EATON COUNTY BOARD OF COMMISSIONERS/HEALTH AND HUMAN SERVICES COMMITTEE

MONDAY, MAY 6, 2024, 9:00 A.M.

BOARD OF COMMISSIONERS' ROOM, COUNTY COURTHOUSE, CHARLOTTE

AGENDA

1. Call to Order.
2. Pledge of Allegiance.
3. Agenda Additions and Changes.
4. Approval of March 4, 2024 Minutes.
5. Limited Public Comment.
6. Health and Rehabilitation Services (ECHRS) Semi-Annual Report – Martha Richard.
7. Tri-County Office on Aging Semi-Annual Report – Kate Long.
8. Mid-State Health Network (MSHN) Intergovernmental Contract.
9. Strategic Plan – Substance Use and Misuse Update.
10. Miscellaneous.
11. Limited Public Comment.
12. Adjournment.

A quorum of the Board of Commissioners may be present at this meeting.

517-543-2122
517-543-3331 (Fax)
1045 Independence Blvd.
Charlotte, MI 48813
eatoncounty.org

HEALTH AND HUMAN SERVICES COMMITTEE MEETING

MONDAY, MARCH 4, 2024
9:00 A.M.
MINUTES

MEMBERS PRESENT: Commissioners Brian Lautzenheiser, Mark Mudry, Blake Mulder, Joe Brehler, Scott Hansen, Barbara Rogers, and Jeanne Pearl-Wright.

ALSO PRESENT: Commissioner Jacob Toomey, Connie Sobie, Sara Lurie, and Claudine Williams.

The March 4, 2024 regular meeting of the Health and Human Services Committee was called to order at 9:00 a.m. by Chairperson Lautzenheiser.

The Pledge of Allegiance was given by all.

Commissioner Rogers moved to approve the March 4, 2024 agenda as presented. Commissioner Pearl-Wright seconded. Motion carried unanimously.

Commissioner Rogers moved to approve the February 5, 2024 minutes, as presented. Commissioner Hansen seconded. Motion carried unanimously.

Limited Public Comment. None.

Sara Lurie from Community Mental Health (CMH) presented the semi-annual report. CMH has completed an organizational strategic plan focusing on developing a practical vision for the organization's immediate future. She also spoke about the continuing need to find qualified psychiatric personnel. Discussion was held.

Claudine Williams, Director of Intergovernmental Affairs and Development, provided an update on the Substance Use and Misuse Strategic Plan.

Miscellaneous. The April 2024 meeting is cancelled.

Limited Public Comment. None.

Chairperson Lautzenheiser adjourned the meeting at 9:43 a.m.

The next regularly scheduled meeting of the Health and Human Services Committee will be held on **Monday, May 6, 2024** at 9:00 a.m., in the Board of Commissioners Room of the Courthouse located at 1045 Independence Blvd, Charlotte MI 48813.

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Brian Lautzenheiser, Chairperson

EATON COUNTY HEALTH & REHABILITATION SERVICES

Eaton County Health & Rehabilitation Services – March 2024

Financial Commentary

- Another strong month, with occupancy numbers holding steady, the financial performance is starting to show profitability, noting operating income of $113,250 MTD, and $93,472 YTD.
- Overall Net Income Performance of $188,250 MTD, and $621,806 YTD.
- March includes payment of the first 6 months of the County capital contribution of $75,000, which helped to bolster cash for future capital needs.
- Current cash balance as of 3.31.24: $4,152,439, which was a slight increase of 1.4% from prior month. Settlement activity still expected into the future includes:
    - A repayment of CPE funding that was received in 2023 of $1.7 million.
    - Cost settlement of fiscal year 2023, which is expected to be received in late 2024 or early 2025 of $3.2 million.
    - Future QAS supplement settlement is being tracked monthly and currently sits at a balance of ($6,444) – due to State.
- MTD Expense per resident day $481.52, which was a slight decrease ($4.96) from prior month
- MTD Revenue per resident day $511.33, which was a nominal decrease ($.25) from prior month
- Overall MTD Net Income per resident day $29.81, which was an increase of $4.71 from prior month
- Resident receivables remain consistent with prior months and reflect timely billing and collections.

Monitoring Occupancy

- Occupancy for FY 2024 has been strong, averaging 112 residents per day and seeing consistent growth as we move into the second half of FY 2024. This is an improvement compared to budget (FY 2024 budget of 111 residents per day) and prior year (FY 2023 averaged 109).
- A nonavailable bed plan (NABP) was entered into that takes 14 beds out of service from November 2023 to April 2024. This provides an opportunity for ECHRS to target the 85% occupancy threshold to maximize Medicaid reimbursement. The revised occupancy through the month being reported is 90.3% with the NABP. ECHRS will reapply for the NABP for an additional 6 months as we continue to explore the feasibility of a positive performance for Hospice Services.
- Palliative/Hospice census is performing as projected as we focus on program development and census building for future months with the anticipation that workforce challenges will not impede this goal.

Analysis of Outpatient Therapy Profit Margin

- Currently, there is a reasonable profit margin being generated. There was a slight decrease (3.6%) in performance from prior month.

