



Community
MENTAL HEALTH
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FINANCE COMMITTEE

Meeting Minutes

Wednesday, February 11th, 2026

5:30 p.m.

812 E. Jolly Rd, G11-C

Lansing, MI 48910

Join Zoom Meeting

<https://zoom.us/j/91348964528>

Meeting ID: 913 4896 4528

Committee Members Present:

Jeanne Pearl-Wright

Tim Hanna

Dwight Washington

Paula Yensen

Committee Members Excused:

Ryan Sebolt

Staff Present

Darby Vermeulen, Sara Lurie, Sue Panetta, Amy Rottman, Shana Badgley, Brandon Dotson, Jana Baylis, KC Brown, Elise Magen, Gwenda Summers

Other Board Members Present:

None

Public Present:

None

Others Present:

None

Call to Order:

The meeting was called to order by Chairperson Tim Hanna at 5:30 p.m.

Previous Meeting Minutes:

MOVED by Paula Yensen and SUPPORTED by Jeanne Pearl-Wright to approve the Finance Committee meeting minutes of January 14th, 2026.

MOTION CARRIED unanimously.

Adoption of Agenda:

MOVED by Paula Yensen and SUPPORTED by Dwight Washington to adopt the revised agenda of February 11th, 2026, to add Closed Session under New Business to discuss OPEIU Local 459 and Local 512 Negotiations.

MOTION CARRIED unanimously.

Public Comment on Agenda Items:

None

BUSINESS ITEMS:

Expense Contract: Insight - M365 Licensing

Brandon Dotson presented this item which will expand our M365 licensing to include residential techs.

ACTION:

MOVED by Dwight Washington and SUPPORTED by Paula Yensen that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to purchase M365 licenses through our licensing partner Insight for \$26,466.00.

MOTION CARRIED unanimously.

Expense Contract Renewal: Zoom

Brandon Dotson presented this contract renewal.

ACTION:

MOVED by Jeanne Pearl-Wright and SUPPORTED by Lisa Alicea that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to renew the licenses from Zoom for the period of March 28, 2026, through March 27, 2027, and pay \$48,476.36.

MOTION CARRIED unanimously.

Expense Contract Amendment: JIMHO Drop-In/Project Stay

Shana Badgley noted that we have supported JIMHO for many, many years. We increased the amount of the contract because JIMHO asked for an increase due to the change in minimum wage as well as the addition of a coordinator position.

ACTION:

MOVED by Dwight Washington and SUPPORTED by Jeanne Pearl-Wright that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to enter into a contract amendment with JIMHO to purchase Drop-In/Project Stay services from Justice in Mental Health Organization (JIMHO) that includes peer counseling, emotional support, crisis intervention, and help with daily living challenges for adults with mental illness in a safe and supportive environment and pay \$304,919.60 for the retroactive period of January 1, 2026, through September 30, 2026.

MOTION CARRIED unanimously.

Expense Contract Renewal: The Accident Fund Insurance Company (Workers' Compensation Renewal)

Sue Panetta said this contract increased because of significant wage increases and the addition of the CSU. We are investigating bringing folks back at light duty within seven days after a worker's comp claim, as we will receive money back for this.

ACTION:

MOVED by Jeanne Pearl-Wright and **SUPPORTED** by Lisa Alicea that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to renew the policy with The Accident Fund Insurance Company to provide workers' compensation insurance for the retroactive period of January 1, 2026, through December 31, 2026, and pay \$437,975.00 for this insurance coverage.

MOTION CARRIED unanimously.

Maner Costerisan – Preliminary Governance Letter

Sue Panetta presented the same audit letter we receive every year from Maner Costerisan.

FY2026 Q1 Financial Update

Amy Rottman presented the Q1 financial update. The first page is the balance sheet. Total assets are \$94.6M. This includes \$19M due from MSHN and \$37M in capital assets.

Total liabilities are \$128.9M, and \$20M due to MSHN. As we settle 2025 and get into the first quarter of 2026, the assets and liabilities are very close to breaking even. Our total net position is under budget by \$10.5M.

Amy then reviewed the income statement for the first quarter. She noted we have not yet amended the 2026 budget. Medicaid and HMP are up about \$2M in the first quarter. There was uncertainty around how the State would fund the system in 2026, including how CCBC would be paid. Fortunately, we budgeted conservatively to leave us with \$2M. The Crisis Stabilization Unit is not yet up and running, so our budget will naturally trend lower at this point. CCBHC revenue is a bit lower than anticipated year-to-date. We have recognized daily visit patterns over the last few years and noted that November and December visits are lower and pick up in quarters 2 and 3.

On the operating expense side, we are close to budget. We are under budget in salaries and fringes due to the number of vacancies. Total operating expenses are under budget by \$4.4M

Amy then reviewed the bucket report for month ending December 31, 2025. We have collected \$10.3M more in Medicaid/HMP revenue than we have expensed. This is typical for CEI and results in a return of these funds back to MSHN. As we calculate

this for 2026, we expect the return will be significant again this year. With the additional revenue anticipated, we are looking at returning \$40M trend throughout 2026. This is a significant amount and something we will have to watch closely. We are currently experiencing higher than normal revenue with Medicaid/HMP, but with enrollment continuing to drop, this will cool during the year.

Looking at CCBHC, we are seeing significant losses. We budgeted almost \$9M to use for CCBHC in 2026 because we anticipate our PPS-1 rate will drop this year. We're currently working on the cost report that will calculate the rate, and the State will validate and apply back to October 2025. Because of the drop, our Medicaid and HMP payments will decline to the point that we can't cover the non-Medicaid cost of CCBHC. We can continue to serve these folks, but we won't be able to use Medicaid. Because of this, a lot of this cost is unfunded. It's important to note in the past, we have also used the CCBHC quality bonus to fund some of the non-Medicaid care. We will receive this payment again in the summer. We are still projecting the \$9M loss overall, but we don't expect the \$4M loss in quarter 1 to continue trending at that amount for the rest of the year.

We have \$900k unused at the end of the first quarter, which will be applied to non-Medicaid CCBHC at the end of the year.

Tim wondered what numbers in tonight's report are most concerning. Sue said they looked at first quarter usage of CCBHC. The change in billing leaves us exposed if we don't clear the fee for service. Amy and Sue are also evaluating the non-Medicaid number to see if there are ways to put more money here. Sara shared that she met with MSHN CEOs today and they shared that Medicaid enrollment is down 6% right now. Discussion ensued about upcoming changes to Medicaid including work requirements and a shortened re-enrollment period from every year to every six months.

Unfinished Business

None

New Business

*1. OPEIU Local 459 and Local 512 Negotiations (Closed Session)

Moved by Jeanne Pearl-Wright and supported by Dwight Washington to move into closed session to OPEIU Local 459 and Local 512 Negotiations.

A roll call vote was taken to move into closed session.

MOVED by Jeanne Pearl-Wright and SUPPORTED by Dwight Washington to return to open session at 7:45 pm.

MOTION PASSED with 5 votes in favor.

Members Present:

Tim Hanna, Dwight Washington, Jeanne Pearl-Wright, Paula Yensen, Lisa Alicea

Public Comment:

None

The meeting was adjourned at 7:45 pm. The next regularly scheduled Finance Committee meeting is Wednesday, March 11th, 2026, at 5:30pm, 812 E. Jolly Rd, conference room G11-C.

Minutes Submitted by:

Darby Vermeulen

Finance Administrative Assistant