

NEXT MEETING: SEPTEMBER 24, 2026 – 7:00 P.M.
TBHS TRAINING CENTER
129 EAST BURNSIDE STREET, CARO, MI 48723
IF UNABLE TO ATTEND CALL: 989.673.6191 OR 1.800.462.6814

TUSCOLA BEHAVIORAL HEALTH SYSTEMS
REGULAR MONTHLY BOARD MEETING MINUTES

The regular meeting of the Tuscola Behavioral Health Systems' Board of Directors was called to order by Chairperson Snider, August 27, 2026 at 7:03 pm, at the TBHS Training Center located at 129 East Burnside Street, Caro, MI 48723.

BOARD ATTENDANCE:	Bardwell	Excused	McNett	Present
	Bruno	Absent	Partridge	Present
	Fritz	Present	Ryan	Present
	Griesing	Present	Sherman	Present
	Grimshaw	Present	Snider	Present
	Harrington	Present		

STAFF ATTENDANCE:	Majeske	Present	Canady	Present
	Dudewicz	Present	Mitchell	Present

ROLL CALL taken by Harrington.

MEETING OPEN TO THE PUBLIC: No public.

DATE-NUMBER	BODY	ACTION
APPROVAL OF MINUTES:		
August 27, 2026 - - 1	McNett moved and Fritz supported to accept the minutes from the July 23, 2026 meeting as mailed.	
		Motion Carried

CONTRACTS/AGREEMENT FOR FY/26 REVIEWED BY DUDEWICZ:

August 27, 2026 - - 2	Greising moved and Fritz supported to approve the Contracts/Agreement as presented on the Contract List Sheet(s) dated August 27, 2026 as presented.	
		Motion Carried

CONTRACT TERMINATIONS REVIEWED BY DUDEWICZ:

August 27, 2026 - - 3	Grimshaw moved and Fritz supported to approve the Contract Terminations as presented on the Terminated Contract List dated August 27, 2026.	
		Motion Carried

FINANCIAL STATEMENTS REVIEWED BY DUDEWICZ:

August 27, 2026 - - 4	Partridge moved and Sherman supported placing the Financial Statements on file as presented.	
		Motion Carried

CD RENEWAL PRESENTED BY DUDEWICZ:

Handout was provided for current CD rates with the recommendation to open a new CD account with a deposit of \$248,000.00 at the Northstar Bank with the best rate available within 10 days of renewal of September 6, 2026. Any interest received above the \$248,000.00 will be deposited to the TBHS checking account to keep the CD under the FDIC insurance level.

August 27, 2026 - - 5

Grimshaw motioned and Greising supported to open a new CD account with a deposit of \$248,000.00 at Northstar Bank with the best rate available within 10 days of renewal of September 6, 2026 not to exceed 18 months. Any interest received above the \$248,000.00 will be deposited to the TBHS checking account to keep the CD under the FDIC insurance level.

Motion Carried

August 27, 2026 - - 6

McNett moved and Fritz supported to approve Julie Majeske and Sheila Canady as authorized signers on the accounts and authorize the CEO to sign on behalf of the Board.

Motion Carried

FINANCE COMPLIANCE AUDIT FOR FY/25 PRESENTED BY DUDEWICZ:

August 27, 2026 - - 7

Greising moved and Partridge supported to accept the Finance Compliance Audit report as presented.

Motion Carried

CHIEF EXECUTIVE OFFICER'S REPORT BY MAJESKE:

- Medicaid/GF – On August 10, 2026, Mid-State Health Network (MSHN) received the FY 2027 PIHP/MDHHS contract, which is due for signature and return by September 10, 2026. Unfortunately, MDHHS has cancelled the FY 2027 comparison rate meeting on three (3) separate occasions, and a rescheduled date remains pending.
- As a result, FY 2027 Per Eligible Per Month (PEPM) rate information is not yet available; however, MSHN requested that all CMHSPs submit estimated FY 2027 expenses. TBHS submitted an estimate based on historical data, current rates and anticipated Healthy Michigan revenue reductions related to HR1. Once capitation rates are available, TBHS has requested a contractual amendment to adjust the PEPM rate so it more accurately reflects the FY 2027 budget year.
- Independent Accountant's Report on Compliance – A copy of the compliance report prepared by Roslund, Prestage & Company, P.C., for the year ended September 30, 2025 has been provided in the Board packet. S. Dudewicz will be reviewing the opinion and any accompanying comments and recommendations.
- TBHS Workforce Update - One (1) additional position has been filled since the July Board meeting; a Community and Residential Support position. TBHS currently has ten (10) full-time and three (3) part-time vacant positions.

