

**NORTHERN MICHIGAN REGIONAL ENTITY
SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE MEETING
10:00AM – MAY 4, 2026
GAYLORD CONFERENCE ROOM & MICROSOFT TEAMS**

Alcona	☐ Adam Brege	Kalkaska	☐ David Comai
Alpena	☒ Lucille Bray	Leelanau	☐ Vacant
Antrim	☒ Pam Singer	Manistee	☐ Vacant
Benzie	☐ Tim Markey	Missaukee	☒ Dean Smallegan
Charlevoix	☒ Annemarie Conway	Montmorency	☒ Michelle Hamlin
Cheboygan	☒ John Wallace	Ogemaw	☐ Ron Quackenbush
Crawford	☒ Matthew Moeller	Oscoda	☒ Chuck Varner
Emmet	☒ Terry Newton	Otsego	☒ Doug Johnson
Grand		Presque Isle	☐ Dana Labar
Traverse	☐ Dave Freedman	Roscommon	☒ Darlene Sensor
Iosco	☒ Jay O'Farrell	Wexford	☒ Gary Taylor
Staff:	☒ Bea Arsenov	Chief Clinical Officer	
	☒ Jodie Balhorn	Prevention Coordinator	
	☒ Carol Balousek	Executive Administrator	
	☐ Brady Barnhill	IT Specialist	
	☒ Lisa Hartley	Claims Assistant	
	☒ Eric Kurtz	Chief Executive Officer	
	☐ Heidi McClenaghan	Quality Manager	
	☐ Pamela Polom	Finance Specialist	
	☐ Brandon Rhue	Chief Information Officer/Operations Director	
	☒ Denise Switzer	Grant and Treatment Manager	
	☐ Chris VanWagoner	Contract and Provider Network Manager	
	☒ Deanna Yockey	Chief Financial Officer	
Public:	Sarah Hegg, Becki King, Larry LaCross, Kayla Thomas		

CALL TO ORDER

Let the record show that acting Chair, Jay O'Farrell, called the meeting to order at 10:00AM.

ROLL CALL

Let the record show that Adam Brege, David Comai, Dave Freedman, Tim Markey, and Ron Quackenbush were absent for the meeting on this date; all other SUD Oversight Committee Members were in attendance either in Gaylord or virtually.

PLEDGE OF ALLEGIANCE

Let the record show that the Pledge of Allegiance was recited as a group.

APPROVAL OF PAST MINUTES

The January minutes were included in the materials for the meeting on this date.

MOTION BY TERRY NEWTON TO APPROVE THE MINUTES OF THE JANUARY 5, 2026, NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE MEETING; SUPPORT BY GARY TAYLOR. MOTION CARRIED.

APPROVAL OF AGENDA

Let the record show that no additions or revisions to the meeting Agenda were proposed.

MOTION BY CHUCK VARNER TO APPROVE THE AGENDA FOR THE MAY 4, 2026 MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE; SUPPORT BY TERRY NEWTON. MOTION CARRIED.

ANNOUNCEMENTS

PIHP Contract Dispute

Mr. Kurtz spoke about a motion hearing that took place on April 9th in Michigan Court of Claims Case #24-000198-MZ regarding the FY25 PIHP Contract.

The Attorney General's office argued that the Plaintiffs have no standing to dispute the FY25 contract since it was not signed. Attorney Chris Ryan (Taft, Stettinius & Hollister) reviewed the three areas of dispute (Waskul settlement, CCBHCs, and 7.5% ISF cap.)

Judge Sima Patel issued an opinion on April 29, 2026 stating that. The Court issued a mixed ruling. MDHHS succeeded in dismissing claims related to the proposed FY2025 contract and any alleged right to future contracts. However, the plaintiffs preserved significant claims related to the ongoing FY2024

Mr. Kurtz signed and submitted the FY26 PIHP Contract on May 1st though it has not yet been countersigned by MDHHS.

