

MICHIGAN HEALTH ENDOWMENT FUND

Michigan Health Endowment Fund Board Meeting May 14, 2020

Join Zoom Meeting

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or

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The mission of the Michigan Health Endowment Fund is to improve the health of Michigan residents, with special emphasis on the health and wellness of children and seniors, while reducing the cost of health care.

1:00 pm - 1:10 pm

Opening: Tim Damschroder

- Call to order of board meeting
- Roll call
- Review of agenda
- Review of February 13, 2020 minutes
- Review of April 7, 2020 minutes
- Chairman's report

1:10 pm – 1:15 pm

Public Comment

Public Comment: Five-minute limitation for a single representative of an organization; three minutes for individuals representing themselves

1:15 pm – 1:20 pm

CEO Report: Paul Hillegonds

1:20 pm – 1:35 pm

Opioid Treatment Ecosystem Initiative: Lynda Zeller

1:35 pm – 1:50 pm

Transportation Study Report: Rory Neuner

1:50 pm – 2:00 pm

COVID 19 related update: Paul/Terry/Janet

2:00 pm – 2:10 pm

Audit Committee: Keith Pretty

- Audit Committee Report
- Status of 2019 tax return filing

- Resolution to accept 2019 audited financial statements

2:10 pm – 2:20 pm

Treasurer’s Report: Keith Pretty

- Investment Report
- Treasurer’s Report
- Review of March 2020 financial statements

2:20 pm – 2:50 pm

Grantmaking Committee: Sue Jandernoa

- Consideration of Community Health Impact Grant program recommendations
- Consideration of Capacity Building grant recommendations
- Consideration of Rapid Response grant recommendations

2:50 pm – 3:00 pm

Executive and Compensation Committee: Tim Damschroder

3:00 p.m.

Adjourn

Michigan Health Endowment Fund
Board Meeting
February 13, 2020
330 Marshall Street, Lansing, MI 48912

Meeting Minutes

Call to order

The board meeting of the Michigan Health Endowment Fund was called to order at 1:00 p.m. by Chairman Tim Damschroder.

Roll call

A quorum was determined based on the presence of the following board members:

Board Members present

Tim Damschroder (by phone)
Lynn Alexander (by phone)
Sue Jandernoa (by phone)
Keith Pretty (by phone)
Rob Fowler
Michael Williams (by phone)
Tina Reynolds
Henry Veenstra (by phone)
Zaineb Hussein (by phone)

Others present

Paul Hillegonds (by phone)
Terry Gardner
Julie Skubik (by phone)
Duane Tarnacki (by phone)

Approval of agenda:

Chairman Damschroder asked if there were any comments regarding the agenda, which was approved without objection.

Review and approval of the minutes from the previous meetings

Board Member Pretty moved to approve the minutes from the November 14, 2019 board meeting. Board Member Jandernoa seconded. Motion passed nine to zero.

Public Comment

There was no public comment.

Chairman's Report

Chairman Damschroder welcomed new board member Zaineb Hussein. Chairman Damschroder discussed the timeline and commitment to the development of the upcoming strategic plan.

CEO Report:

Mr. Hillegonds reported that following the release of the Community Health Impact RFP, 278 concept papers had been received, and 154 full proposals subsequently submitted. He noted that the release of the Nutrition and Healthy Lifestyles and Behavioral Health RFPs are slated later in this first quarter of 2020. He thanked programs and evaluation staff for what was a successful Nutrition and Healthy Lifestyles convening for current grantees. He also praised the communications team for their creative reporting of the Health Fund's impact in 2019. He noted that a reception for board members and staff has been rescheduled for the May board meeting. He also reported on very positive meetings with MDDHS Director Robert Gordon and BCBSM CEO Dan Loepp.

Strategic Plan Update

Mr. Gardner reported on the proposed timeline and activities for the strategic plan. Board members discussed plans for hiring a consultant to facilitate strategic planning meetings, and possible topics that could be included in the planning process.

Policy Update

Janet Olszewski reported on the ongoing and completed Health Fund policy and other research projects. Her information included the status and timelines of the projects. Also discussed were proposed research projects for the upcoming year.

Investment Committee

Mr. Pretty reviewed the yearend financial statements. He reported that the committee will be meeting with advisors in March to review the investment portfolio in preparation for receiving the 2020 contribution from Blue Cross Blue Shield of Michigan.

Next, Mr. Gardner described the resolution to release Medigap reserves related to the 2020 subsidy program. The following motion was made by Mr. Pretty and seconded by Mr. Williams:

WHEREAS, at the Health Fund's Board meeting held on January 23, 2017, the board designated \$17 million of its accumulated Spendable Account to be reserved and designated to the Health Fund's Medicare Supplemental Insurance Subsidy ("Medigap") program.

NOW, THEREFORE, BE IT RESOLVED that \$5,500,000 of the Medigap reserve be and it hereby is released from that restriction and made available so that the funds can be used in furtherance of the Medigap program for the 2020 calendar year.

The motion passed nine to zero.

Audit Committee

Mr. Gardner reported that the 2019 audit is in process. The on-site fieldwork has been completed by George Johnson & Company. The auditors plan to formally present the audited financial statements and the results of their work at the next Audit Committee meeting.

Governance Committee

Governance Committee Chairman Michael Williams reported that the committee met to discuss and revise the Health Fund's Conflict of Interest Policy. Duane Tarnacki explained the new disclosure policy. All board members will be asked to complete an updated annual Conflict of Interest survey.

Executive and Compensation Committee

Chairman Damschroder asked Mr. Gardner to describe the proposed 2020 budget revisions and outline changes.

Board Member Fowler moved, and Mr. Pretty seconded, the following resolution:

RESOLVED, that the amended budget for 2020, as presented to the Board, be, and it hereby is, ratified, adopted and approved.

The motion passed nine to zero.

Election of Officers

Mr. Member Fowler moved to nominate the following slate of officers. Mr. Williams seconded:

- Chair: Tim Damschroder
- Vice Chair: Lynn Alexander
- Treasurer: Keith Pretty
- Secretary: Sue Jandernoa

The motion passed nine to zero.