As noted last month, TBHS collaborated with MSHN and affiliate partners to support regional efforts to secure funding through the 2027 Rural Health Transformation Program grant opportunity. A grant application has since been submitted, with TBHS providing input on

initiatives intended to strengthen, expand, and sustain the rural behavioral health workforce and improve access to mental health services in rural communities.

The Human Resources Department has begun reviewing healthcare benefits in preparation for the 2027 open enrollment period, recognizing that quality, affordable healthcare coverage is a significant factor in staff recruitment and retention. Given continued uncertainty across the CMH landscape and broader economic environment, including rising healthcare costs—with many other entities reporting increases exceeding 20%—TBHS is evaluating available options to ensure benefits remain relevant and competitive while balancing affordability and long-term organizational sustainability.

August 27, 2026 - - 8 Greising moved and Partridge supported to elect to comply with the requirements of 2011 Public Act 152 as amended, the Publicly Funded Health Insurance Contribution Act, by adopting the 80/20 percentage option for the medical benefit plan coverage year January 1, 2027 through December 31, 2027.

Roll Call Vote:	Bardwell	Absent	McNett	Yes
	Bruno	Absent	Partridge	Yes
	Fritz	Yes	Ryan	Yes
	Griesing	Yes	Sherman	Yes
	Grimshaw	Yes	Snider	Yes
	Harrington	Yes		
	9 – Yes			
	2 – Absent			

Motion Carried

- PIHP Procurement Process – As noted in previous Board reports, an appeal was filed with the Michigan Court of Appeals related to the PIHP lawsuit, *Region 10 PIHP, Southwest Michigan Behavioral Health, Mid-State Health Network, St. Clair County CMHA, Integrated Services of Kalamazoo and Saginaw County CMHA vs. the State of Michigan, State of Michigan Department of Health and Human Services (MDHHS), and State of Michigan Department of Technology, Management, and Budget*.

Per the most recent update from MSHN, MDHHS moved to dismiss the appeal on the basis of mootness in June 2026. However, on August 11, 2026, the Michigan Court of Appeals denied MDHHS’ motion to dismiss. The case remains pending at this time.

- As noted last month, the intended procurement of the Prepaid Inpatient Health Plans was posted on the DTMB Vendor Opportunity Dashboard in June 2026. To date, no additional details have been posted beyond the anticipated release date of August 2026.
- TBHS held two (2) community focus groups earlier this week, facilitated by the Michigan State University Extension Program, to gather input on current mental health needs, emerging trends, and priorities for future action. Participation included twelve (12) individuals representing seven (7) community organizations. A summary of the feedback was received today and will be used to inform the agency’s strategic planning efforts for FY 2027.
- TBHS continues to explore artificial intelligence (AI) technologies that may support clinicians with clinical documentation by increasing efficiency, reducing administrative burden, and enhancing the timely completion of clinical records. A third demonstration was held this week, with an anticipated recommendation forthcoming in October following completion of compliance, privacy, accuracy, and operational reviews.

COMMITTEE REPORTS:

The Contract Monitoring Committee (Griesing and Ryan) met prior to tonight's meeting. Griesing reported that the Monitoring Committee reviewed two (2) contracts and found the contracts to be in compliance with Board Policy I-003-010, Contracts.

August 27, 2026 - - 9

Griesing moved and Partridge supported to accept the Contract Monitoring Committee report as presented.

Motion Carried

OTHER BUSINESS:

Chairperson Snider shared the Board Assessment results that were completed by board members last month.

BOARD'S SELF-EVALUATION: In compliance.

SEPTEMBER MEETING AGENDA ITEMS: Public Hearing for Proposed Budget.

MEETING OPEN TO THE PUBLIC: No public.

NEXT MEETING DATE: Thursday, September 24, 2026 - 7:00 pm at the TBHS Training Center located at 129 East Burnside Street, Caro, MI 48723. The Public Hearing for the Proposed Budget will begin at 6:45 pm at the same location.

ADJOURNMENT:

August 27, 2026 - - 10

Greising moved and Sherman supported to adjourn the meeting at 7:57 pm.

Motion Carried



Cindy Mitchell
Recorder



Karen Snider
Chairperson



Marianne Harrington
Secretary