

**GRAND TRAVERSE COUNTY
DEPARTMENT OF HEALTH AND HUMAN SERVICES BOARD**
1000 Pavilions Circle, Traverse City, MI 49684

MINUTES OF THE MAY 28, 2026 MEETING

PRESENT: Carol Crawford, Karen Griggs, Mary Marois Board
Darrell Lavender, Dave Hautamaki, Kory Hansen, Darcey Gratton Staff
TJ Andrews Commission

ABESENT:

GUESTS: Kristen Semeyn, Wellness Center Director

The regular meeting of the Grand Traverse County Department of Health and Human Services Board was called to order at 9:00am by Board Chair Carol Crawford at Garfield Township Hall.

Roll Call - Crawford – yes, Marois – yes, Griggs – yes

First Public Comment – None.

County Liaison Report – County Liaison Andrews provided an update on recent discussions from the County Board of Commissioners (BOC) meetings, including the County’s ongoing due diligence regarding whether to pursue its right of first refusal related to the PACE building. Andrews also shared updates regarding the jail planning process and noted that the County is reviewing the creation of a FOIA Coordinator position.

Approval of Agenda – Chair Crawford asked if there were additions, changes or corrections to the agenda.

Motion was made by Marois to approve the agenda as presented. Seconded by Griggs and carried unanimously.

The purpose of the Consent Calendar is to expedite business by grouping items to be dealt with by one Board motion without discussion. Any member of the Board or staff may ask that any item on the Consent Calendar be removed and placed elsewhere on the agenda for discussion. Such requests will be automatically respected.

REVIEW AND FILE

- (1) Draft Minutes of the 04/23/26 Board Meeting
- (2) Draft Minutes of the 04/27/26 Study Session
- (3) April Resident Council Minutes
- (4) First Quarter 2026 Foundation Financials

Motion was made by Griggs to approve the Consent Calendar as presented. Seconded by Marois and carried unanimously.

Items Removed From Consent Calendar – None.

Chairman Report – Crawford shared that Vice Chair Mary Marois was nominated for and received the LeadingAge Michigan Trustee of the Year Award Certificate of Merit in recognition of her longstanding leadership, dedication, and service to Grand Traverse Pavilions and the senior care community. Crawford read the nomination, which highlighted Marois’ service

beginning in 2009 on the DHHS Board, involvement with the PACE North Board, and leadership roles as Board Chair and Vice Chair. The nomination also recognized her commitment during significant organizational challenges, including her extensive involvement in Administrator and CEO interviews, as well as her broader community service and professional background with the Michigan Department of Human Services and other community organizations.

Foundation Board Report – Marois reported on the recent Foundation Board meeting held on May 6, noting it was her first opportunity to attend since assuming the liaison role. Marois shared that the Foundation welcomed a newly appointed board member Joelle Mabey with extensive community and fundraising experience, as well as newly hired Director of Development & Community Relations, Jaime Griffith, who provided an overview of her vision for the organization moving forward. Updates were also provided regarding upcoming Foundation events, including Concerts on the Lawn and the annual golf outing. The Foundation reviewed strategic planning materials and financial updates and discussed the proposed spending policy and incentive-related rate adjustments for the Cottages. Marois noted the Foundation approved funding support for several organizational needs and resident-focused enhancements, including equipment purchases, scholarship support, concert-related items, updates to resident spaces, and other quality-of-life initiatives.

PACE North Board Report – Crawford reported that the next PACE North meeting is scheduled for June 8 and noted there were no significant new updates at this time beyond what Commissioner Andrews referenced earlier on the County's right of first refusal related to the PACE building. Discussion included clarification that, based on information provided to the County, the property is subject to a long-term lease arrangement and that, should the County acquire the building, it would likely assume the role of landlord under the existing lease structure.

Service Excellence Awards – Crawford reviewed April's Service Excellence Awards. Jigz Monte de Ramos, RN, won the Employee of the Month for April.

Director Presentation – Wellness Center - Kristen Semeyn – Wellness Center Director Kristen Semeyn, provided an overview of Wellness Center operations, highlighting positive patient satisfaction survey feedback and continued growth across therapy services. Staffing updates included the addition of three new therapy team members to support increased patient volumes in both the rehabilitation and long-term care units, while also reducing reliance on on-call staff. Semeyn reported that inpatient long-term care therapy participation and Cottage therapy visits have significantly increased, contributing to improved operational performance and revenue growth. Outpatient services and rehabilitation unit census have remained stable. Updates were also shared regarding plans to expand aquatic therapy programming, including development of a Parkinson's-focused class, and continued exploration of new scheduling and reminder software to improve outpatient attendance and efficiency. Financial and operational goals for 2026 were reviewed, including increased referrals, reduced cancellation rates, expanded Cottage therapy services, and improved Medicare billing performance. Semeyn also discussed future plans for dry needling services and ongoing collaboration community relations staff to enhance marketing and branding efforts for outpatient therapy services.

