMT.

**Level 2.1 – Intensive Outpatient**

Community-based substance use outpatient treatment of greater than 9 hours per week for adults and greater than 6 hours per week for youth. Treatment is directed to treat multidimensional instability. This level of care may be authorized as a step-down from a higher level of care or in situations in which a higher level of care would otherwise be warranted but is not an appropriate option (either due to inability to participate in a residential treatment program or motivational issues).

**Level 2.5 – Partial Hospitalization**

Partial Hospitalization treatment is a structured treatment similar to the treatment available in a residential setting, however, is directed toward Individuals who require greater than 20 hours per week of treatment for multidimensional stability but not requiring 24-hour care.

**Level 3.1 – Clinically-Managed Low-Intensity Residential**

Clinically managed low-intensity residential treatment includes a 24-hour setting with available trained staff and a minimum of 5 hours of clinical treatment services per week.

**Level 3.3 – Clinically-Managed Medium-Intensity Residential**

Clinically managed medium-intensity residential treatment includes a 24-hour setting with staff who are trained to treat multidimensional needs and address risk/imminent danger.

**Level 3.5 – Clinically Managed High Intensity Residential**

Clinically managed high-intensity residential treatment includes a 24-hour setting with staff who are trained to treat multidimensional needs and address risk/imminent danger and prepare for outpatient step-down. Members must be able to tolerate and use full active milieu available.

**Level 3.7 – Medically-Monitored Intensive Inpatient**

Medically-Monitored Intensive Inpatient – Nursing care with physician availability 24-hours per day for significant problems that arise in Dimensions 1, 2, or 3. Counselor is available 16 hours per day.

**Level 4 – Medically-Managed Intensive Inpatient**

Medically-Managed Intensive Inpatient – Nursing care and daily physician care 24-hours per day for severe, unstable problems that arise in Dimensions 1, 2, or 3. A counselor is available to engage the member in treatment.

**Level 1-WM – Ambulatory Withdrawal Management without Extended On-Site Monitoring**

The patient is experiencing at least mild signs and symptoms of withdrawal, or there is evidence (based on history of substance intake; age; gender; previous withdrawal history; present symptoms; physical condition; and/or emotional, behavioral, or cognitive condition) that withdrawal is imminent.

**Level 2-WM – Ambulatory Withdrawal Management with Extended On-Site Monitoring**

The patient is experiencing signs and symptoms of withdrawal, or there is evidence (based on history of substance intake; age; gender; previous withdrawal history; present symptoms; physical condition; and/or emotional, behavioral, or cognitive condition) that withdrawal is imminent.

**Level 3.2-WM – Clinically Managed Residential Withdrawal Management**

The patient is experiencing signs and symptoms of withdrawal, or there is evidence (based on history of substance intake; age; gender; previous withdrawal history; present symptoms; physical condition; and/or emotional, behavioral, or cognitive condition) that withdrawal is imminent.

**Level 3.7-WM – Medically Monitored Inpatient Withdrawal Management**

The patient is experiencing signs and symptoms of severe withdrawal, or there is evidence (based on history of substance intake; age; gender; previous withdrawal history; present symptoms; physical condition; and/or emotional, behavioral, or cognitive condition) that a severe withdrawal syndrome is imminent.

#### **Level 4-WM – Medically Managed Intensive Inpatient Withdrawal Management**

The patient is experiencing signs and symptoms of severe withdrawal, or there is evidence (based on history of substance intake; age; gender; previous withdrawal history; present symptoms; physical condition; and/or emotional, behavioral, or cognitive condition) that a severe withdrawal syndrome is imminent.

#### **Review Process**

A Prospective Review involves evaluating the appropriateness of a service prior to the onset of the service. A Concurrent Review involves evaluating the appropriateness of a service throughout the course of service delivery. Retrospective Review involves evaluating the appropriateness of a service after the services have already been provided. Determinations are made within the previously identified timeframes.

UM staff obtain clinical information for review from any reasonably reliable source. The purpose of the review is to obtain the most current, accurate, and complete clinical presentation of the Individual's needs and whether the services requested are appropriate, sufficient, and cost-effective to achieve positive clinical outcomes. Only information necessary to make the authorization admission, services, length of stay, frequency and duration is requested.

#### **Outlier Management**

An integral part of Integrated Services of Kalamazoo utilization review and monitoring activities include outlier management methodologies. This process is a key strategy for identifying and correcting over and underutilization of services. This strategy provides the foundation for systemic performance improvement focused by Integrated Services of Kalamazoo versus intensive prior authorization and utilization controls. The design encompasses a review of resource utilization of all Individuals served by Integrated Services of Kalamazoo. The intent of the outlier management approach is to identify issues of material under-utilization or over-utilization and explore and resolve it collaboratively with involved clinicians and provider(s).