Appointment of Board Committees

Mr. Williams moved to nominate the following board members to committees. Ms. Jandernoa seconded:

Executive and Compensation Committee

- Tim Damschroder - Chair
- Lynn Alexander - Vice Chair
- Keith Pretty - Treasurer
- Sue Jandernoa - Secretary

Grantmaking Committee – Behavioral Health, Healthy Aging, Special Projects and Emerging Ideas

- Sue Jandernoa-Chair
- Rob Fowler – Vice Chair
- Lynn Alexander
- Tim Damschroder
- Keith Pretty
- Tina Reynolds

Grantmaking Committee- Nutrition and Healthy Lifestyles and Community Health Impact

- Sue Jandernoa-Chair
- Rob Fowler- Vice Chair
- Michael Williams
- Henry Veenstra
- Tina Reynolds
- Zaineb Hussein

Governance Committee

- Michael Williams-Chair
- Henry Veenstra
- Tina Reynolds
- Zaineb Hussein

Investment and Audit Committees

- Keith Pretty-Chair
- Rob Fowler
- Tim Damschroder
- Jon Braeutigam (Investment only)

The motion passed nine to zero.

Adjournment

The meeting was adjourned at 2:43 p.m.

Respectfully submitted,

Julie Skubik
Secretary of the meeting

Michigan Health Endowment Fund
Special Board Meeting
April 7, 2020

Meeting via phone

Meeting Minutes

Call to order

The board meeting of the Michigan Health Endowment Fund was called to order at 10:00 am by Chairman Tim Damschroder.

Roll call

A quorum was determined based on the presence of the following board members:

Board Members present

Tim Damschroder
Lynn Alexander
Sue Jandernoa
Keith Pretty
Rob Fowler
Michael Williams
Henry Veenstra
Zaineb Hussein

Others present

Paul Hillegonds
Terry Gardner
Julie Skubik
Duane Tarnacki

Approval of agenda:

Chairman Damschroder asked if there were any comments regarding the agenda, which was approved without objection.

Duane Tarnacki addressed the board members and acknowledged that the meeting followed the procedures outlined in the Governor's Emergency Declaration.

Public Comment

There was no public comment.

Grantmaking Committee:

Ms. Jandernoa reported that the Grantmaking Committees met on April 3, 2020 to review Special Projects and Emerging Ideas: Rapid Response Telehealth grant proposals. The committee recommended 50 proposals and \$2.4 million in funding for the Telehealth grants. Program Director Becky Cienki outlined the review process and presented the proposals.

Mr. Pretty inquired about evaluation efforts surrounding the grants, including the grants funded by other funders. Ms. Cienki reported that the Health Fund will administer all the listed grants, including grants not funded by the Health Fund. This will include receiving periodic reports that will be included in Health Fund evaluation summaries.

Listed below are the recommended proposals.

Applications to be Awarded and Administered by the Health Fund 50 proposals totaling \$2,400,352

	Applicant	Recommended Amount
1	Arab Community Center for Economic and Social Services	\$48,705
2	Arab-American and Chaldean Council	\$30,000
3	Arbor Circle	\$50,000
4	Area Agency on Aging of Northwest Michigan	\$50,000
5	Care Free Medical Inc	\$25,000
6	Care Resources (PACE)	\$49,909
7	Catherine's Health Center	\$50,000
8	Catholic Human Services, Inc.	\$50,000
9	Catholic Social Services of Washtenaw	\$50,000
10	Central City Integrated Health	\$50,000
11	Cherry Health	\$50,000
12	Child & Family Services of Northwestern Michigan	\$50,000
13	Common Ground	\$47,500
14	Covenant Community Care, Inc.	\$50,000
15	Cristo Rey Community Center	\$50,000
16	Detroit Area Agency on Aging	\$50,000

17	East Jordan Family Health Center	\$50,000
18	Exalta Health	\$50,000
19	Family Medical Center of MI	\$50,000
20	Great Lakes Bay Health Centers	\$50,000
21	Great Lakes Recovery Centers, Inc.	\$45,105
22	Hackley Community Care Center	\$50,000
23	Health Emergency Lifeline Programs	\$49,203
24	Hope Network	\$50,000
25	Isabella Citizens for Health	\$39,230
26	Jewish Family Service of Metropolitan Detroit	\$50,000
27	Jewish Family Services of Washtenaw County	\$50,000
28	Judson Center	\$48,500
29	Lakeland Immediate Care Center	\$50,000
30	Luella Hannan Memorial Foundation	\$41,550
31	Northern Lakes Community Mental Health Authority	\$37,140
32	Oakland Integrated Healthcare Network	\$50,000
33	PACE North	\$49,812
34	PACE of Southwest Michigan	\$48,600
35	PACE Southeast Michigan	\$50,000
36	Packard Health, Inc.	\$50,000
37	Presbyterian Villages of Michigan Foundation	\$47,400
38	Region II Commission On Services to the Aging	\$50,000
39	Reliance Community Care Partners	\$47,200
40	Ruth Ellis Center, Inc.	\$50,000
41	Senior Resources of West Michigan	\$50,000
42	Starfish Family Services	\$50,000
43	Starr Commonwealth	\$50,000
44	The Senior Alliance Area Agency on Aging 1-C	\$50,000

45	Thunder Bay Community Health Service, Inc.	\$50,000
46	Traverse Health Clinic and Coalition (d/b/a Traverse Health Clinic)	\$45,498
47	United Methodist Retirement Communities (UMRC) Foundation	\$50,000
48	Upper Great Lakes Family Health Center	\$50,000
49	Upper Peninsula Health Care Solutions	\$50,000
50	Western Wayne Family Health Centers	\$50,000

Applications to be Administered by the Health Fund, Funded by Other Foundations

6 proposals totaling \$300,000

	Applicant	Recommended Amount
1	All Well-Being Services	\$50,000
2	Community Health and Social Services Center, Inc.	\$50,000
3	Development Centers, Inc.	\$50,000
4	Northeast Integrated Health	\$50,000
5	Southwest Solutions Corporation	\$50,000
6	The Children's Center of Wayne County, Inc.	\$50,000