Organization Scorecard – Lavender reviewed the organizational scorecard for "A Grand Mission," reflecting performance through April across the categories of Residents First, Healthcare Team, Quality and Safety, and Operational Performance. Of the 17 identified priorities, 14 were reported as completed or currently in progress toward target goals. Highlights included team retention nearing 98%, completion of two mock surveys in preparation for

upcoming Joint Commission and State surveys, and Cottage occupancy exceeding budgeted levels. Skilled Nursing Facility occupancy was reported slightly below budget for April but is expected to improve in May. Lavender also noted that year-to-date expenses remain approximately \$250,000 favorable despite revenue projections being unfavorable. Additional priorities expected to be completed within the next 30 to 60 days include implementation of resident and employee Great Place to Work surveys and a new incident reporting system.

Administrator Search – Lavender provided an update on the Administrator search process, reporting that six candidates participated in introductory screening interviews that evaluated qualifications in areas including regulatory knowledge, leadership, financial acumen, organizational culture, external relationships, and judgment. Two candidates scored significantly higher and were selected to advance to on-site panel interviews scheduled for early June. Griggs is serving as the Board representative participating in the interview process. Lavender stated that, pending successful interviews, the goal is to bring forward a recommendation to the Board at the June meeting for appointment of the organization's next Administrator. Board discussion also clarified that the interview process is being conducted through a committee process and does not require an open meeting.

Golf Outing Update – Lavender reported that the annual "Scramble for Seniors" golf outing was a successful event with strong participation and community support. Appreciation was expressed to Clay Wagatha and Jamie Griffiths for their efforts in organizing the outing. All team spots were filled, and engagement from golfers, sponsors, volunteers, and attendees was reported as very positive. Lavender also recognized Forefront, the event's gold sponsor and culinary partner, for its continued support of the Foundation. The silent auction exceeded the prior year's totals, with most items sold and additional interest expressed in the remaining items by individuals unable to attend the outing. Overall, the event generated a net profit of just over \$16,000, representing an 18% increase over last year and continued growth from the event's inaugural year.

Concerts on the Lawn – Lavender provided an update on the upcoming Concerts on the Lawn series, noting strong community support and enthusiasm for the summer program. Nearly all sponsorship opportunities have been secured, with only one remaining sponsorship still available. Lavender reported significant community engagement through promotional efforts, including more than 82,000 combined views on the first two social media posts promoting the series. The concerts continue to serve as an opportunity to bring together residents, families, staff, and community members while supporting music therapy and strengthening community connections. Attendees will also see a new tent this season made possible through Foundation support to further enhance the resident experience during the concerts.

Billing Update – Lavender reviewed highlights from the latest billing update provided by Citrin Cooperman, noting ongoing improvements in billing processes and accounts receivable management. Updates included implementation of an enhanced monthly "triple check" process to improve billing accuracy prior to insurance submission, as well as system updates related to census tracking, payer classifications, and reimbursement processes. Lavender reported that back billing efforts covering February 2025 through January 2026 have resulted in approximately \$2.2 million in collections to date, with the project still ongoing. Current estimated write-offs total approximately \$65,000; however, final figures will not be determined until the back billing review is fully completed later this summer. Lavender also noted that accounts receivable balances have decreased significantly since late 2025, while cash reserves have increased, reflecting positive progress in the organization's financial position. Board discussion included clarification regarding the tracking and future approval process for any finalized write-

offs, as well as continued efforts to secure retroactive authorizations and resubmit eligible therapy-related claims.

Chief Executive Officer Board Report – Lavender shared updates regarding recent organizational outreach and operations and stated he participated in a virtual introductory meeting with Linda Zeller, CEO of Northern Lakes Community Mental Health Authority, to discuss leadership experiences, organizational challenges, and opportunities for collaboration in serving the community. Lavender also shared details regarding a meeting with Matthew Ross and Winifred Simpson from Friends of the Historic Commons and Leslie Sickterman, Deputy Planning Director of Traverse City to discuss preservation efforts, tree replacement planning, grant opportunities, and ongoing stewardship of the campus grounds and surrounding natural areas.