##### **1. Outlier Definition**

An "Outlier" is generally defined as significantly different from the norm. Integrated Services of Kalamazoo defines the following types of "outliers":

- Individuals who over or under-utilize services by a variety of variables including too much or too little service utilization at the individual level, by service type or by provider.
- Incongruent level of care to assessed need.
- Lack of contact with or by service provider
- Inpatient Recidivism
- Lengths of stay not supported by medical necessity.
- Provider requests to evaluate medical necessity.

##### **2. Outlier Identification**

Integrated Services of Kalamazoo utilizes a variety of tools for monitoring, analyzing, and addressing outliers. ISK's Performance Indicator Reports (MDHHS required performance standards), service utilization data and reports in PCE KARE, ISK Power BI reports, SWMBH Tableau, and Cost Analysis Reports are available for review and comparison of overall

performance. The service use analysis reports are developed to allow detailed analysis of resource utilization at macro and micro levels. Additionally, at the regional level, outlier reviews are organized to focus extreme outliers in contrast to regionally normative patterns. Specific outlier reports are available and generated in the SWMBH Managed Care Information System and reviewed by the Regional Utilization Management Committee to provide adequate oversight of service utilization and potential issues of uniformity of benefit.

### 3. Outlier Management Procedures

- A. As outliers are identified, analysis will occur at ISK by the Utilization Management Coordinator assigned to the utilization review process to determine whether the utilization is problematic and in need of intervention. Data identified for initial review will be at aggregate levels for identification of statistical outliers. Additional information will be accessed as needed to understand the utilization patterns and detail.
- B. Identified outliers are evaluated to determine whether further review is needed to understand the utilization trend pattern. If further review is warranted, active communication between the ISK staff/teams and the UM committee will ensure understanding of the utilization trends or patterns. Identified outliers are evaluated and assigned to Utilization Management and Utilization Review staff to determine whether further information is needed to understand the utilization trend pattern. If further review is warranted, active communication between the ISK Utilization Management staff and the primary case holder will ensure understanding of the utilization trends or patterns.
- C. Following the individual case review, results are forwarded to the Provider Network Coordinator assigned to the utilization review process for review analysis, clinical feedback, and entry into a tracking database. Completed reviews are then sent to the monthly Utilization Management group made up of the Manager Customer Services, the Administrator of Operations, Manger Utilization Management, and the Utilization Management Coordinator assigned to the utilization review process for final review and approval of recommendations. The following recommendations may result from a review: Stay the same, Terminate a service, Terminate all services, Add a service, Increase hours/contacts/sessions, Decrease hours/contacts/sessions, Reevaluate need (case will be marked for follow up review), and Other. Primary clinicians/supervisors are formally notified of the decision following the monthly Utilization Management group.
- D. If the utilization trends or patterns are determined to require intervention at the provider or the individual level, collaborative corrective action plans are jointly discussed with Integrated Services of Kalamazoo leadership and will include defined timelines for completion. Corrective action plans may include:
  1. Brief description of the finding(s) and supporting information.
  2. Specific steps to be taken to correct the situation and a timetable for performance of specified corrective action steps.
  3. A description of the monitoring to be performed to ensure that the steps are taken.
  4. A description of the monitoring to be performed that will reflect the resolution of the situation.
  5. Following initial review and efforts for resolution, the disposition can include either positive resolution or advance to next level of review with consultation with Leadership.
  6. Following consultation, the Administrator of Operations and/or the Chief Medical Officer will review disposition determination, recommendations, corrective action plans and processes undertaken to resolve the outlier event(s) and render final disposition.

- E. The Chief Medical Officer and/or Administrator of Operations will take into consideration the outlier severity in determining recommended remedies. The following options available at this level include:
1. Acceptance of recommendations.
  2. Direction for additional action(s),
  3. Clinical Peer Review -The Peer Review consists of review, consultation, and
  4. recommendations for resolution.
  5. Render final disposition.
  6. Provide recommendations for action for remediation to the applicable Integrated Services of Kalamazoo Director
- F. The spectrum of remedies available to the Integrated Services of Kalamazoo in relation to its internal operations and provider panels stems from the authority of the Integrated Services of Kalamazoo Board and occur according to Integrated Services of Kalamazoo policy. Subject to CEO's approval, possible remedies can include but are not limited to:
1. Non-payment for case.
  2. Individual switch to a staff or new provider.
  3. Provider being put on pre-payment status.
  4. Pro-rated payback on class of cases.
  5. Contract Amendment (modification of performance expectations, compensation, or range of services purchased).
  6. Removal from provider panel.