Applications to be Awarded and Administered by Blue Cross Blue Shield of Michigan or Blue Cross Blue Shield of Michigan Foundation

5 proposals totaling \$249,801

	Applicant	Recommended Amount
1	Baldwin Family Health Care	\$50,000
2	Ingham County Health Department	\$49,801

3	InterCare Community Health Network	\$50,000
4	Northwest Michigan Health Services Inc	\$50,000
5	Sterling Area Health Center	\$50,000

Chairman Damschroder asked all board members to identify any of the recommended Health Fund grants where he/she might have a conflict or duality of interest. Ms. Alexander stated her conflict with the proposals from PACE Southeast Michigan and Presbyterian Villages of Michigan Foundation. Ms. Alexander wished to abstain from the vote on these two grants.

Mr. Pretty moved and Mr. Veenstra seconded, to approve the 48 grants listed above which presented no conflict or duality of interest for board members.

The vote passed 8-0.

Next, Chairman Damschroder moved to approve the recommended grants to PACE Southeast Michigan and Presbyterian Villages of Michigan Foundation and Ms. Jandernoa seconded.

The vote passed 7-0. Ms. Alexander abstained.

Mr. Gardner reported that Blue Cross Blue Shield of Michigan or Blue Cross Shield of Michigan Foundation will fund 5 grants directly (listed above). Also, the Health Fund will receive \$300,000 from the Ethel and James Flinn and Metro Health Foundations to fund 6 grants (listed above). This will result in no net cost to the Health Fund.

Next, Chairman Damschroder moved and Mr. Fowler seconded, to approve the 11 grants listed above that will be administered by the Health Fund and funded by other foundations, and to receive \$300,000 from the other funders.

The vote passed 8-0.

Resolution of Commendation:

The following motion was made by Ms. Jandernoa and seconded by Mr. Pretty:

WHEREAS, the Michigan Health Endowment Fund Board of Directors wishes to commend the good work of the staff of the organization; and

WHEREAS, the current COVID-19 pandemic has created an environment of unprecedented urgent need; and

WHEREAS, the Michigan Health Endowment Fund staff implemented the Rapid Response: Safety Net Telehealth Initiative on a remarkably short timeline; now, therefore, be it

RESOLVED, that the Board honors the staff for their responsiveness and quick thinking to help Michigan residents get prompt access to critical care.

The motion passed 8-0.

Adjournment

The meeting was adjourned at 10:20 am

Respectfully submitted,

Julie Skubik
Secretary of the meeting

The Opioid Treatment Ecosystem Initiative

Developing Pathways to Treatment

The team from the Center for Behavioral Health and Justice (CBHJ) at Wayne State University has over a decade of experience facilitating collaboration between criminal-legal stakeholders and behavioral health treatment systems, and we continue to work with 20 jails across the state. With funding from the Michigan Health Endowment Fund (hereafter, Health Fund), we have developed the Opioid Treatment Ecosystem (OTE) initiative, a technical assistance framework aimed at strengthening community-based substance use disorder (SUD) treatment at the intersection of criminal/legal systems (figure 1). Although this OTE framework, and particularly the **Communities of Practice model** (see below), are used in multiple sites across the state, the OTE Health Fund initiative is broader, enjoining the work of first responders (EMS and law enforcement) to reduce overdose and facilitate treatment access. This focus is on two programs in Kent County and Monroe County: **Proactive Response to Overdose and Appropriate Connections to Treatment (PROACT)** and **Medications for Opioid Use Disorder (MOUD) in Jail**.



Figure 1: Opioid Treatment Ecosystem (OTE)

Proactive Response to Overdose and Appropriate Connections to Treatment (PROACT)

While several opioid treatment funders target naloxone distribution and jail programming, the Health Fund's unique focus on Michigan's Emergency Medical Services (EMS) could create a new paradigm of public overdose response. EMS agencies reversed 669 and 177 overdoses in Kent and Monroe counties in 2019; studies suggest that overdose victims are at high risk for a subsequent overdose, yet few will engage in treatment after emergency department (ED) care. The CBHJ facilitated PROACT programs where first responders notify treatment providers to meet overdose victims where they are: at their homes, at the incident location, or even at the ED. Follow-up care can include naloxone and overdose response training, syringe services and healthcare testing, basic needs and housing referrals, and ongoing recovery coaching. Without notification from first responders, treatment providers have no way to know about opioid overdose events, let alone offer services to victims. Patients, family members, and friends struggle to navigate complex behavioral health systems, especially in large metropolitan counties. PROACT programs direct treatment providers straight to the doorsteps of high-risk users.



Figure 2: OTE Counties Kent and Monroe

PROACT: Kent County

Kent County had aspects of a PROACT program in place in 2019, but the CBHJ's facilitation is on course to significantly increase its first responder referrals in 2020 (figure 3). The Grand Rapids Red Project, a harm reduction agency, provided home visits to overdose victims on referrals from law enforcement agencies. Yet law enforcement only referred cases on officer-administered naloxone; EMS agencies reverse about ten times the overdoses that law enforcement agencies do. HIPAA misunderstandings prevented program expansion. The CBHJ introduced Kent's EMS agencies to the Red Project, helped the parties navigate HIPAA and 42 CFR Part 2 protected information, and drafted memorandums of understanding (MOUs) to formalize the collaboration. **Starting mid-April 2020, anyone on an overdose scene in Kent County will receive a Red Project business card with QR code links to a PROACT program. EMS agencies are projected to begin sending patient names and addresses directly to Red Project's wellness check team in summer, 2020. Thanks to the Health Fund's unique target of overdose response, Kent's EMS systems is making a foundational change that appears sustainable beyond the life of the grant.**