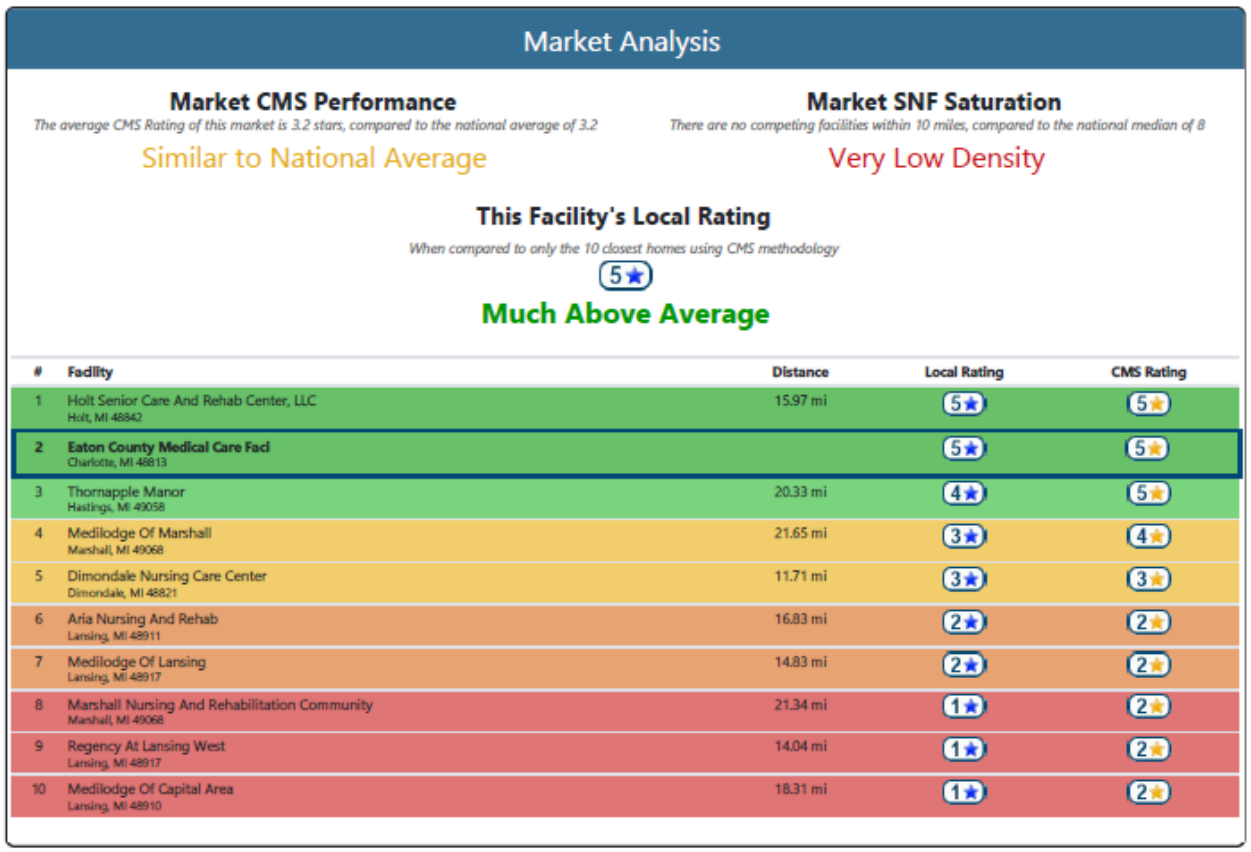
Outpatient Therapy Results			
Description	**Current Month**	**Prior Month**	**Year-to-Date**
Revenue	$ 5,592	$ 5,142	$ 32,892
Wages	$ (4,162)	$ (3,642)	$ (17,703)
Income (Loss)	**$ 1,430**	**$ 1,500**	**$ 15,189**
Profit Margin	**25.6%**	**29.2%**	**46.2%**

** NOTE, this does not include allocation of facility charges or supplies.*

Commentary

- CNA workforce continues to fluctuate, but has stabilized.
- CMS Minimum Staffing Ration regulation was finalized. CMS will use a phased approach over several years (2-5 years), but facility's must be in compliance within 90 days from yesterday with the requirement to update its Facility Assessment to ensure ECHRS has an efficient process to consistently assess and document the necessary resources and staff required to provide ongoing care for its population based on the specific needs of the residents.
- Significant deferred building maintenance and capital needs are expected this year and into the following 4 years, as previously reviewed and discussed with the Board and BOC.

ECHRS Quality – No Changes from prior month – Remain 5 Star



Eaton County Health and Rehabiliation Services
Month-End Reporting
March 31, 2024

Census Details	Current Month	Prior Month	Change	Year to Date
Total census days	**3,585**	**3,400**	**185**	**20,856**
Days in period	31	29		183
Occupancy (adjusted for NABP)	**90.3%**	**91.6%**	**-1.2%**	**87.4%**
Average Residents per Day	**116**	**117**	**(2)**	**114**
			Budget	**111**
Long-term care	2,914	2,766	148	16,696
Occupancy (adjusted for NABP)	**92.2%**	**93.5%**	**-1.4%**	**87.4%**
Short-term rehab	671	634	37	4,160
Occupancy (adjusted for NABP)	**83.3%**	**84.1%**	**-0.8%**	**87.4%**

Statement of Change in Net Position	Current Month	Prior Month	Change	Year to Date
Revenue				
Service Revenue	$ 1,727,964	$ 1,643,543	$ 84,421	$ 10,048,802
Tax Revenue	45,840	45,840	-	275,040
COVID Relief Funding	83,518	98,368	(14,851)	544,813
Other Revenue	48,151	41,650	6,501	254,555
Total Revenue	**$ 1,905,472**	**$ 1,829,401**	**$ 76,071**	**$ 11,123,210**
Expenses				
Wages	$ 1,158,138	$ 1,157,286	$ 853	$ 7,027,382
Benefits and Payroll Taxes	287,397	292,793	(5,396)	1,602,257
Operating Expenses	298,465	373,401	(74,936)	2,110,838
Depreciation	44,050	44,050	-	264,303
Interest	4,172	4,172	-	24,959
Total Expenses	**$ 1,792,223**	**$ 1,871,701**	**$ (79,479)**	**$ 11,029,739**
Operating Income (Loss)	**$ 113,250**	**$ (42,300)**	**$ 155,550**	**$ 93,472**
Other Income (Expense)				
Nonoperating Income (Expense)	$ 75,000	$ -	$ 75,000	$ 75,000
CPE and Other Settlements	-	-	-	453,335
Total Other Income (Expense)	**$ 75,000**	**$ -**	**$ 75,000**	**$ 528,335**
Net Income (Loss)	**$ 188,250**	**$ (42,300)**	**$ 230,550**	**$ 621,806**