PIHP Bid Out

A hearing took place on April 13, 2026, on the Attorney General's motion to dismiss the lawsuits filed against the State related to the PIHP bid out (#25-000143-MB and #25-000162MB).

Judge Christopher Yates issued a Summary Disposition on April 14, 2026, concluding that both cases have been rendered moot due to the cancellation of the original Request for Proposals. A decision is expected regarding whether the case will be dismissed with or without prejudice. If the case is dismissed without prejudice, the Plaintiffs are allowed to refile the lawsuit later.

The state has indicated plans to issue a new RFP, likely this month.

ACKNOWLEDGEMENT OF CONFLICT OF INTEREST

Let the record show that Mr. O'Farrell called for any conflicts of interest to any of the meeting agenda items; none were declared.

INFORMATIONAL REPORTS

Regional Admissions Report

The admissions report through March 31, 2026, was included in the materials for the meeting on this date. Admissions were down 15.86% from the same period in FY25. It was noted that the number of covered lives in the region has also declined. The data showed that outpatient was the highest level of treatment admissions at 36%; residential withdrawal management was the second

highest level of treatment at 29%. Alcohol was the most prevalent primary substance at 60%, methamphetamine was the second most prevalent primary substance at 17%, and all opiates (including heroin) was the third most prevalent primary substance at 16%.

It was noted that Outpatient admissions fell 39% from FY19 to FY25, likely due to the availability of these services through primary care providers and telehealth services.

It was also noted that DAB, HMP, and TANF eligibles have dropped 7.78% when comparing October 2024 through April 2025 with October 2025 through April 2026.

County-specific reports were posted to the NMRE website at [County Admission Reports | NMRE](#). The county-specific reports are intended to be shared with Boards of Commissioners and other community stakeholders.

Mr. Newton announced that Community Recovery Alliance (CRA) lost its site in Petoskey. Although the NMRE is unable to fund a location, some activities have shifted to block grant funding to help CRA secure a building.

Financial Report

The February SUD report showed all funding source revenue of \$9,176,430 and \$7,951,132 in expenses, resulting in a net surplus of \$1,225,298. Total PA2 funds were reported as \$4,588,666.

Year-to-date block grant funding is underspent when compared to fiscal years 2024 and 2025.

PA2/Liquor Tax was summarized as follows:

Projected FY26 Activity			
Beginning Balance	Projected Revenue	Approved Projects	Projected Ending Balance
\$5,142,821	\$1,847,106	\$2,071,443	\$4,918,483

Actual FY26 Activity			
Beginning Balance	Current Receipts	Current Expenditures	Current Ending Balance
\$5,142,821	\$0	\$554,155	\$4,588,666

The Quarter 2 FY26 PA2 payments are expected at the end of April. The Quarter 1 payments were used by the Michigan Department of Treasury to pay "debt services." The NMRE maintains a balance equivalent to one year's receipts for each county.

Mr. O'Farrell raised the PA2 payment issue during a recent meeting of the Michigan Association of Counties (MAC). MAC agreed to investigate the matter. Clarification was made that the counties did not receive their 60% payment either. Quarter 2 payments were received at the end of April but looked lower than normal. Mr. O'Farrell emphasized that PA2 belongs to the counties, not the state. Ms. Singer suggested contacting legislators. Mr. O'Farrell responded that legislative input is always welcome.

LIQUOR TAX PARAMETERS

The Liquor Tax funds parameters approved by the NMRE Board of Directors on April 24, 2024 were included in the meeting materials to inform the SUD Oversight Committee's decision whether to recommend approval of the liquor tax requests brought before the Committee on this date.

FY26 Liquor Tax Requests

1. Charlevoix County Jail Individual Counseling Charlevoix \$25,000 Continuation

Meets PA2 Parameters? ☒ Yes ☐ No

Discussion:

Clarification was made that, if approved, this request would be retroactive to October 1, 2025.

