

**SAGINAW COUNTY COMMUNITY MENTAL HEALTH AUTHORITY
REGULAR MONTHLY BOARD MEETING MINUTES
JUNE 9, 2025, 2022 – 5:15 PM
ROOM 190**

PRESENT: Tracey Raquepaw, Mike Cierzniewski, Cym Winiecke, Susan McCauley, Jaime Huffman, Joan Williams, Lisa Coney, Jill Armentrout, John Pugh, Jacob Kern

VIRTUAL:

ABSENT: Robert Woods, Maria Vela

GUESTS:

STAFF: Sandra Lindsey, Jan Histed, Ryan Mulder

I. CALL TO ORDER

Tracey Raquepaw, Chair called the meeting to order at 5:20 p.m. A quorum was established, and verification of posting was determined.

II. PUBLIC PARTICIPATION

There was no public participation.

III. MDHHS PIHP PROCUREMENT PLAN WEBINAR FROM MEGHAN GROEN, MI MEDICAID DIRECTOR

The Board viewed Meghan Groen's recently recorded webinar providing an overview of the procurement process available at: <https://somedhhs.adobeconnect.com/pcuznlzjsau3/> (approximately 10 min).

IV. APPROVAL OF BOARD MINUTES

A. Board Meeting – May 12, 2025

Motion made by Mike Cierzniewski and supported by Cym Winiecke to approve the May 12, 2025, SCCMHA Board Meeting minutes. Motion carried.

V. APPROVAL OF COMMITTEE REPORTS

A. Governance Committee – No Meeting
Mike Cierzniewski, Chair / *Vacancy*, Vice Chair

B. Recipient Rights Committee – No Quorum
????, Chair / *Lisa Sawyer*, Vice Chair

C. Executive Limitations – April 23, 2025
Cym Winiecke, Chair – Tracey Raquepaw, Vice Chair
Reported by Cym Winiecke.

Motion made by Cym Winiecke and supported by Susan McCauley to receive and file this report as written. Motion carried.

D. Ends Committee – No Meeting
Jill Armentrout, Chair – Joan Williams, Vice Chair

VI. CEO REPORT

May 23, 2025, MDHHS Messaging on PIHP Survey and Plan for PIHP Procurement

On the afternoon of May 23, 2025, MDHHS sent out a Press Release titled "MDHHS releases results of behavioral health care survey and details related to PIHP procurement requirements". The press release was embedded with links to related documents posted to the MDHHS Specialty Behavioral Services webpage. The links were to the following resources:

1. Anticipated PIHP contract requirements
2. PIHP Public Survey Summary (based upon public survey solicitation in February of 2025)
3. New PIHP Regional Map- moving from 10 to 3 regions.
4. PIHP Regions Detail Table – which CMHSPs would be in each of the 3 new regions.
5. PIHP Network Adequacy Standards
6. A recorded webinar slide deck with audio from Megan Groen, MDHHS Medicaid Director on the state procurement plan. The short webinar was shown at the top of the Board meeting.

CMHA Held a meeting with the CEOs on June 5th to discuss a two pronged approach to the procurement threat. The first being advocacy to prevent the procurement and the second to look for legal ways that system could participate in the procurement and even if not awarded a contract, the system would then have legal standing to potentially pursue litigation.

Joe Sedlock of MSHN held a virtual meeting with all 12 CMHSPS CEOs on June 9th to discuss MSHN options for the procurement as either a possible bidder or an intermediate function between the CMHSPs and the companies selected in the procurement.

I will also be contacting the County about consideration of a resolution in opposition to the PIHP procurement which would in essence "privatize" the system.

As I anticipate more documents related to the PIHP Procurement coming out over the summer, I have asked Ryan to create a special section of the SCCMHA website for Board members where we can post them for your reference.

MSHN Mid-Year Medicaid Rate Adjustment/Increase Update:

MDHHS held a Mid-Year rate setting meeting on May 29th with all 10 of the PIHPs indicating their intent to:

- a. Push out a rate adjustment of about \$160 Million with an amendment and
- b. Seek a supplemental from the MI Legislature to push out an additional roughly \$25-30 Million, associated with the changes to Minimum Wage and ESTA. Rate adjustments from this supplemental will be paid out to PIHPs and subsequently CMHSPs later this year, after the legislators pass the supplemental.

MSHN received the financial detail on the region's share of the rate increase amendment from MDHHS on Friday, May 30th. On Tuesday, June 3rd, all regional CMHSPs partners received specific detail on rate changes unique to our individual shares of the regional rate adjustment, following a meeting of the MSHN CFOs that same day.

Based on the new revenue estimates, MSHN should receive approximately \$41.9 Million in additional revenue this year in this first and larger adjustment which is "incredible and

absolutely needed to support CMHSP and SUD operations this year” said Leslie Thomas, MSHN CFO.