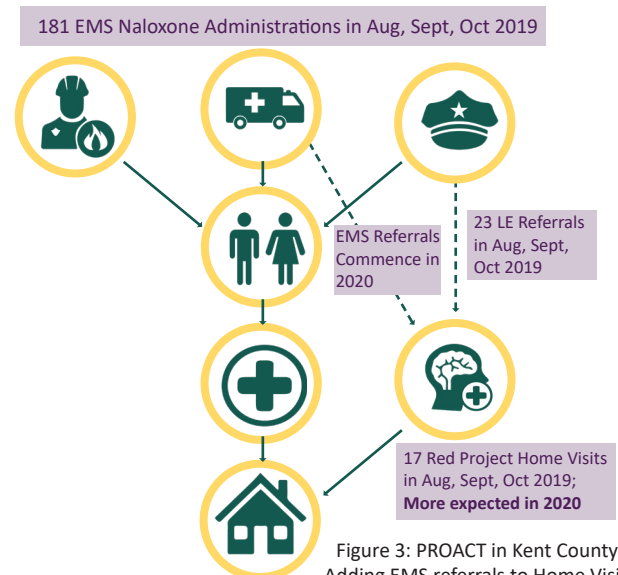


Figure 3: PROACT in Kent County: Adding EMS referrals to Home Visits

PROACT: Monroe County

In Monroe County, the Monroe Community Mental Health Authority (MCMHA) had clinical staff responding to mental health crises upon law enforcement referral, a system that feasibly scaled to opioid overdoses in a PROACT program (figure 4). MCMHA clinicians and recovery coaches could even respond to some cases at the ED. Prior to CBHJ involvement, MCMHA had no method of tracking or receiving opioid overdose data, nor did it have a direct connection with its local EMS agency. The CBHJ introduced stakeholders to an EMS-administered naloxone database, shared Kent's business card dispersal strategy to Monroe stakeholders, and drafted a template MOU between MCMHA and Monroe's EMS agency.

MCMHA began responding to overdose referrals from law enforcement agencies in January 2020. Starting late-April 2020, MCMHA business cards will be distributed on all overdose scenes in Monroe County. Monroe's EMS agency is projected to start initiating direct referrals to MCMHA's PROACT program in spring, 2020. Thanks to the Health Fund's unique target of overdose response, Monroe's EMS system is making a foundational change that appears sustainable beyond the life of the grant.

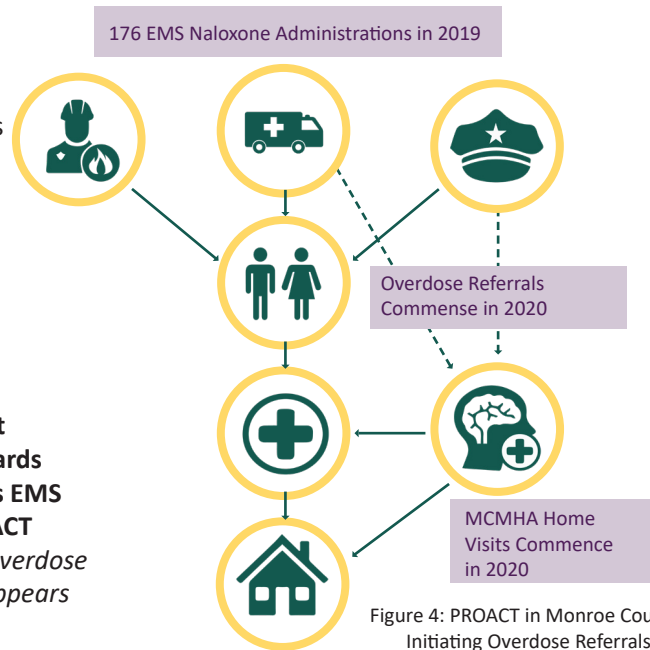


Figure 4: PROACT in Monroe County: Initiating Overdose Referrals and Home Visits

Medications for Opioid Use Disorder in Jail

County jails are a pivotal touchpoint where public health systems can intervene with people who have Opiate Use Disorder (OUD). Fatal overdose is 129 times more likely within the first two weeks of incarceration than it is for the general population. There is no OUD treatment with stronger evidence than medications for opioid use disorder (MOUD), which includes methadone, buprenorphine, and naltrexone. Despite these findings, MOUD remains largely unavailable in correctional settings.

The CBHJ's MOUD in Jail Model (figure 5) incorporates multiple evidence-based practices to assure persons with OUD who are booked into jail receive the standard of care during incarceration and post release. Full MOUD model implementation uses validated screening tools, access to all three forms of MOUD, induction for new patients, adjunctive psychosocial services, and a continuity of care plan with naloxone distribution on release. Integrating these services into jails and prisons can improve treatment outcomes and save lives.

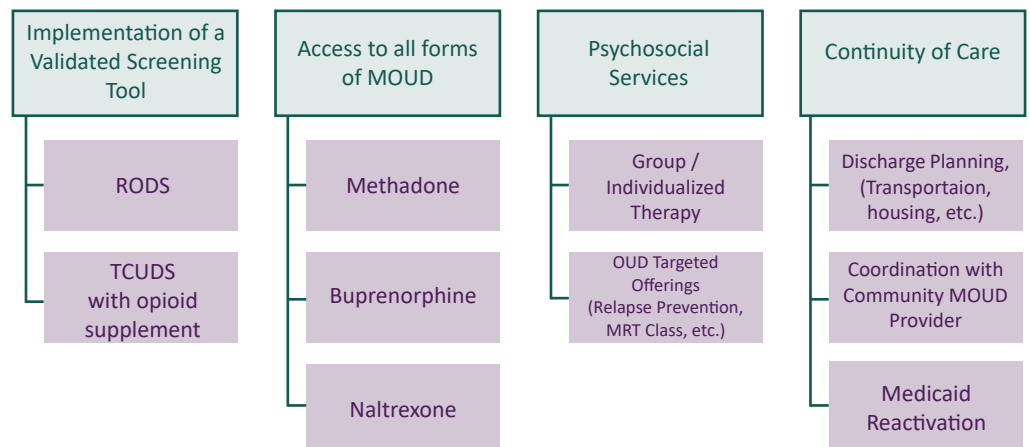
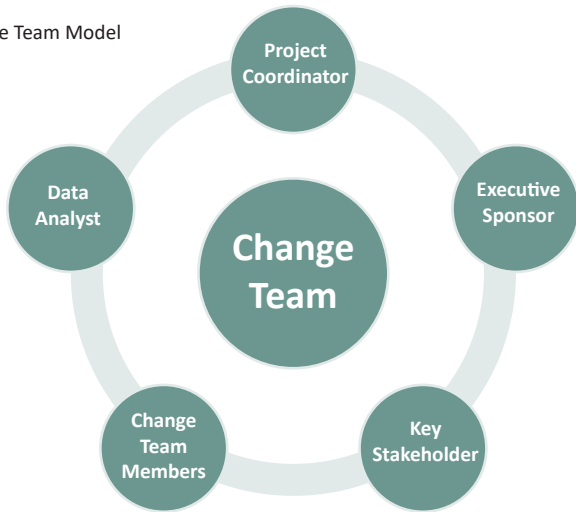