### **Data Management**

Data management and standardized functional assessment tools and subsequent reporting tools are an integral piece to utilization management and application of uniform benefit. Utilization mechanisms identify and correct under-utilization as well as over-utilization.

Management/monitoring of common data elements are critical to identify and correct overutilization and underutilization as well as identify opportunities for improvement, Individual safety, call rates, Access standards and individual quality outcomes. A common Managed Care Information System with Functionality Assessment and Level of Care Tool scores drives Clinician/Local Care Manager/Central Care Manager review and action of type, amount, scope, duration of services. As such there is a need for constant capture and analyses of individual level and community level health measures and maximization of automated, data-driven approaches to UM and to address population health management.

The purpose of data management is to evaluate the data that is collected for completeness, accuracy, and timeliness and use that data to direct individual and community level care. As part of data management, Levels of Care for Individuals can be assigned. This work allows people to be assigned categories of expected services and addresses a uniform benefit. It's a goal of UM to identify the levels of care and subsequent reports to manage utilization and uniform benefit.

### **Communication**

#### **UM Program Plan**

The UM Program Plan is developed adjunct to the Quality Management Plan. The plan is reviewed by the Clinical Operations Committee and input sought from ISK teams. Providers, Individuals, and general stakeholders can access the UM plan through the Integrated Services of Kalamazoo portal and upon request. The ISK Board of Directors receives education on the Utilization Management Plan on an annual basis.

### **Availability of Utilization Management Staff**

Integrated Services of Kalamazoo UM staff are available by telephone (toll free) from 8:00 a.m. to 5:00 p.m. Monday through Friday of each normal business day. Utilization Review staff respond to email and telephonic communications within one business day during provider's normal business hours. UM staff identify themselves by name, and organization during correspondence. UM requirements and procedures are made available upon request. When a denial determination occurs, Integrated Services of Kalamazoo provides the opportunity for the requesting Individual or provider to discuss the determination with either the reviewer making the determination or, if not available within one business day, a different clinical peer reviewer.

After-hours emergency services are available to Individuals and providers through a phone service which provides emergency referral and information outside of normal business hours by licensed professional staff. Individuals and providers have the ability to leave a message for UM staff through this service and also may fax information to Integrated Services of Kalamazoo after hours.

### **Peer Clinical Review**

Utilization Management staff are available to discuss authorization decisions with the requesting Individual, provider and attending physician (if applicable). The Utilization Management staff assist with obtaining relevant clinical information and documentation for review. When a decision is made to deny an authorization request, UM staff provides within one business day, upon request, the opportunity to discuss the determination with the UM Peer Reviewer who made the determination, or another Peer Clinical Reviewer if the original reviewer cannot be available within one business day. If this peer communication does not result in an authorization, the provider is given information regarding how to appeal the determination and any applicable timelines. Upon request, UM will provide specific clinical rationale on which the decision to deny the authorization was made.

### **Evaluation**

The UM program is reviewed at least annually to determine if the Fiscal Year monitoring activity targets have been achieved and identify trends and areas for improvement. The Clinical Operations committee is responsible for implementing any improvement activities at ISK and throughout the provider network. The purpose of the annual evaluation is to identify any best practices that could be incorporated into the UM plan as well as continue to improve the care provided to Integrated Services of Kalamazoo individuals served. Additionally, Inter-rater reliability of application of medical necessity will be evaluated annually. Oversight and monitoring of medical necessity determinations and utilization management decisions will be conducted on an ongoing basis to validate consistent application of uniform benefit, clinical protocols and medical necessity criteria across staff, within the entity, region and state. Inter-rater reliability (IRR) for UM staff is imperative in ensuring appropriate use of the regionally and/or state mandated medical necessity criteria and level of care assessment when making and clinically supporting service authorization determinations being made.

## Definitions

**Core Service Menu:** The services which are available with defined Recommended Thresholds for an identified population at a given Level of Care.

**Exception:** Service(s) that fall above the Recommended Threshold or outside of the Core Service Menu for a given Level of Care.

**Level of Care:** Refers to the intensity of services (setting, frequency and mode) an individual will receive during a specific stage of treatment.

**Long Term Services and Supports (LTSS):** Services and supports provided to older adults and people with disabilities who need support because of age; physical, cognitive, developmental, or chronic health conditions; or other functional limitations that restrict their abilities to care for themselves, and who receive care in home-community based settings, or facilities such as nursing homes. [42 CFR § 438.208(c)(1)(2)] MDHHS identifies the Home and Community Based Services (HCBS) Waiver and MI-Choice as recipients of LTSS.