In terms of MSHN March’s Savings Estimate, the report showed a planned use of \$23 Million in the Internal Service Fund (ISF), the region should now have a surplus of about \$18 Million at year end. The excess can be used for carryforward savings or to replenish the ISF.

The overall estimated rate increase for SCCMHA from the rate adjustment amendment, will provide additional 2025 revenue of \$5,694,254.17.

The revenue increase highlights included rate adjustments to the following:

- An increase of \$2.6 Million in regular Medicaid including Healthy Michigan
- Medicaid increase for Autism services of \$2.5 Million.
- The only rate adjustment funding reduction to SCCMHA, is for the SEDW of (\$2,288.21)

Planning for FY 2026 CCBHC Direct Fee for Service Billing to MDHHS and Direct Payments to CCBHCs

MDHHS met virtually with the CCBHC Demonstration sites on May 29th to learn of the final decision to move all of demonstration’s financing out of the PIHPs to the CCBHC Sites directly by October 1, 2025. There is much to do to move the financing architecture to a Direct Payment /Fee for Service Model. Beyond the financing changes, there are also significant changes to IT Systems, Financial Reporting, State Quality Metrics and Demographic Reporting, select Utilization Management activities, WSA enrollment, Care Connect 360 Access, and SUD Service Management as the PIHPS will no longer have an oversight role for CCBHC Demonstration.

Statewide workgroups are forming along these functional areas.

Federal Budget Cuts to HUD Programs

In early May the President released a proposed FY 2026 budget that recommends elimination of the Federal Continuum of Care (COC) program within the US Department of Housing and Urban development (HUD), shifting its resources to the Emergency Solutions Grant (ESG) Program which has different eligibility and shorter duration limits for assistance. The proposal would also slash the overall budget for homelessness assistance and other critical anti-poverty programs.

In Saginaw County the Continuum of Care competitive applications are managed by the Saginaw County Consortium of Homeless Assistance Providers known as SC-CHAP. The group of providers at SC-CHAP is led by Erin Riley at the Saginaw United Way. The consortium is best known by the public for conducting the Annual Homeless Count.

Provider members of SC-CHAP include the following Agencies that all have Permanent Supported Housing (PSH) grants from HUD as a part of their operations:

Underground Railroad, Restoration Community Outreach (RCO), Mustard Seed, Saginaw Youth Protection Council and SCCMHA.

The funding to Saginaw’s SC-CHAP members that provide Permanent Supported Housing (PSH) is at grave risk in the current federal budget being debated now in the U.S. Senate.

100% of the HUD funded Permanent Supported Housing rental subsidy programs in Saginaw County operate under the Continuum of Care HUD Program. Proposed for elimination.

SCCMHA has had a HUD PSH Grant called Shelter Plus Care, for more than 20 years. The current grant award is \$564,923 and will run until the end of this month. The calendar cycle for these HUD grants runs July 1st through June 30th. Last year, SCCMHA's Housing Resource Center used the grant funding to provide rental subsidies to 75 households serving 134 people using the HUD formula based upon household income and size, such that participants would only need to provide 31% of their adjusted gross income for their rental housing costs.

Any cut or elimination of PSH rental subsidy funded by HUD through this grant would result in the eviction of those served by our program in 30-60 days, because these people/families do not have enough income to pay fair market rental costs for their housing. SCCMHA has no allowable funding to replace this grant funding if eliminated.

Surprisingly, SCCMHA was contacted last month by our HUD grants manager out of the Detroit Office, with a new grant award that would start on July 1, 2025. We were strongly encouraged to sign the Agreement and return it as soon as possible. Unlike grants of the previous 20 years, this new Agreement with total specified funding of \$631,487, had a completely new page of grant conditions. The grant conditions include requirements from Presidential Executive Orders via the federal Office of Management and Budget, addressing the following subjects; requirement to only recognize two genders (Male and Female) in demographic data collection, prohibition of any DEI activity, and a new requirement for us to check the legal immigration status of those we serve just to name a few of the conditions.

There were even references to enforcement of the "Hyde Amendment: (Prohibition of the use of federal funds for elective abortion) and for emphasis revocation of EO 14008 indicating that grantees are not required to "conduct equity assessments, environmental justice evaluation, or climate related analyses).

Though these new conditions were offensive to us, I signed the contract to extend the life of our program to keep those we served housed. I also felt a new signed agreement would give us better "standing" to deal with whatever is to come as the federal budget process moves forward.

Impact on SCCMHA DEI Activity

The conditions in the grant agreement, especially on the prohibition for DEI activities, will result in our need to make changes to front facing DEI document postings, publications, internal and external communications and significant changes to the Employment Opportunities and DEI Sections of our website as well as a need to re-brand the initiative yet this summer.