Eaton County Health and Rehabiliation Services
Month-End Reporting
March 31, 2024

Statement of Net Position	Current Month	Prior Month	Change	YTD Change
Assets and Deferred Outflows				
Cash and Investments	$ 4,310,284	$ 4,822,658	$ (512,373)	$ 2,524,853
Resident Accounts Receivable - Net	1,840,591	1,706,802	133,788	558,504
Other Assets	678,695	699,889	(21,194)	(2,068,224)
Fixed Assets - Net	11,180,910	11,226,124	(45,214)	(215,249)
Deferred Outflows	1,896,971	1,896,971	-	(530,949)
Total Assets and Deferred Outflows	**$ 19,907,451**	**$ 20,352,444**	**$ (444,993)**	**$ 268,935**
Liabilities, Deferred Inflows, Net Position				
Accounts Payable and Accrued Payables	$ 281,767	$ 382,574	$ (100,807)	$ (16,989)
Accrued Payroll Expenditures	795,925	1,280,063	(484,138)	70,288
Other Accrued Expenses	15,375	20,842	(5,467)	(150,181)
Long-Term Debt and Interest Accrual	1,665,043	1,662,034	3,009	-
Pension and OPEB Liabilities	4,692,690	4,692,690	-	-
Deferred Inflow and Deferred Revenue	305,738	351,578	(45,840)	227,120
Net Position	12,150,913	11,962,663	188,250	138,697
Total Liabilities, Def. Inflows, Net Position	**$ 19,907,451**	**$ 20,352,444**	**$ (444,993)**	**$ 268,935**

Simplified Cash Flow Statement	Current Month	Prior Month	Change	Year to Date
Change in Net Position (Net Income)	$ 188,250	$ (42,300)	$ 230,550	$ 621,806
Depreciation and Amortization	45,214	45,214	0	271,281
(Increase) Decrease in Non-Cash Assets	(112,594)	0	(112,594)	2,040,668
Purchase of fixed assets	(0)	(45,214)	45,214	(56,032)
Increase (Decrease) in Liabilities	(633,243)	0	(633,243)	130,238
Other Changes	0	42,300	(42,300)	(483,109)
Net Change in Cash	**$ (512,373)**	**$ -**	**$ (512,373)**	**$ 2,524,853**

Ratio Analysis	Current Month	Prior Month	Change	Year to Date
Daily Service Revenue	$ 55,741	$ 56,674	$ (933)	$ 54,911
Net Days in Accounts Receivable	**33**	**30**	**3**	**34**
Daily Operating Expenses	$ 56,393	$ 63,022	$ (6,630)	$ 58,828
Days Cash on Hand	**76**	**77**	**(0)**	**73**

Tri-County Office on Aging Semi-Annual Report May 2024

General TCOA update: We thank the County for your ongoing support over the years. A special thank you goes out to the Eaton County TCOA Board Members – Mark Mudry, Blake Mulder and Jeanne Pearl-Wright. Their support and attendance at meetings and events is appreciated.

TCOA continues to have a staff presence on the Eaton Vulnerable Adult Network and Eaton Human Services Collaborative Council meetings and appreciates the email updates received in between.

Three staff from TCOA attended the USAging Policy Briefing in March 2024 in Washington DC, an opportunity for aging advocates and stakeholders across the country to get the latest breaking news in policy developments and to meet with Representatives and Senators in Washington.

The TCOA Advisory Council appoints representatives to serve as delegates to the Michigan Senior Advocates Council (MSAC), an advocacy group through the Area Agencies on Aging Association of Michigan dedicated to maintaining contact with the state's legislature on key issues of importance to older adults and their caregivers. Typical concerns of this group are in-home services, health care coverage (Medicare & Medicaid), Guardianship reform, State Ombudsman support, state funding for senior programs, accessible and affordable transportation, elder abuse prevention, and more. The remaining opening for an MSAC Representative volunteer was recently filled by an Eaton County resident. Thank you to Paula Yensen, Eaton County resident, and Sue Hoffman, Eaton County resident and Advisory Council member, for their involvement on MSAC.

As TCOA is in-part funded by the Bureau of Aging, Community Living, and Supports (ACLS Bureau), TCOA must operate under an annual plan approved by the State Commission on Services to the Aging (CSA) to ensure compliance with the Older Americans Act. There have been no major changes or additions for the 2025 planning cycle and existing efforts continue through the approved 2023-2026 Multi-Year Plan with the 2025 Summary available online at www.tcoa.org/documents. A Public Hearing will be hosted on May 9 at TCOA and via Microsoft Teams to gather input and comments on the proposed plan before it is submitted to the TCOA Advisory Council, Administrative Board, and the local units of government for approval. The TCOA Administrative Board will vote on May 20 and the CSA will review the submitted plan for final approval in August or September. Additionally, the Annual Assessment with the State Unit on Aging (ACLS Bureau) to determine compliance with ACLS Bureau Operating Standards for fiscal year 2023 is scheduled for June 12.