**Medical Necessity:** Determination that a specific service is medically (clinically) appropriate, necessary to meet needs, consistent with the person's diagnosis, symptomatology and functional impairments, is the most cost-effective option in the least restrictive environment and is consistent with clinical standards of care. (Medicaid Provider Manual)

**Outlier:** A pattern or trend of under- or over-utilization of services (as delivered or as authorized), compared to the typical pattern of service utilization. Over or under-utilization trends can be identified at a variety of comparative levels, including but not limited to the population, CMH, state, service type, or provider levels.

**Person-Centered Planning:** Person-centered planning means a process for planning and supporting the individual receiving services that builds upon the individual's capacity to engage in activities that promote community life and that honors the individual's preferences, choices, and abilities. MCL 330.1700(g)

**Serious Emotional Disturbance:** As described in Section 330.1100c of the Michigan Mental Health Code, a serious emotional disturbance is a diagnosable mental, behavioral, or emotional disorder affecting a minor that exists or has existed during the past year for a period of time sufficient to meet diagnostic criteria specified in the most recent diagnostic and statistical manual of mental disorders published by the American Psychiatric Association and approved by the MDHHS, and that has resulted in functional impairment that substantially interferes with or limits the minor's role or functioning in family, school, or community activities. The following disorders are included only if they occur in conjunction with another diagnosable serious emotional disturbance:

- 1) A substance use disorder
- 2) A developmental disorder
- 3) A "V" code in the diagnostic and statistical manual of mental disorders

**Serious Mental Illness:** As described in Section 330.1100c of the Michigan Mental Health Code, a serious mental illness is a diagnosable mental, behavioral, or emotional disorder affecting an adult that exists or has existed within the past year for a period of time sufficient to meet diagnostic criteria specified in the

most recent diagnostic and statistical manual of mental disorders published by the American Psychiatric Association and approved by the MDHHS and that has resulted in functional impairment that substantially interferes with or limits one or more major life activities. Serious mental illness includes dementia with delusions, dementia with depressed mood, and dementia with behavioral disturbances, but does not include any other dementia unless the dementia occurs in conjunction with another diagnosable serious mental illness.

**Uniform Benefit/Uniformity of Benefit:** Consistent application of and criteria for benefit eligibility, level of care determination and service provision regardless of various demographics including geographic location, **based upon the clinical and functional presentation of the person served, over time.**

**Utilization Review:** The process of monitoring, evaluating medical necessity, use, delivery, cost effectiveness, appropriateness, and the efficient use of health care services provided by health care professionals on a prospective, concurrent or retrospective basis. Utilization review activities include monitoring of individual consumer records, specific provider practices and system trends to determine appropriate applications of Guidelines and Criteria in the following areas: level of care determination, Application of Service Selection Criteria, Application of Best Practice Guidelines, Consumer outcomes, Over-Utilization/under Utilization, and Review of clinical or resource utilization Outliers.

## Roles

### **Integrated Services of Kalamazoo role:**

- Adhere to prescribed Assessment Tools use, frequency, and reporting to SWMBH as prescribed.
- Adhere to SWMBH Level of Care Guidelines for PIHP services.
- Report and Perform Local Care Management per the SWMBH UM Plan, Delegation Agreement and Policy.
- Report Authorizations and Encounters to SWMBH as prescribed.
- Perform delegated UM/Care Management per UM Plan and Policy.
- Oversee and monitor delegated Local Care Management per UM Plan and Policy.
- Develop, review and act upon UM analytic management reports for Integrated Services of Kalamazoo.
- Regularly identify trends and material variations.

### **Shared Role (Administrator of Operations, Manager of Utilization Management and UM Committee):**

Regularly review UM analytic management reports. Identify trends and variations, including gaps in completeness, timeliness, and accuracy of applicable Data. Annual statistical analysis of LOC Guidelines with modifications as necessary. Adjust business process and/or decision trees as necessary. Sample and discuss aggregate service type anomalies. Sample and discuss case outliers.

**References/Additional Guiding Documents**

- SWMBH Level of Care Guidelines
- SWMBH Regional Utilization Management Committee UM Program Plan and Work Plan/Goals
- MDHHS CCBHC Handbook