Figure 5: CBHJ's MOUD in Jail Model

Change Teams and Community of Practice

The CBHJ uses Change Teams to implement OTE programs on a local, county level. Change Teams are an evidence-based model from the Network for the Improvement of Addiction Treatment (NIATx) that facilitates attitudinal change around SUD treatment, a key barrier in criminal-legal systems. CBHJ Project Coordinators generate an alliance among criminal-legal stakeholders, community-based providers, and first responders. Change Team meetings occur regularly (weekly, monthly, or bi-monthly) and include data review, identification of barriers, and shared learning. Change Teams introduce, vet, and apply new ideas to fit the strengths and constraints of local systems (e.g. evidence-based screenings, methadone security, video visitation via tablet, etc.).

Figure 6: Change Team Model



Where traditional opioid treatment funding limits impact to target counties, the Health Fund enables a statewide Community of Practice to share Change Team lessons from across county lines. The CBHJ distributes topical materials (i.e., training materials, video content), academic detailing (i.e., policy briefs), a monthly online newsletter, and peer learning via Learning Summits. The Health Fund specifically supports implementation in Kent and Monroe Counties, but the Community of Practice ensures their implementation challenges and successes are spread across the state.

Next Steps

The OTE initiative has facilitated a tremendous amount of change over the past nine months. Thanks to the Health Fund’s unique vision of EMS system change, both Kent and Monroe Counties developed PROACT programs to meet high-risk overdose victims who may never have encountered treatment before. Moreover, both counties incorporated mechanisms to provide all three forms of MOUD, case management, recovery coaching, and discharge planning for all OUD patients in its respective jails. Change Teams generate and apply ideas locally, and the Community of Practice spreads them statewide.

New ideas require thorough evaluation, and OTE implementation has laid the groundwork for robust data collection. *The Health Fund’s specific EMS target opens new doors of community overdose analysis; the CBHJ is developing data use agreements (DUAs) with EMS agencies in Kent and Monroe. Merging identifiable overdose data, booking and release data, OUD jail screening data, and OTE program data, will clarify treatment linkage, changes in non-fatal or fatal overdose rates, and the relationship between incarceration and overdose.* The CBHJ is assessing OUD screening data, and MOUD in Jail program data (e.g., type of medication, referral source, program completion), PROACT program data, and Change Team attitudinal surveys. Figure 7 illustrates the baseline OUD prevalence rates for Kent and Monroe County relative to the other OTE counties; more in-depth analysis be found in our OTE April Update Report.

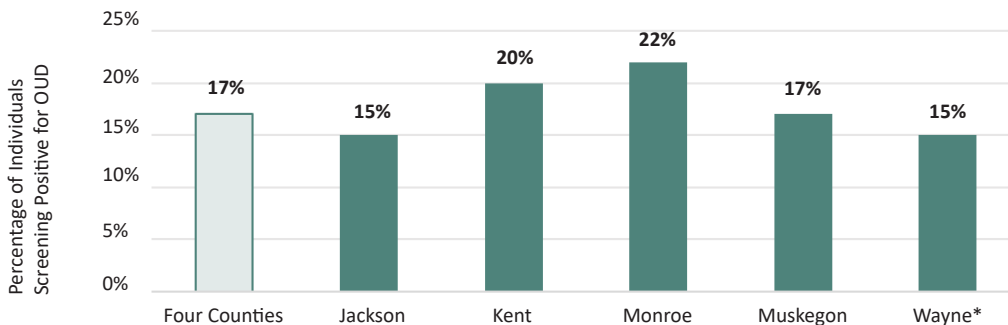


Figure 7: Individuals Screening Positive for Opioid Use Disorder

The COVID-19 pandemic has disrupted jail-based behavioral health services and accelerated releases at a time when discharge planning is needed most, but the CBHJ has risen to support jail providers amidst the crisis. The CBHJ received a technology pilot grant to implement off-the-shelf technology to establish and enhance telehealth services (i.e., the provision of healthcare remotely by means of telecommunications technology) in county jails. The CBHJ is currently overseeing efforts in 15 jails to integrate telehealth technology and develop a continuum of care beyond the current crisis. We have postponed our in-person Community of Practice Summit until September 2020; OTE efforts will be shared through an online summit on May 5, 2020. The virtual format will increase its reach to 500 participants beyond the former room capacity of 120. The economic effects of COVID-19 will only exacerbate the issues of Opioid Use Disorder in vulnerable populations, and the implementation of evidence-based practices to promote recovery is paramount.

Data Source: 2019 30-Day RODS (four sites; N=1298).

*Wayne County used a different OUD screen, and was omitted from the four county average

**MICHIGAN HEALTH
ENDOWMENT FUND**

To: Health Fund Board of Directors
From: Keith Pretty
Date: May 14, 2020
Re: Audit Committee Report

The Audit Committee met on March 24, 2020 to receive the 2019 audit from George Johnson & Co. (“GCJC”). Representatives from GCJC presented the results of their audit of the 2019 financial statements and the Health Fund’s internal controls to the Audit Committee. Their audit resulted in a “clean” audit opinion and they noted no internal control issues which needed attention. They walked the committee through changes in the financial statements and upcoming pronouncements. The committee voted to accept the audit, and the financial statements were formally issued in mid April and have been posted to the Health Fund’s website.