In April 2023, TCOA was a recipient of 2,000 medication disposal bags from Eaton RESA in partnership with the Substance Awareness and Prevention Coalition in Ingham county. These are still available to participants across the Agency to assist with safe disposal, which is a benefit in particular for those unable to leave the home as the bags are able to be discarded directly at home.

Older Michiganians Day took place on May 1, 2024 on the lawn of the Capitol. This is a day of advocacy on issues that impact older adults and caregivers. TCOA staff participated in planning efforts. We heard from members of the Legislature and advocates from the aging network. Even more watched the Livestream event from locations across the state with a statewide social media campaign. Thousands of letters will be submitted to legislators from constituents across the state supporting the 2024 Platform items with over 350 letters from our region. We thank those that were able to support efforts in one or more of the many ways available.

Advisory Council: The TCOA Advisory Council acts in an advisory capacity to the Consortium Board. At least one-half of the council consists of senior citizens, appointed by their respective units of government. The remaining members represent community agencies appointed by the Consortium Board. This composition offers the perspectives of both seniors and service providers on aging issues. Meetings are held at 1:00 PM on the second Thursday of each month at TCOA and include an online option for joining. Thank you to Sue Hoffman, MSAC Representative who represents Eaton County. There is currently one vacancy for Eaton County. Recommendations can be sent to Casey Cooper at cooperc@tcoa.org.

Aging and Disability Resource Center (ADRC) and Long-Term Care Collaborative (LTCC): TCOA is a partner with the ADRC-Capital Area Partnership offering both Information & Assistance/ Referral (I&A/R) and Options Counseling to the community. The LTCC was established in 1999 as a work group within the ADRC focused on improving the long-term care network through sharing of information, education presentations and supporting new initiatives effecting long term care. The LTCC met in November, January, and March. Each meeting invited a speaker from a different organization to share their work, experiences and barriers faced related to long term care planning and the current housing crisis. Guest speakers included representatives of The Michigan Coalition Against Homelessness, Disability Network, and Community Mental Health. The LTCC continues to gather information to better understand how homelessness and other housing issues are experienced in our communities in order to identify future projects for the group. LTCC members continue to actively work on data collection and community needs assessment projects. Meetings will continue to be held virtually every other month on the third Wednesday at 1:30 PM.

Information and Assistance: TCOA served 304 individuals from Eaton County through Information & Assistance/Referral calls between October 2023 and March 2024, 13.5% of the total 2,258 individuals served. TCOA also contracts with Capital Area Community Services for additional I & A/R support in the tri-county area. From October 2023 through March 2024, CACS assisted 2,296 tri-county residents with 307 from Eaton County, representing 13% of callers.

Community Resource Navigators: TCOA's two Community Resource Navigators (CRNs) connect underserved communities with existing resources and assist clients in overcoming barriers to health and social services while addressing social determinants of health. The CRNs served 21 people from October to March, with 2 from Eaton County (10%).

Friendly Reassurance: TCOA launched the Friendly Reassurance program in April 2020 to connect volunteer callers with TCOA participants facing social isolation. This pandemic-response program was a great success, with volunteers and participants both benefiting from the weekly check-in chats. Four years later, the program serves a much smaller list of participants, as several wished to stop receiving calls as the vaccine became available and in-person interactions increased. As the program continues to experience a natural wind down, TCOA will work with current volunteers and participants to wrap up the formal program. Volunteers and participants may wish to remain connected, and TCOA will work with both groups to ensure a smooth transition. Of note, the Retired Senior Volunteer Program (RSVP) offers the Friendly Reassurance to older adults throughout Clinton, Eaton, and Ingham counties and is a referral partner with TCOA.

Nutrition: TCOA served 43,986 meals to 368 Eaton County participants through the Home Delivered Meals program between October 2023 and March 2024. The daily hot meal delivery as well as the interaction with the volunteers continues to be a highlight of the program to its participants. Some participants continue to receive weekly deliveries to accommodate their schedules, which also allows the opportunity to mix and match fruits and grains included with the meals to the participants' choice. We continue to draw from our community a solid base of volunteer drivers, who are devoted and very dependable. Due to the sustained high demand for healthy well-balanced meals in Eaton County without additional funding to support it, beginning in February 2024, TCOA has had to implement a waiting list.

The Eaton County Meals on Wheels gifts from the December 2023 giving program were wrapped and boxed by Liz Holland, Dean of Students – Cheryl Stockwell Academy High School in Brighton, (daughter of Nancy Beachum, ECMOW supervisor). The gifts were appreciated by all who received them. These gifts were delivered with the food deliveries the first week of December for the Holiday Season.

The TCOA Senior Dining Site at the Delta Township Enrichment Center (Delta 39ers) continues to offer dine in service as well as carry out meals, three days per week. Participants have provided positive feedback regarding the food served. TCOA has served more than 1,126 meals to 16 Eaton County residents through the Congregate Senior Dining program. We continue to work toward reopening the Grand Ledge Dining site. The biggest barrier we have encountered is volunteer recruitment. We are open to suggestions regarding volunteer recruitment. We are also considering offering a breakfast meal at the Grand Ledge site as a means to attract participants.

Health Promotion/Disease Prevention: TCOA is primarily offering health and wellness workshops in-person, but we are still offering workshops online as well. From October 2023 – March 2024, TCOA completed the following workshops in person in Eaton County: 1 Diabetes PATH, 1 Walk with Ease Self-Directed Enhanced, and 1 Dementia Caregiver Series. In addition, TCOA also completed online workshops which are always available to Eaton County residents. From October 2023 – March 2024, TCOA completed the following workshops online: 1 Diabetes PATH, 1 Powerful Tools for Caregivers, and 1 Savvy Caregiver Program. In addition, Walk with Ease Self-Directed is always available. A total of 27 Eaton County residents enrolled in an evidence-based health and wellness workshop listed above.