**Plan Review and Approval**

Administrator of Operations: *Philip Hill* 3/27/2020  
Signature/date of review

Chief Medical Officer: *G.K. Bede MD*  
Signature/date of review

INTEGRATED  
SERVICES OF  
KALAMAZOO



Period Ended  
February 28, 2026

Monthly Finance  
Report

# INTEGRATED SERVICES OF KALAMAZOO

## Statement of Net Position

February 28, 2026

	February 2025 (unaudited)	February 2026
<b>Assets</b>		
<b>Current assets</b>		
Cash and investments	\$ 19,135,803	\$ 21,867,271
Accounts receivable	4,059,088	11,044,564
Due from other governments	15,937,344	8,388,429
Prepaid items	1,446,943	1,708,340
<b>Total current assets</b>	<u>40,579,178</u>	<u>43,008,605</u>
<b>Non-current assets</b>		
Capital assets, net of accumulated depreciation	14,706,228	14,402,023
Net pension asset, net of deferred outflows	8,442,339	8,070,705
<b>Total non-current assets</b>	<u>23,148,567</u>	<u>22,472,728</u>
<b>Total assets</b>	<u>\$ 63,727,745</u>	<u>\$ 65,481,333</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 11,467,740	\$ 8,939,978
Due to other governments	181,746	97,387
Due to providers	386,006	-
Accrued payroll and payroll taxes	3,143,598	2,661,474
Unearned revenue	137,946	125,450
<b>Total current liabilities</b>	<u>15,317,036</u>	<u>11,824,290</u>
<b>Net position</b>		
Designated	8,654,636	8,654,636
Undesignated	24,523,412	32,301,639
Investment in fixed assets	13,277,168	13,277,168
Net gain (loss) for period	1,955,493	(576,399)
<b>Net position</b>	<u>\$ 48,410,709</u>	<u>\$ 53,657,044</u>

## INTEGRATED SERVICES OF KALAMAZOO

### Statement of Revenue, Expenses and Change in Net Position

October 1, 2025 through February 28, 2026

Percent of Year is 41.67%

	Original 2026 Budget	YTD Totals 2/28/26	Remaining Budget	Percent of Budget - YTD
<b>Operating revenue</b>				
Medicaid:				
Traditional Capitation	\$ 86,641,701	34,061,148	\$ 52,580,553	39.31%
Healthy Michigan Capitation	9,119,193	2,962,570	6,156,623	32.49%
Formula Fundings	3,900,516	1,625,215	2,275,301	41.67%
CCBHC Demonstration	34,258,759	14,033,110	20,225,649	40.96%
CCBHC Quality Bonus	1,326,190	-	1,326,190	0.00%
County Allocation	1,550,400	646,000	904,400	41.67%
Client Fees	1,069,711	284,704	785,007	26.62%
SUD Block Grant	-	-	-	0.00%
Other grant revenue	6,780,003	2,555,947	4,224,057	37.70%
Other earned contracts	1,958,805	966,815	991,989	49.36%
COFR	-	-	-	0.00%
Interest	157,232	61,743	95,489	39.27%
Local revenue	508,606	10,227	498,379	2.01%
<b>Total operating revenue</b>	<b>\$ 147,271,116</b>	<b>\$ 57,207,479</b>	<b>\$ 90,063,638</b>	<b>38.85%</b>
<b>Operating expenses</b>				
Salaries and wages	\$ 32,403,237	12,325,729	20,077,508	38.04%
Employee benefits	12,643,544	4,340,691	8,302,853	34.33%
Staff development	300,933	48,771	252,162	16.21%
Payments to providers	93,008,476	36,012,879	56,995,597	38.72%
Administrative contracts	8,262,621	3,678,820	4,583,801	44.52%
IT software and equipment	928,129	363,694	564,435	39.19%
Client transportation	52,900	15,868	37,032	30.00%
Staff travel	386,676	115,888	270,788	29.97%
Office expenses	685,668	225,202	460,466	32.84%
Insurance expense	168,769	77,295	91,474	45.80%
Depreciation expense	585,704	236,667	349,037	40.41%
Utilities	363,874	156,443	207,431	42.99%
Facilities	36,265	58,802	(22,537)	162.15%
Local match	305,108	127,128	177,980	41.67%
<b>Total operating expenses</b>	<b>\$ 150,131,903</b>	<b>\$ 57,783,878</b>	<b>\$ 92,348,026</b>	<b>38.49%</b>
<b>Change in net position</b>	<b>(2,860,787)</b>	<b>(576,399)</b>	<b>\$ (2,284,388)</b>	
<b>Beginning net position</b>	<b>54,233,443</b>	<b>54,233,443</b>		
<b>Ending net position</b>	<b>\$ 51,372,656</b>	<b>\$ 53,657,044</b>		