The tax return will be extended to later in the summer due to the need to obtain proper tax information for the partnerships in which the fund is invested.

MICHIGAN HEALTH ENDOWMENT FUND

**RESOLUTION
TO ACCEPT 2019 AUDITED FINANCIAL STATEMENTS**

WHEREAS, the 2019 audited financial statements of Michigan Health Endowment Fund, as presented by George Johnson and Company and accepted by the Audit Committee have been submitted to the Board of Directors;

BE IT RESOLVED, that the 2019 audited financial statements as presented at the meeting be, and they hereby are, accepted.

MICHIGAN HEALTH ENDOWMENT FUND

TO: Health Fund Board Members
FROM: Keith Pretty
DATE: May 14, 2020
RE: Investment Report

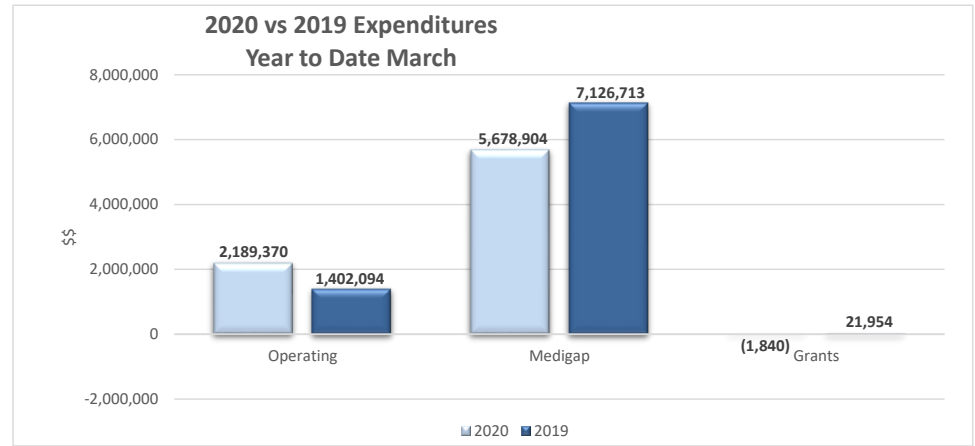
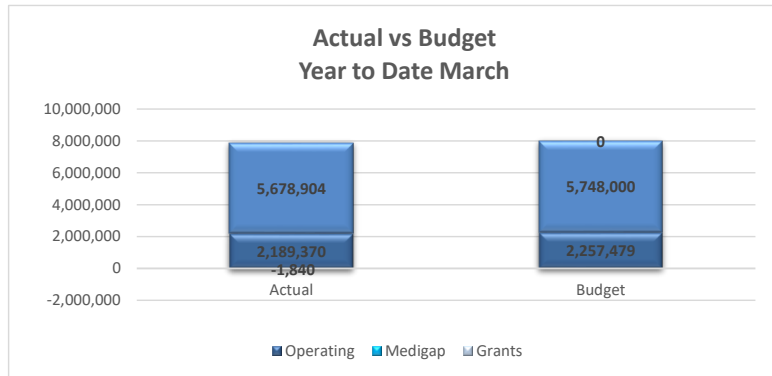
The Investment Committee met with our advisors on March 24th to review the portfolio in preparation for receiving the 2020 contribution from Blue Cross Blue Shield of Michigan, as well as to review the impact of the recent market turmoil caused by the COVID-19 pandemic. Note also that select members of the committee have been in contact with investment staff over the course of April 2020 to follow up on general conditions and the market. The comments below reflect the March meeting as well as those subsequent conversations.

March 23rd represented a bottom in the market, and at that point endowment assets were approximately \$135 million. The markets have recovered and assets as of April 29th were \$158 million. When you add in the 2020 Blue Cross contribution of approximately \$28 million, total endowment fund assets are \$186 million. The contribution was deposited in the fund into a cash vehicle and given the volatility in the markets, the contribution is being invested in five tranches. The first tranche was completed in early April and the second in early May.

The operating portfolio was also reviewed. The annual Blue Cross contribution of approximately \$58million was deposited and was invested during the month of April. Almost all companies are impacted by the COVID-19 pandemic. As staff invested, we focused on high quality businesses with strong balance sheets and low debt levels and/or the businesses that had continuing operations to generate revenues during a near-national shelter at home process. Quality was increased and since yields had risen, the average maturity has been increased from three months to five months to lock in higher yields for a longer time period.