Medicare & Medicaid Assistance Program (MMAP): MMAP volunteers provided Medicare & Medicaid counseling to 1,168 beneficiaries from October 2023 to March 2024. Of those served, 170 were from Eaton County. The MMAP program focuses on Medicare, Medicaid, Supplemental Insurance, Long Term Care Insurance, waste, fraud and abuse prevention, and Medicare Prescription Drug Coverage.

Project Choices: TCOA served over 347 people from Eaton County between October and March through MI Choice Medicaid Waiver, Care Management and Case Coordination (over 1,290 PSA wide) with an additional 182 Eaton County residents waiting for these in-home services and support. Region wide, the Medicaid Waiver and Case Coordination wait lists persist with a total of 845 people waiting during the period of October through March. Case Coordination is offered, when possible, to individuals on the Waiver wait list. Case Coordination may offer homemaker services, personal care, and respite to enable older adults to remain in their homes. TCOA continues to advocate for sufficient and balanced funding to address these unmet needs.

Volunteer Opportunities: The need for volunteers agency-wide, particularly Meals on Wheels delivery drivers, is ongoing. The needs vary by area and may change over time, with opportunities for both regular volunteers (i.e., delivery every Tuesday) and for flexible "on call" volunteers to fill in as substitutes. Volunteers are also needed for fundraising events, including the upcoming June 11 Meals on Wheels Charity Golf Outing at Forest Akers West. Other volunteer roles include health and wellness workshop facilitators, Medicare Medicaid Assistance Program (MMAP) counselors, Senior Dining Site volunteers, and central kitchen volunteers. Anyone interested in volunteering at TCOA is welcome to contact TCOA's Volunteer and Outreach Specialist at volunteer@tcoa.org or 517-887-1487 with any questions. To fill out a volunteer application please visit tcoa.org/volunteer.

Events for 2023-2024
36th Annual Meals on Wheels Golf Outing –Tuesday, June 11, 2024 at Forest Akers West, Lansing.
39th Annual Dinner and Auction- Thursday, November 21, 2024 at the Kellogg Center, East Lansing.

EATON COUNTY BOARD OF COMMISSIONERS

MAY 2, 2024

RESOLUTION TO APPROVE THE INTERGOVERNMENTAL CONTRACT FOR THE ESTABLISHMENT OF A SUBSTANCE USE DISORDER OVERSIGHT POLICY BOARD

Introduced by the Health & Human Services Committee

WHEREAS, the Board of Commissioners previously approved an intergovernmental contract to establish a Substance Use Disorder Oversight Policy Board to oversee the administration of County P.A. 2 funds provided to the Substance Abuse Coordinating Agency, Mid-State Health Network; and

WHEREAS, the Health and Human Services Committee has reviewed and is recommending the approval of a three year renewal of the Intergovernmental Contract for the County's participation in the Substance Use Disorder Oversight Policy Board.

NOW, THEREFORE, BE IT RESOLVED, the Board of Commissioners approves the intergovernmental contract; and

BE IT FURTHER RESOLVED, the Chairperson of the Board of Commissioners is authorized to sign any necessary documents on behalf of the County.

MSHN
Mid-State Health Network

MSHN 2024 SUBSTANCE USE DISORDER (SUD) OVERSIGHT POLICY ADVISORY BOARD

INTERGOVERNMENTAL AGREEMENT

Background: Mid-State Health Network (MSHN) is a Community Mental Health Regional Entity formed under the Mental Health Code and PA500/501 of 2012 and designated as Region 5 under the Michigan Department of Health and Human Services' (MDHHS) Prepaid Inpatient Health Plan (PIHP) structure in Michigan. MSHN represents 21 Michigan counties, and is designated by MDHHS to coordinate the provision of Substance Use Disorder (SUD) services within its region. Per MDHHS requirement, Region 5 established its SUD Oversight Policy Advisory Board in 2013 through contractual agreement with each of MSHN's 21-counties, designating membership of one (1) representative from each county. Pursuant to the Mental Health Code, and MDHHs requirement, the Intergovernmental Agreement for MSHN's SUD Oversight Policy Board was fully executed in July of 2021, for a term of three (3) years.

Renewing MSHN's Intergovernmental Agreement:

- The Intergovernmental Agreement is a contractual agreement authorized and undertaken pursuant to Section 287 of the Michigan Mental Health Code (Public Act 2258 of 1974); the Michigan Transfer of Functions and Responsibilities Act (Public Act 8 of 1967) and the Michigan Intergovernmental Contracts between Municipal Corporations Act (Public Act 35 of 1951)
- The Intergovernmental Agreement is a contractual agreement which sets forth the terms and conditions of the SUD Oversight Policy Board pursuant to MCL 330.1287(5).
- MSHN, as a MDHHS-designated community mental health entity is required, under MCL 33o0.1287(5), to maintain the contractual agreement between it and each of the 21 counties within Region 5. Counties include: Arenac, Bay, Clare, Clinton, Eaton, Gladwin, Gratiot, Hillsdale, Huron, Ingham, Ionia, Isabella, Jackson, Mecosta, Midland, Montcalm, Newaygo, Osceola, Saginaw, Shiawassee and Tuscola.
- MSHN's SUD Oversight Policy Advisory Board has reviewed the contract for renewal, and authorized distribution to each of MSHN's 21-counties.
    - Revision to add language of alternate appointments and voting members in Section 2.2: Appointment/Composition.
    - Revision to Section 2.3: Term, to identify the term period reflected in the MSHN Bylaws.
    - Addition of non-discrimination language to Section 2.7: Compliance with Laws.