**INTEGRATED SERVICES OF KALAMAZOO**

**Statement of Revenue, Expenses and Change in Net Position**

October 1, 2025 through February 28, 2026

Percent of Year is 41.67%

	Specialty Services		Healthy Michigan		SUD Block Grant		Totals	
	Budget	YTD Totals 2/28/26	YTD Budget	YTD Totals 2/28/26	YTD Budget	YTD Totals 2/28/26	YTD Budget	YTD Totals 2/28/26
<b>Operating revenue</b>								
Medicaid:								
Traditional Capitation	\$ 36,100,709	\$ 38,204,856	\$ -	\$ -	\$ -	\$ -	\$ 36,100,709	\$ 38,204,856
Healthy Michigan Capitation	-	-	3,799,664	3,105,965	-	-	3,799,664	3,105,965
Settlement Estimate	1,844,762	(4,143,708)	(1,278,741)	(143,395)	-	-	566,021	(4,287,103)
Client Fees	3,029	-	34	-	-	-	3,063	-
<b>Total operating revenue</b>	<b>\$ 37,948,500</b>	<b>\$ 34,061,148</b>	<b>\$ 2,520,957</b>	<b>\$ 2,962,570</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40,469,457</b>	<b>\$ 37,023,718</b>
<b>Operating expenses</b>								
Internal services	\$ 943,993	\$ 1,125,324	\$ 5,815	\$ 3,184	\$ -	\$ -	\$ 949,808	\$ 1,128,508
External services	31,768,804	28,965,950	2,167,329	2,614,095	-	-	33,936,133	31,580,045
Delegated managed care	5,235,703	3,969,874	347,813	345,292	-	-	5,583,516	4,315,165
<b>Total operating expenses</b>	<b>\$ 37,948,500</b>	<b>\$ 34,061,148</b>	<b>\$ 2,520,957</b>	<b>\$ 2,962,571</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 40,469,457</b>	<b>\$ 37,023,719</b>
<b>Change in net position</b>	<b>-</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,445,739)</b>

# INTEGRATED SERVICES OF KALAMAZOO

## Statement of Revenue, Expenses and Change in Net Position

October 1, 2025 through February 28, 2026

Percent of Year is 41.67%

	State General Fund		CCBHC		Other Funding Sources		Totals	
	YTD Budget	YTD Totals 2/28/26	YTD Budget	YTD Totals 2/28/26	YTD Budget	YTD Totals 2/28/26	YTD Budget	YTD Totals 2/28/26
<b>Operating revenue</b>								
General Fund	\$ 1,625,215	\$ 1,625,215	\$ -	\$ -	\$ -	\$ -	\$ 1,625,215	\$ 1,625,215
CCBHC Demonstration	-	-	15,546,044	14,597,114	-	-	15,546,044	14,597,114
Other Federal and State Grants	-	-	-	-	2,500,865	2,555,947	2,500,865	2,555,947
Earned Revenue	-	-	-	-	443,537	259,175	443,537	259,175
Interest	-	-	-	-	65,513	61,743	65,513	61,743
County Allocation	-	-	-	-	646,000	646,000	646,000	646,000
Local Revenue	2,968	-	-	-	211,919	10,226	214,887	10,226
Transfer from GF	-	-	30,791	449,933	-	-	30,791	449,933
<b>Total operating revenue</b>	<b>\$ 1,628,183</b>	<b>\$ 1,625,215</b>	<b>\$ 15,576,835</b>	<b>\$ 15,047,047</b>	<b>\$ 3,867,835</b>	<b>\$ 3,533,091</b>	<b>\$ 21,072,853</b>	<b>\$ 20,205,353</b>
<b>Operating expenses</b>								
Internal Programs	\$ 369,386	\$ 326,038	\$ 15,970,886	\$ 15,659,967	1,159	1,822	\$ 16,341,431	\$ 15,987,827
External Programs	1,012,502	715,837	-	-	273,542	354,808	1,286,043	1,070,645
Other Federal and State Grants	-	-	-	-	2,799,224	2,165,242	2,799,224	2,165,242
HUD Grants	-	-	-	-	759,112	687,066	759,112	687,066
Managed Care Administration	215,504	133,407	-	-	-	-	215,504	133,407
Homeless Shelter	-	-	-	-	160,632	125,788	160,632	125,788
Transfer from GF	30,791	449,933	-	-	-	-	30,791	449,933
Local match expense	-	-	-	-	127,128	127,128	127,128	127,128
Non-DCH Activity Expenditures	-	-	-	-	23,797	36,037	23,797	34,716
<b>Total operating expenses</b>	<b>\$ 1,628,183</b>	<b>\$ 1,625,215</b>	<b>\$ 15,970,886</b>	<b>\$ 15,659,967</b>	<b>\$ 4,144,594</b>	<b>\$ 3,497,891</b>	<b>\$ 21,743,662</b>	<b>\$ 20,781,752</b>
<b>Change in net position</b>	<b>0</b>	<b>(0)</b>	<b>(394,051)</b>	<b>(612,920)</b>	<b>(276,758)</b>	<b>35,200</b>	<b>(670,809)</b>	<b>(576,399)</b>
								<b>94,410</b>