**MICHIGAN HEALTH ENDOWMENT FUND
FINANCIAL DASHBOARD
AS OF MARCH 31, 2020**

Financial Metrics

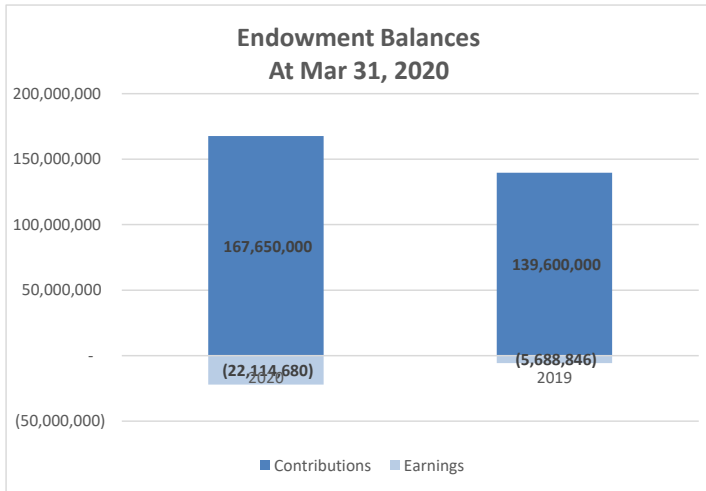


Grant Making

	<u>Concept Papers</u>	<u>Applications</u>	<u>Awards</u>	<u>Observations</u>
	<u>#</u>	<u>#</u>	<u>\$</u>	
2020				
Nutrition and Healthy Lifestyles	86	51	\$20,076,214	Interest in our grantmaking remains strong as evidenced by concept papers.
Community Health Impact	278	160	\$12,562,463	
Behavioral Health	121	78	\$32,670,168	
Healthy Aging				
Special Projects		63	\$2,980,228	
	485	352	\$68,289,073	Both NHL and BH \$ requested this year are up significantly from last year
2019				We are making changes to SPEI invitation process this year, including rapid response grantmaking.
Nutrition and Healthy Lifestyles	104	48	\$16,999,277	
Community Health Impact	260	151	\$12,856,000	
Behavioral Health	109	65	\$24,563,743	
Healthy Aging	109	55	\$15,168,015	
Special Projects	34	21	\$8,822,012	
	616	340	\$78,409,047	Overall, applications in 2019 were relatively flat to 2018, even though concept papers were up, because we more actively used the concept paper process to guide applicants on the competitiveness of their proposals.
2018				
Nutrition and Healthy Lifestyles	99	53	\$21,069,702	
Community Health Impact	174	128	\$11,301,644	
Behavioral Health	91	53	\$19,498,632	
Healthy Aging	107	72	\$25,225,057	
Special Projects	n/a	17	\$7,189,235	
	471	323	\$84,284,270	

**MICHIGAN HEALTH ENDOWMENT FUND
INVESTMENT DASHBOARD
AS OF MARCH 31, 2020**

Endowment Portfolio

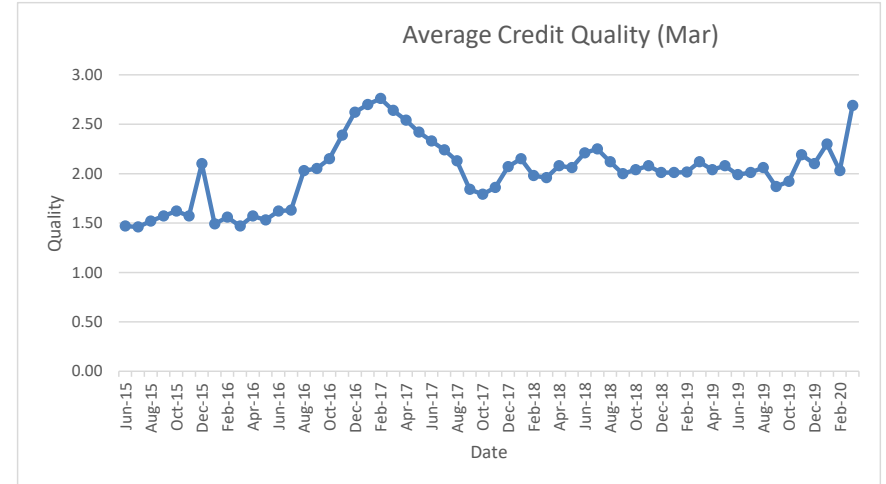
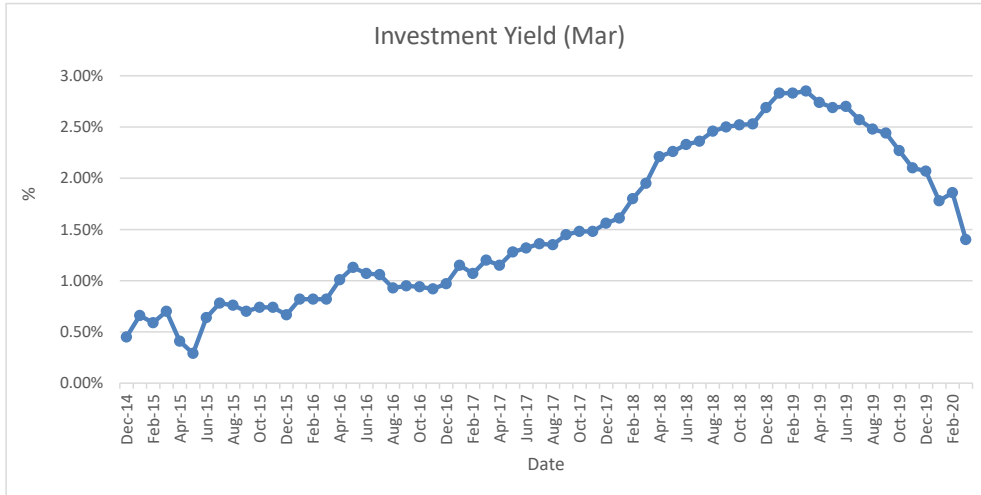


Asset Allocation @ 3-31-20

	<u>Actual</u>	<u>Target</u>	<u>Difference</u>
US Equity	38.7%	34%	4.7%
Foreign Develc	26.1%	21%	5.1%
Emerging Marl	6.5%	6%	0.5%
Real/Diversifie	8.9%	9%	-0.2%
Fixed Income*	15.2%	15%	0.2%
Private Equity	4.8%	15%	-10.3%
	<u>100.0%</u>	<u>100.00%</u>	

		<u>Actual</u>	<u>Benchmark</u>
Performance	YTD	-18.15%	-18.26%
	3 yrs (an)	1.25%	1.65%