More on Federal HUD and Housing Cuts

According to the National Low Income Housing Coalition, the federal budget cuts to HUD programs go beyond just the abolishment of the competitive COC structure. The budget as it reached the Senate this month, would slash \$26.72 billion from HUD's rental assistance programs- including Housing Choice Vouchers (HCV), Public Housing, Project Based Rental Assistance (PBRA), Section 202 Housing for the Elderly, and Section 811 Housing for Persons with Disabilities by combining them and block granting them into one Program, State-Rental Assistance Block Grants. The proposal would reflect an unprecedented 43% cut to HUD rental assistance and would impose a two-year time limit on receiving rental assistance for "able-bodied adults" and encourage States to provide

funding to share in the responsibility to ensure that similar levels of recipients can benefit from the block grant.

Other HUD or Housing Related Cuts in Other Federal Departments include:

- Homeless Assistance Grant Program cuts of \$532 million
- Native American and Hawaiian Block Grant cuts of \$479 million
- Healthy Homes and Lead Hazards Program cuts of \$296 million
- Complete elimination of the federal Low-Income Heating and Energy Assistance Program

More details can be found posted on the SCCMHA Website under the News Tab.

SCCMHA Advocacy Activities

Last month when word on the federal cuts to HUD became known we issued correspondence to all of the individuals and families being served by our Shelter Plus Care rental subsidies and provided information about the risk of rental subsidy loss and encouraged contact with federal officials providing their names, contact information and a sample script.

In addition, I have been talking to SC-CHAP to encourage community education and a Call to Action to the multiple audiences likely to be impacted including, city and county governments, human service providers, health care providers, first responders and other citizens.

Motion made by Cym Winiecke with support from Mike Cierzniewski to receive & file this report. Motion carried.

VII. BOARD ACTION

A. Report from Nominating Committee / Election of Officers

Motion by Lisa Coney and supported by Susan McCauley table Report from Nominating Committee / Election of Officers to July 14 Board meeting. Motion carried.

B. 2025 Annual CMH PAC Campaign

CMHA is again asking boards to contribute to the CMH PAC Campaign. Sandy reported that CMHAM is doing a wonderful job representing the CMH System and encourages the Board to consider making the equivalent of one Board meeting stipend (\$50). If interested in contributing, go to <https://cmham.org/public-policy/cmh-pac/>. If you would rather contribute by check (or cash) please give it to Ryan and he will submit it to CMHA on your behalf. The goal is to make a \$500 collective contribution from board members and/or staff.

C. June 19 Governance Meeting / Juneteenth Holiday

Ryan noted that the date of the next Governance Committee falls on the federal Juneteenth Holiday (19th). Sandy is recommending we cancel this meeting and start back up in September. The Board discussed the scheduling conflict and agreed to cancel the June 19 Governance meeting.

D. Approval of Resolution as June as Pride Month

Tracey Raquepaw read the resolution aloud for the Board of Directors.

Motion made by Cym Winiecke and supported by Mike Cierzniewski to approve SCCMHA Resolution as June is Pride Month. Motion carried.

E. Approval of SCCMHA Board of Directors Policies

Motion made by Lisa Coney and supported by Susan McCauley to approve the above SCCMHA Board of Director Policy Revisions with requested changes as documented in the policy review form. Motion carried.

VIII. BOARD INFORMATION

- A. CMHA Weekly Update – May 2025 links:** <https://cmham.org/resources/weekly-update/>
- B. SCCMHA CAC Minutes** <https://www.sccmha.org/about/board-agendas-and-meetings.html>
- C. June is National Post-Traumatic Stress Disorder Awareness, LGBTQ+Pride Month, & Juneteenth [19th]**
- D. SCCMHA Sponsorship of Michigan Banner/Heart of the City Community Awards Banquet – 10/03/25**
- E. R. Sheehan email re: CMHA applauds NAMI-Michigan editorial: Views on PIHP contract procurement and the need to address concrete needs of system and person served – 05/15/25.**
- F. J. Sedlock email re: MDHHS Meeting on MSHN Budget shortfall and potential for MDHHS Mid-Year Rate Adjustments**
- G. Letter and Flyer re: Looming Cuts to HUD Shelter Plus Care Program at SCCMHA**
- H. National Low Income Housing Coalition (NLIHC) 'Trump Administration Releases FY 26 Budget Request w/ Historic Cuts to HUD Programs – Take Action!'**
- I. NLIHC Analysis of Trump Admin's FY 26 Budget Request – Significant cuts and changes to HUD's rental assistance programs**

IX. MEDIA / PUBLICATIONS

- A. Detroit News Editorial 'Fisher: Privatization path puts state's mental health patients at risk' – 05/14/25.**
- B. Michigan Advance 'House GOP proposes all-out assault on Medicaid' – 05/14/25.**
- C. County of Saginaw Newsletter – June 2025**
<https://www.saginawcounty.com/departments/county-administrator-finance/county-newsletters/>

X. OTHER ITEMS OF INTEREST

XI. ADJOURNMENT

Motion by Cym Winiecke supported by Mike Cierzniewski to adjourn this meeting at 6:20 PM p.m. Motion carried.

**Minutes prepared by:
Ryan Mulder
Executive Assistant to CEO**