REQUESTED ACTION BY FRIDAY, APRIL 12, 2024: The Intergovernmental Agreement must be renewed/fully executed prior to the current agreement's expiration date of July 2024.

- To fully execute, the Intergovernmental Agreement requires signature by each county's administrator or authorized designee.
- Return completed agreement to:
    - Mid-State Health Network
      Attention: Sheryl Kletke: Sheryl.Kletke@midstatehealthnetwork.org
      530 W. Ionia Street, Suite F
      Lansing, MI 48933

INTERGOVERNMENTAL CONTRACT FOR THE ESTABLISHMENT OF A SUBSTANCE USE DISORDER OVERSIGHT POLICY BOARD

This Contract (this "Contract") is made as of the date it is fully executed and signed, by and among Mid-State Health Network ("MSHN"), Arenac County, Bay County, Clare County, Clinton County, Eaton County, Gladwin County, Gratiot County, Hillsdale County, Huron County, Ingham County, Ionia County, Isabella County, Jackson County, Mecosta County, Midland County, Montcalm County, Newaygo County, Osceola County, Saginaw County, Shiawassee County and Tuscola County (individually referred to as the "County," and collectively referred to as the "Counties"). This Contract is authorized and undertaken pursuant to Section 287 of the Michigan Mental Health Code (Public Act 258 of 1974, as amended the "Code"), the Michigan Intergovernmental Transfer of Functions and Responsibilities Act (Public Act 8 of 1967) and/or the Michigan Intergovernmental Contracts between Municipal Corporations Act (Public Act 35 of 1951).

RECITALS

MSHN is a community mental health regional entity formed under the Mental Health Code, MCL 330.1204b, that has submitted its Application For Participation as a Prepaid Inpatient Health Plan ("PIHP") under 42 CFR Part 438.

The Counties are located in a region designated by the Michigan Department of Health and Human Services ("MDHHS") as Region 5 under MDHHS's restructuring of PIHPs in Michigan.

Under 2012 PA 500 and 2012 PA 501, the coordination of the provision of substance use disorder services will be transferred, no later than October 1, 2014, from existing coordinating agencies to community mental health entities designated by MDHHS to represent a region of community mental health authorities, community mental health organizations, community mental health services programs or county community mental health agencies, as defined under MCL 330.1100a.

MSHN represents twelve (12) community mental health organizations in Region 5 and qualifies as a MDHHS-designated community mental health entity to coordinate the provision of substance use disorder services in Region 5.

MSHN, as a MDHHS-designated community mental health entity, is required, under MCL 330.1287(5) to establish a Substance Use Disorder Oversight Policy Board (SUD Policy Board) through a contractual agreement, under appropriate law, between MSHN and each of the Counties in Region 5.

MSHN and the Counties desire to enter into this Contract to establish a SUD Policy Board.

NOW, THEREFORE, in furtherance of the foregoing and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

PURPOSE

Section 1.1 PURPOSE. The purpose of this Contract is to set forth the terms and conditions for the establishment of a SUD Policy Board pursuant to MCL 330.1287(5).

ARTICLE II

SUD POLICY BOARD

Section 2.1 FUNCTIONS AND RESPONSIBILITIES. The SUD Policy Board shall have the following functions and responsibilities:

2.1.1 Approval of any portion of MSHN's budget that contains 1986 PA 2 (MCL 211.24e(11)), funds ("PA 2 Funds") for the treatment or prevention of substance use disorders which shall be used only for substance use disorder treatment and prevention in the Counties from which the PA 2 Funds originated;

2.1.2 Advise and make recommendations regarding MHSN's budgets for substance use disorder treatment or prevention using non-PA 2 Funds; and

2.1.4 Advise and make recommendations regarding contracts with substance use disorder treatment or prevention providers.

2.1.5 In addition, the SUD Policy Board may be assigned by MSHN to advise and make recommendations to MSHN regarding any other matters as agreed to by the Counties and MSHN including advising and making recommendations to MSHN on issues regarding:

2.1.5.1 Methods, policies or practices to ensure quality of SUD services including culturally competent policy and practices for the delivery of those services;

2.1.5.2 Methods, policies or practices to ensure that SUD services made available through the PIHP/Regional Entity are accessible, responsive to regional needs, available to all segments of the community, and are delivered in a comprehensive manner;

2.1.5.3 Reviewing and/or providing recommendations regarding the strategic plan developed by the PIHP/Regional Entity to address the prevalence of SUD in the service areas from a recovery-oriented systems of care (ROSC) perspective and approach;

2.1.5.4 Reviewing and/or providing recommendations regarding the establishment of sustainability plans for ROSC initiatives to include prevention, treatment and recovery supports;

2.1.5.5 Reviewing and/or providing recommendations to expand and coordinate resources and activities with other agencies, community organizations and individuals to support the mission of the PIHP/Regional Entity where ROSC are concerned;

2.1.5.6 Methods, policies or practices to provide an opportunity for public comment, and receive and review comments on matters relevant to SUD prevention, treatment and recovery within the communities serviced by the PIHP/Regional Entity;

2.1.5.7 Reviewing and/or providing recommendations on the annual application for the federal block grant, as well as the renewal and issuance of SUD services licenses;

2.1.5.8 Reviewing and/or providing recommendations on the progress and effectiveness of the delivery of SUD services in the region;

Section 2.2 APPOINTMENT/COMPOSITION. The Board of Commissioners of each of the Counties shall appoint one (1) voting member of the MSHN SUD Policy Board and one (1) alternate. The Board of Commissioners may appoint County Commissioners or others, as allowed by Michigan law, that it deems best represents the interests of its County. While the appointment decision is vested within the sole authority of the each County Board of Commissioners, Parties to this Agreement acknowledge that MDHHS encourages appointments which represent the cultural diversity of the area served, appointments of persons in recovery from a substance use disorder, underserved populations and other related constituencies such as education, health, and social services agencies; advocacy organizations; public or private substance abuse prevention, treatment or recovery providers; members of the general public, including civic organizations and the business community. The alternate shall be a voting member only if representing in the absence of the appointed member.