Operational updates included Skilled Nursing Facility occupancy averaging 185 residents in April, slightly below budget, while Cottage occupancy remained above budget at 63 residents. Lavender reported that year-to-date financial performance remains positive due to favorable expense management despite revenue challenges, with overall net income remaining favorable to budget. Therapy and wellness services were reported as stable, and staffing updates included nine new hires, bringing the organization's total workforce to 385 employees. Lavender also shared plans to schedule a strategic planning session in July involving Board leadership and Foundation representatives.

Andrews out 9:48am

Administrator Hautamaki provided additional operational updates, including progress made following recent mock survey reviews related to regulatory readiness, emergency preparedness procedures, and nursing policy improvements. Hautamaki noted continued focus on fall prevention processes, staff communication, and clinical follow-up procedures. Additional updates included installation of new kitchen equipment, upcoming replacement of aging boilers, and continued facility maintenance efforts as the campus infrastructure ages. Hautamaki also reported that the organization continues preparing for upcoming Joint Commission and annual state surveys expected later this year.

Business

- (1) **April Financial Report** – Hansen reviewed the April financial report, noting that the organization reported total revenue of approximately \$3.08 million, which was unfavorable to budget, while expenses remained favorable to budget overall. Combined operations resulted in a net loss for the month; however, operating cash on hand increased by approximately \$198,000 despite a scheduled Cottage bond payment, largely due to continued improvement in accounts receivable collections. Medical Care Facility revenue was impacted by a lower average census and changes in payer mix, including increased Medicaid utilization, though non-resident revenue remained favorable to budget. Expenses were primarily affected by higher-than-anticipated health insurance claims costs. Cottage operations maintained occupancy levels above budget; however, revenue was negatively impacted by several resident refunds associated with resident moves and passings. Hansen reported that future Cottage revenue improvements are anticipated through implementation of updated contracts, meal plans, and care tier assessments designed to better align rates with resident care needs and resource utilization.

Motion made by Griggs to accept the financial operations report for April as presented. Seconded by Marois and carried unanimously.
Roll Call - Crawford – yes, Marois – yes, Griggs – yes

Hansen reviewed the Certified Public Expenditure (CPE) reconciliation process related to payments received from the State during 2024. Hansen explained that, following completion of the 2023 cost report reconciliation, the organization is required to repay approximately \$1.9 million to the State. The liability for the repayment had previously been recorded on the organization's balance sheet and therefore will not negatively impact the current income statement. Hansen reported that a repayment plan was requested from the State, resulting in approval of monthly payments over a one-year period. Board discussion clarified that while the reconciliation impacts cash flow and monthly cash outlays, it does not create a new operating expense, as the liability had already been accounted for in prior financial reporting.

- (2) **Resolution 2026-3-Resident Strategic Discounts & Scholarships Policy** – Lavender reviewed Resolution 2026-3 and the accompanying Resident Strategic Discounts and Scholarships Policy for residential services, which were developed following prior Board discussions and the recent study session regarding Cottage occupancy and accessibility. Lavender explained that the policy is intended to align with the organization's mission by expanding access to assisted living services while maintaining financial stability through defined eligibility criteria, parameters, and limitations for strategic discounts and scholarships. Supporting materials included prior worksheets and a sample eligibility calculation to demonstrate how the review process would function. Lavender noted that no units have been discounted to date and that, pending Board approval, future discounts would be implemented in a more structured and intentional manner under the policy guidelines. Board members expressed appreciation for the transparency and detail included in the policy materials.

Motion was made by Marois to approve Resolution 2026-3-Resident Strategic Discounts and Scholarships policy as presented. The motion was seconded by Crawford and carried unanimously. Roll Call - Crawford – yes, Marois – yes, Griggs – yes

Medical Staff

- (1) **Anna LaDouce, NP – Hospice of Michigan**- Hautamaki reviewed the request for Anna LaDouce, NP from Hospice of Michigan, to have consulting privileges for palliative care as recommended by Medical Director Dr. April Kurkowski, DO.

Motion was made by Marois to approve consulting privileges for Anna LaDouce, NP as presented to the board. Seconded by Griggs and carried unanimously.

Grand Traverse Pavilions Announcements

- (1) June 25, 2026 @ 9:00am – Regular Board Meeting @ Garfield Township
(2) June 8-10, 2026 MCMCFC Spring Management Conference – Crawford shared that she, along with Griggs and Lavender, would be attending the upcoming Michigan County Medical Care Facilities Council (MCMCFC) conference. Marois expressed interest in hearing updates and key takeaways from the conference following the event.