MOTION BY ANNEMARIE CONWAY TO APPROVE THE REQUEST FROM CHARLEVOIX COUNTY FOR LIQUOR TAX DOLLARS IN THE TOTAL AMOUNT OF TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) TO PROVIDE INDIVIDUAL COUNSELING TO INMATES OF THE CHARLEVOIX COUNTY JAIL; SUPPORT BY PAM SINGER. MOTION CARRIED.

County Overviews

The impact of the liquor tax requests approved on this date on county fund balances was reported as:

	Projected FY26 Available Balance	Amount Approved May 4, 2026	Projected Remaining Balance
Charlevoix	\$88,644.40	\$25,000.00	\$63,644.40

The "Projected Remaining Balance" reflects funding available for projects while retaining a fund balance equivalent of one year's receivables.

PRESENTATION

Medications for Opioid Use Disorder (MOUD) Jail-Based Program

Catholic Human Services' Chief Operating Officer and Clinical Supervisor, Sarah Hegg, was in attendance present on medications used in jail-based programs to treat opioid use disorders.

MOUD is the gold standard treatment for Opioid Use Disorder (OUD). Medications used are Methadone, Buprenorphine, and Naltrexone.

MDHHS emphasizes that jail-based MOUD programs should not be isolated services but part of a full continuum from intake → incarceration → reentry. "Identify early, treat with evidence-based medications during incarceration, and ensure seamless continuation of care after release." Key elements of the program include:

- Identifying people with OUD at booking/intake.
- Providing evidence-based MOUD during incarceration.
- Ensuring warm handoffs to community providers at release.
- Maintaining continuity of medication and support services post-release because overdose risk spikes immediately after release.

Both National Institute on Drug Abuse-supported research and MDHHS-aligned programs emphasize that MOUD during incarceration saves lives.

CHS Jail-Based Substance Use Disorder (SUD) Services Program Objectives:

- Expand access to evidence-based SUD treatment in county jails
- Provide medications for opioid use disorder (MOUD) and medications for alcohol use disorder (MAUD) services during incarceration and re-entry
- Improve recovery outcomes and reduce overdose risk
- Strengthen coordination between jail, clinical, and community systems

CHS Comprehensive Jail-Based SUD Services include:

- Clinical SUD Therapy
- Case Management
- Peer Recovery Coaching
- Re-entry Planning and Support
- MOUD/MAUD Coordination
- Internal/External Community Collaboration

CHS currently operates jail programs in Antrim, Benzie, Grand Traverse, Leelanau, Manistee, and Roscommon, and Wexford Counties. Limited or developing programs are located in Alpena, Crawford, and Missaukee Counties.

Catholic Human Services' CEO, Larry LaCross, thanked the SUD Oversight Committee for its continued support through liquor tax funding. The state is shifting to viewing SUD services as a core component in jails; it is becoming the standard of care. It was noted that jail medical staff provide withdrawal management services in the jail (not CHS).

Mr. LaCross congratulated Ms. Hegg on receiving the MCBAP award for Clinical Supervisor of the Year.

Overdoses Among the Older Adult Population

Dr. David McGraham from the Northern Michigan Opioid Response Consortium (NMORC) was unavailable to present on this date but will be invited to attend a future meeting.

PUBLIC COMMENT

Let the record show that no comments from the public were offered.

NEXT MEETING

The next meeting was scheduled for July 6, 2026 at 10:00AM.

ADJOURNMENT

MOTION BY PAM SINGER TO ADJOURN THE MEETING OF THE NORTHERN MICHIGAN REGIONAL ENTITY SUBSTANCE USE DISORDER OVERSIGHT COMMITTEE MEETING FOR MAY 4, 2026; SUPPORT BY DOUG JOHNSON. MOTION CARRIED.

Let the record show that Mr. O'Farrell adjourned the meeting at 11:17 AM.