Section 2.3 TERM. The term of membership for a member of the MSHN SUD Policy Board shall be three (3) years, beginning in September and ending in August. Members may be reappointed to additional or successive terms in the discretion of the respective Board of Commissioners.

Section 2.4 VACANCIES. A vacancy on the SUD Policy Board shall be filled by the County that originally filled the vacated position in the same manner as an appointment.

Section 2.5 REMOVAL. By majority vote of the Board of Commissioners, a County that appointed a SUD Policy Board member may remove its appointee at any time with or without cause. The SUD Policy Board is responsible for informing the relevant County of any lack of participation or attendance by the County's appointed SUD Policy Board member.

Section 2.6 ETHICS AND CONFLICTS OF INTEREST. The SUD Policy Board shall adhere to all conflict of interest and ethics laws applicable to public officers and public servants, serving as members of the SUD Policy Board.

Section 2.7 COMPLIANCE WITH LAWS. MSHN, the Counties and the SUD Policy Board shall fully comply with all applicable laws, regulations and rules, including without limitation 1976 PA 267 (the "Open Meetings Act"), 1976 PA 422 (the "Freedom of Information Act"), 2012 PA 500, 2012 PA 501 and 1986 PA 2. MSHN and the Counties, as required by law, shall not discriminate against any Board member or applicant for appointment to the Board because of race, color, religion, sex (including gender identity or expression, sexual orientation and pregnancy), genetic information, national origin, age, disability, veteran status, marital status, or any other characteristic protected by law that is unrelated to the individual's ability to perform the duties of a particular job. Breach of this section shall be regarded as a material breach of this Agreement.

Section 2.8 BYLAWS. The SUD Policy Board shall adopt Bylaws which may be amended by the SUD Board as provided in those Bylaws subject to the review and approval of MSHN.

ARTICLE III

MSHN

Section 3.1 FUNDING. Each County will provide MSHN funding, as required by Section 24e of the General Property Tax Act (MCL 211.24e as amended) to be used only for substance abuse prevention and treatment programs in each County. MSHN shall ensure that funding dedicated to substance use disorder services shall be retained for substance use disorder services and not diverted to fund services that are not for substance use disorders. MCL 330.1287(2).

ARTICLE IV

TERM AND TERMINATION AND DISPUTE RESOLUTION

Section 4.1 TERM. The Term of this Contract shall commence as of the date it is fully executed and signed by all parties and shall continue for three years unless terminated at an earlier date as provided in Section 4.2. This Agreement is subject to the precondition that this Agreement be approved by concurrent resolution by each and every County. A copy of this Agreement once approved will be filed with the Secretary of State for the State of Michigan.

Section 4.2 TERMINATION. Any party may terminate its participation as a Party to this Contract at any time for any or no reason by giving all other parties thirty (30) days written notice of the termination. Any notice of termination of this Contract shall not relieve either party of its obligations incurred prior to the effective date of such termination.

Section 4.3 DISPUTE RESOLTUION. The Chief Executive Officer of MSHN will attempt to resolve disputes through discussion with the Chairperson of the SUD Policy Board or County Controller or Administrator, as needed. Occasionally disputes may arise between the SUD Policy Board and MSHN, or one or more of the Counties and MSHN, arising out of and relating to this Agreement or a breach thereof which cannot be resolved through amicable discussion. In such cases, if the dispute remains unresolved:

4.3.1 If the dispute is between MSHN and the SUD Policy Board, the governing board of either party may by majority vote request a meeting of designated representatives of the MSHN Board and SUD Policy Board in an effort to resolve the matter. Any mutual agreement by the parties will be reduced to writing and voted upon by each Party's governing board. If no mutual agreement is reached, the decision of MSHN as adopted by a majority vote of the MSHN Board will be deemed final.

4.3.2 If the dispute is between MSHN and one or more of the Counties, the governing board of either party may by majority vote request a meeting of designated representatives of the MSHN Board and representatives of one or more County Boards in an effort to resolve the matter. Any mutual agreement by the parties will be reduced to writing and voted upon by each Party's governing board. If MSHN or one or more of the Counties remain dissatisfied, the Parties may mutually agree to non-binding mediation. If non-binding mediation is agreed to, the Parties may mutually agree upon a mediator or submit a request that mediation be administered by the American Arbitration Association under its Mediation Procedures before resorting to arbitration, litigation, or some other

dispute resolution procedure. The Parties recognize that mediation is a non-binding process to assist them to resolve their disputes by making their own free and informed choices, and that the mediator will have no authority to impose a settlement on any party but only to discuss and suggest options for resolution. If the Parties do not agree to mediation, or if the Parties do not reach a mutually agreeable settlement through mediation within 30 days after initiation of mediation, the Parties may pursue any other dispute resolution or legal recourse as provided by law. The mediation process will take place at a reasonably convenient location to be agreed upon by the parties or determined by the mediator. At the option of the Parties, mediation sessions may take place by telephone or video conference or online when the technology is available. Administrative fees and mediator compensation for the process will be paid equally by the Parties to the dispute.