# INTEGRATED SERVICES OF KALAMAZOO

## CCBHC

October 1, 2025 through February 28, 2026

Percent of Year is 41.67%

	CCBHC Medicaid	CCBHC Healthy MI	CCBHC Non-Medicaid	CCBHC YTD Totals
<b>Operating revenue</b>				
CCBHC revenue	\$ 10,569,741	\$ 3,463,369	\$ -	\$ 14,033,110
FFS Revenue	-	-	284,704	284,704
CCBHC SAMSHA Grant	-	-	279,300	279,300
<b>Total CCBHC Revenue (PPS-1 of \$318.50 x encounters)</b>	<b>\$ 10,569,741</b>	<b>\$ 3,463,369</b>	<b>\$ 564,004</b>	<b>\$ 14,597,114</b>
<b>Operating expenses</b>				
Internal services	\$ 8,053,098	\$ 2,420,994	\$ 1,580,587	\$ 12,054,680
DCO Contracts	2,325,295	792,406	487,585	3,605,287
<b>Total operating expenses</b>	<b>\$ 10,378,394</b>	<b>\$ 3,213,400</b>	<b>\$ 2,068,173</b>	<b>\$ 15,659,967</b>
<b>Operating change in net position</b>	<b>191,347</b>	<b>249,969</b>	<b>(1,504,169)</b>	<b>(1,062,853)</b>
Reclassification to cover Non-Medicaid	-	-	449,933	449,933
<b>Total change in net position</b>	<b>\$ 191,347</b>	<b>\$ 249,969</b>	<b>\$ (1,054,236)</b>	<b>\$ (612,920)</b>

## CCBHC Cost per daily visit

	2023	FY 2024	FY 2025	2/28/26
Total CCBHC Cost	\$ 27,687,187	\$ 31,777,786	\$ 35,393,270	\$ 15,659,967
Daily Visits	99,802	110,326	125,458	51,132
Cost per daily visit	277.42	288.04	282.11	306.27

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

**AUTISM SERVICES**

Report Period: October 1st, 2025 through February 28th, 2026

UTILIZATION COMPARISONS FY 25/26									
	FY 24/25 Actual		FY 25/26 Budget		FY 25/26 Actual		Clients Served Difference Favorable (Unfavorable)	Cost Difference Favorable (Unfavorable)	Cost YTD Favorable (Unfavorable)
		Dollars	Clients Served	Dollars	Clients Served	Clients Served			
OCTOBER	187	\$944,462	194	\$1,098,509	168	\$979,255	26	\$119,254	\$119,254
NOVEMBER	175	\$899,151	194	\$1,098,509	169	\$794,516	25	\$303,993	\$303,993
DECEMBER	170	\$801,707	194	\$1,098,509	187	793,941	7	\$304,568	\$304,568
JANUARY	190	\$943,870	194	\$1,098,509	191	762,474	3	\$336,035	\$336,035
FEBRUARY	197	\$898,764	194	\$1,098,509	195	1,080,095	(1)	\$18,414	\$18,414
MARCH	193	\$1,054,656	194	\$1,098,509	-	-			
APRIL	189	\$1,160,440	194	\$1,098,509	-	-			
MAY	188	\$1,027,319	194	\$1,098,509	-	-			
JUNE	192	\$1,048,980	194	\$1,098,509	-	-			
JULY	184	\$1,018,918	194	\$1,098,509	-	-			
AUGUST	187	\$934,104	194	\$1,098,509	-	-			
SEPTEMBER	187	\$1,120,200	194	\$1,098,509	-	-			
<b>TOTALS</b>	<b>2,239</b>	<b>\$11,852,571</b>	<b>2,328</b>	<b>\$13,182,110</b>	<b>910</b>	<b>\$4,410,281</b>	<b>60</b>	<b>\$1,082,264</b>	
<b>MONTHLY AVERAGES</b>	<b>187</b>		<b>194</b>		<b>182</b>				
<b>GROSS ANNUAL COST</b>		<b>\$11,852,571</b>		<b>\$13,182,110</b>		<b>\$4,410,281</b>		<b>\$1,082,264</b>	

Favorable/(Unfavorable):