ARTICLE V

LIABILITY

Section 5.1 LIABILITY/RESPONSIBILITY. No party shall be responsible for the acts or omissions of the other party or the employees, agents or servants of any other party, whether acting separately or jointly with the implementation of this Contract. Each party shall have the sole nontransferable responsibility for its own acts or omissions under this Contract. The parties shall only be bound and obligated under this Contract as expressly agreed to by each party and no party may otherwise obligate any other party.

ARTICLE VI

MISCELLANEOUS

Section 6.1 AMENDMENTS. This Contract shall not be modified or amended except by a written document signed by all parties hereto.

Section 6.2 ASSIGNMENT. No party may assign its respective rights, duties or obligations under this Contract.

Section 6.3 NOTICES. All notices or other communications authorized or required under this Contract shall be given in writing, either by personal delivery or certified mail (return receipt requested) and shall be deemed to have been given on the date of personal delivery or the date of the return receipt of certified mail.

Section 6.4 ENTIRE AGREEMENT. This Contract shall embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof. There are no other agreements or understandings, oral or written, between the parties with respect to the subject matter hereof and this Contract supersedes all previous negotiations, commitments and writings with respect to the subject matter hereof.

Section 6.5 GOVERNING LAW. This Contract is made pursuant to, and shall be governed by, construed, enforced and interpreted in accordance with, the laws and decisions of the State of Michigan.

Section 6.6 BENEFIT OF THE AGREEMENT. The provisions of this Contract shall not inure to the benefit of, or be enforceable by, any person or entity other than the parties and

any permitted successor or assign. No other person shall have the right to enforce any of the provisions contained in this Contract including, without limitation, any employees, contractors or their representatives.

Section 6.7 ENFORCEABILITY AND SEVERABILITY. In the event any provision of this Contract or portion thereof is found to be wholly or partially invalid, illegal or unenforceable in any judicial proceeding, such provision shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or shall be deemed excised from this Contract, as the case may require. This Contract shall be construed and enforced to the maximum extent permitted by law, as if such provision had been originally incorporated herein as so modified or restricted, or as if such provision had not been originally incorporated herein, as the case may be.

Section 6.8 CONSTRUCTION. The headings of the sections and paragraphs contained in this Contract are for convenience and reference purposes only and shall not be used in the construction or interpretation of this Contract.

Section 6.9 COUNTERPARTS. This Contract may be executed in one or more counterparts, each of which shall be considered an original, but together shall constitute one and the same agreement.

Section 6.10 EXPENSES. Except as is set forth herein or otherwise agreed upon by the parties, each party shall pay its own costs, fees and expenses of negotiating and consummating this Contract, the actions and agreements contemplated herein and all prior negotiations, including legal and other professional fees.

Section 6.11 REMEDIES CUMULATIVE. All rights, remedies and benefits provided to the parties hereunder shall be cumulative, and shall not be exclusive of any such rights, remedies and benefits or of any other rights, remedies and benefits provided by law. All such rights and remedies may be exercised singly or concurrently on one or more occasions.

Section 6.12 BINDING EFFECT. This Contract shall be binding upon the successors and permitted assigns of the parties.

Section 6.13 NO WAIVER OF GOVERNMENTAL IMMUNITY. The parties agree that no provision of this Contract is intended, nor shall it be construed, as a waiver by any party of any governmental immunity or exemption provided under the Mental Health Code or other applicable law.

ARTICLE VII

CERTIFICATION OF AUTHORITY TO SIGN THIS CONTRACT

The persons signing this Contract on behalf of the parties hereto certify by said signatures that they are duly authorized to sign this Contract on behalf of said parties, and that this Contract has been authorized by said parties pursuant to formal resolution(s) of the appropriate governing body(ies), copies of which shall be provided to MSHN.

IN WITNESS WHEREOF, the parties hereto have entered into, executed and delivered this Contract as of the dates noted below.

MID-STATE HEALTH NETWORK REGIONAL ENTITY

By: _____ Date: _____

Its: _____

ARENAC COUNTY

By: _____ Date: _____

Its: _____

BAY COUNTY

By: _____ Date: _____

Its: _____

CLARE COUNTY

By: _____ Date: _____

Its: _____

CLINTON COUNTY

By: _____ Date: _____

Its: _____

EATON COUNTY

By: _____ Date: _____

Its: _____

GLADWIN COUNTY

By: _____ Date: _____

Its: _____

GRATIOT COUNTY

By: _____ Date: _____

Its: _____

HILLSDALE COUNTY

By: _____ Date: _____

Its: _____

HURON COUNTY

By: _____ Date: _____

Its: _____

INGHAM COUNTY

By: _____ Date: _____

Its: _____

IONIA COUNTY

By: _____ Date: _____

Its: _____

ISABELLA COUNTY

By: _____ Date: _____

Its: _____

JACKSON COUNTY

By: _____ Date: _____

Its: _____

MECOSTA COUNTY

By: _____ Date: _____

Its: _____

MIDLAND COUNTY

By: _____ Date: _____

Its: _____

MONTCALM COUNTY

By: _____ Date: _____

Its: _____

NEWAYGO COUNTY

By: _____ Date: _____

Its: _____

OSCEOLA COUNTY

By: _____ Date: _____

Its: _____

SAGINAW COUNTY

By: _____ Date: _____

Its: _____

SHIAWASSEE COUNTY

By: _____ Date: _____

Its: _____

TUSCOLA COUNTY

By: _____ Date: _____

Its: _____