Total **1,082,264**

**YOUTH COMMUNITY INPATIENT SERVICES**  
**Report Period: October 1st, 2025 through February 28th, 2026**

UTILIZATION COMPARISONS FY 25/26									
	FY 24/25 Actual		FY 25/26 Budget		FY 25/26 Actual		Days Difference Favorable (Unfavorable)	Cost Difference Favorable (Unfavorable)	Cost YTD Favorable (Unfavorable)
		Dollars	Clients Served	Dollars	Days	Days			
OCTOBER	111	\$96,759	85	\$81,845	101	\$101,060	(16)	(\$19,215)	(\$19,215)
NOVEMBER	117	\$114,545	85	\$81,845	98	\$98,100	(13)	(\$16,255)	(\$16,255)
DECEMBER	52	\$51,318	85	\$81,845	74	\$74,090	11	\$7,755	\$7,755
JANUARY	97	\$95,247	85	\$81,845	61	\$62,291	24	\$19,554	\$19,554
FEBRUARY	100	\$97,792	85	\$81,845	31	\$31,030	54	50,815	50,815
MARCH	77	\$75,342	85	\$81,845					
APRIL	80	\$78,400	85	\$81,845					
MAY	82	\$80,360	85	\$81,845					
JUNE	42	\$41,160	85	\$81,845					
JULY	47	\$46,178	85	\$81,845					
AUGUST	35	\$34,329	85	\$81,845					
SEPTEMBER	50	\$48,608	85	\$81,845					
<b>TOTALS</b>	<b>890</b>	<b>\$860,038</b>	<b>1,020</b>	<b>\$982,134</b>	<b>365</b>	<b>\$366,571</b>	<b>60</b>	<b>\$42,654</b>	<b>\$42,654</b>
<b>MONTHLY AVERAGES</b>	<b>74</b>		<b>85</b>		<b>73</b>				
<b>GROSS ANNUAL COST</b>		<b>\$860,038</b>		<b>\$982,134</b>		<b>\$366,571</b>		<b>\$42,654</b>	

Favorable/(Unfavorable): Total **42,654**

**COMMUNITY INPATIENT SERVICES**  
**Report Period: October 1st, 2025 through February 28th, 2026**

UTILIZATION COMPARISONS FY 25/26									
	FY 24/25 Actual		FY 25/26 Budget		FY 25/26 Actual		Days Difference Favorable (Unfavorable)	Cost Difference Favorable (Unfavorable)	Cost YTD Favorable (Unfavorable)
		Dollars	Clients Served	Dollars	Days	Days			
OCTOBER	637	\$551,635	608	\$702,343	575	\$638,067	33	\$64,276	\$64,276
NOVEMBER	640	\$702,827	608	\$702,343	704	\$779,060	(96)	(\$76,717)	(\$76,717)
DECEMBER	708	\$777,481	608	\$702,343	588	\$650,541	20	\$51,802	\$51,802
JANUARY	577	\$635,283	608	\$702,343	652	\$732,357	(44)	(\$30,014)	(\$30,014)
FEBRUARY	405	\$447,214	608	\$702,343	459	\$512,948	149	189,395	189,395
MARCH	640	\$706,244	608	\$702,343					
APRIL	525	\$577,375	608	\$702,343					
MAY	503	\$552,904	608	\$702,343					
JUNE	618	\$680,211	608	\$702,343					
JULY	810	\$890,502	608	\$702,343					
AUGUST	662	\$725,577	608	\$702,343					
SEPTEMBER	675	\$739,152	608	\$702,343					
<b>TOTALS</b>	<b>7,400</b>	<b>\$7,986,405</b>	<b>7,296</b>	<b>\$8,428,119</b>	<b>2,978</b>	<b>\$3,312,973</b>	<b>62</b>	<b>\$198,742</b>	<b>\$198,742</b>
MONTHLY AVERAGES	617		608		596				
GROSS ANNUAL COST		\$7,986,405		\$8,428,119		\$3,312,973		\$198,742	

Favorable/(Unfavorable): 198,742 Total

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

**Report Period: October 1st, 2025 through February 28th, 2026**

SERVICE	Month	Avg. Daily Rate	No. Served	Days of Service	YTD		Favorable / (Unfavorable)		
					FY 25/26 Budget			FY 25/26 Actual	
					Dollars	Dollars		Dollars	Dollars
PC/CLS	Nov	\$293	387	57,214	\$17,070,709	16,747,035	\$323,674		
CRISIS RES.		\$579	34	363	\$415,042	\$210,327	\$204,715		
CLS (SIP)	Nov	NA	329		\$5,935,413	5,598,743	\$336,670		
<b>Annual Cost</b>							<b>\$865,059</b>		

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

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

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

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



Community • Independence • Empowerment

# Integrated Services of Kalamazoo

## MOTION

<b>Subject:</b>	<u>February 2026 Disbursements</u>	<b>Approval Date:</b>
<b>Meeting Date:</b>	<b>March 23, 2026</b>	<b><u>March 23, 2026</u></b>
<b>Prepared by:</b>	Charlotte Bowser	

Recommended Motion:

“Based on the Board Finance meeting review, I move that ISK approve the February, 2026 vendor disbursements of \$11,428,400.49.”

Summary of Request:

As per the February 2026 Vendor Check Register Report dated 03/10/2026 that includes checks issued from 02/01/2026 to 02/28/2026.

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

Staff: Charlotte Bowser, Finance Director

Date of Board

Consideration: **March 23, 2026**