Operating Portfolio



**Michigan Health Endowment Fund
Statement of Financial Position
March 31, 2020 and 2019**

	2020		2019	
	OPERATING	ENDOWMENT	OPERATING	ENDOWMENT
<u>ASSETS</u>				
Current assets				
Checking - Chemical Bank	\$ 69,949,096		\$ 85,320,300	
Huntington Investments, at FMV	66,617,129		53,569,437	
Northern Trust Investments		\$ 145,398,150		\$ 133,807,997
Accrued interest receivable	270,085	137,170	329,975	103,157
Prepaid expenses	1,776,639		1,882,794	
Accounts receivable - other				
Total current assets	138,612,949	145,535,320	141,102,506	133,911,154
Furniture and equipment, net of depreciation	295,098		121,945	
Other assets				
Security Deposits	844		844	
	\$ 138,908,891	\$ 145,535,320	\$ 141,225,295	\$ 133,911,154
<u>LIABILITIES AND NET ASSETS</u>				
Current liabilities				
Accounts payable and accrued expenses	\$ 485,609		\$ 419,741	
Other current liabilities	273,563		200,663	
Total current liabilities	759,172		620,404	
Other liabilities				
Grants payable	13,081,233		10,589,792	
Total liabilities	13,840,405		11,210,196	
Net assets				
Without donor restriction				
Undesignated	23,304,797	\$ 65,745,212	23,134,833	\$ 37,875,032
Designated	24,500,000		30,000,000	
Current Year Income	77,263,689	(32,051,841)	76,880,266	11,986,122
Total Net Assets Without Donor Restriction	125,068,486	33,693,371	130,015,099	49,861,154
With donor restriction				
Endowment Funds		110,100,000		82,050,000
Healthy Aging Initiative		1,741,949		2,000,000
Current Year Income		-		-
Total Net Assets With Donor Restriction	-	111,841,949	-	84,050,000
Total net assets	125,068,486	145,535,320	130,015,099	133,911,154
	\$ 138,908,891	\$ 145,535,320	\$ 141,225,295	\$ 133,911,154

Michigan Health Endowment Fund
Statement of Activities
For the three months ending March 31, 2020 and 2019

	2020		2019		\$ Change
	Operating	Endowment	Total	Total	
Revenue					
Direct Public Support	\$ 85,000,000	\$ -	\$ 85,000,000	\$ 85,000,000	\$ -
Investment income	130,123	(32,440,125)	(32,310,002)	12,417,149	(44,727,151)
Total revenue	<u>85,130,123</u>	<u>(32,440,125)</u>	<u>52,689,998</u>	<u>97,417,149</u>	<u>(44,727,151)</u>
Expenses					
Grants awarded	(1,840)		(1,840)	21,954	(23,794)
Medigap subsidy	5,212,725		5,212,725	6,632,279	(1,419,554)
Medigap servicing	466,179		466,179	494,434	(28,255)
Grant program support	988,839		988,839	596,352	392,487
Legal and accounting fees	23,043		23,043	29,373	(6,330)
Outside contract services	240,288		240,288	120,347	119,941
Salaries and benefits	824,858		824,858	583,386	241,472
Rent expenses	53,938		53,938	28,467	25,471
Insurance expense	8,169		8,169	6,871	1,298
Office supplies and misc	21,712		21,712	19,164	2,548
Membership and dues	18,425		18,425	12,400	6,025
Travel and meetings	10,098		10,098	5,734	4,364
Total expenses	<u>7,866,434</u>	<u>-</u>	<u>7,866,434</u>	<u>8,550,761</u>	<u>(684,327)</u>
Other Income (Expense)					
Transfer to Endowment			-	-	-
Change in net assets	<u>\$ 77,263,689</u>	<u>\$ (32,440,125)</u>	<u>\$ 44,823,564</u>	<u>\$ 88,866,388</u>	<u>\$ (44,042,824)</u>

Michigan Health Endowment Fund
Statement of Activities - Operating Fund - Budget vs Actual
For the three months ending March 31, 2020

	Actual One Month Ending 3/31/20	Budget One Month Ending 3/31/20	\$ Over (Under) Budget	Actual Three Months Ending 3/31/20	Budget Three Months Ending 3/31/20	\$ Over (Under) Budget
Revenue						
Direct Public Support	\$ 85,000,000	\$ 85,000,000	\$ -	\$ 85,000,000	\$ 85,000,000	\$ -
Investment income	(74,033)	80,000	(154,033)	130,123	260,000	(129,877)
Total revenue	<u>84,925,967</u>	<u>85,080,000</u>	<u>(154,033)</u>	<u>85,130,123</u>	<u>85,260,000</u>	<u>(129,877)</u>
Expenses						
Grants awarded	-	-	-	(1,840)	-	(1,840)
Medigap subsidy	1,703,340	1,750,000	(46,660)	5,212,725	5,280,000	(67,275)
Medigap servicing	155,393	156,000	(607)	466,179	468,000	(1,821)
Grant program support	124,893	300,000	(175,107)	988,839	1,075,000	(86,161)
Legal and accounting fees	7,054	14,500	(7,446)	23,043	39,500	(16,457)
Outside contract services	119,181	88,850	30,331	240,288	208,550	31,738
Salaries and benefits	277,738	272,169	5,569	824,858	820,829	4,029
Rent expenses	17,869	18,500	(631)	53,938	55,500	(1,562)
Insurance expense	2,723	3,000	(277)	8,169	9,000	(831)
Office supplies and misc	7,616	8,100	(484)	21,712	28,100	(6,388)
Membership and dues	2,250	-	2,250	18,425	16,000	2,425
Travel and meetings	4,262	2,000	2,262	10,098	5,000	5,098
Total expenses	<u>2,422,319</u>	<u>2,613,119</u>	<u>(190,800)</u>	<u>7,866,434</u>	<u>8,005,479</u>	<u>(139,045)</u>
Other Income (Expense)						
Transfer (to) from Endowment	-	-	-	-	-	-
Change in net assets	<u>\$ 82,503,648</u>	<u>\$ 82,466,881</u>	<u>\$ 36,767</u>	<u>\$ 77,263,689</u>	<u>\$ 77,254,521</u>	<u>\$ 9,168</u>

The Michigan Health Endowment Fund
Endowment Portfolio Holdings
March 31, 2020
(unaudited)

<u>Asset Description</u>	<u>Country</u>	<u>Market Value</u>	<u>Cost</u>	<u>Unrealized G/L</u> <u>Total</u>	<u>% of Total</u>
VANGUARD INSTL TOTAL INDEX	United States	56,267,944	52,503,374	3,764,570	38.66%
VANGUARD DEVELOPED MARKETS INDEX INSTL	International Region	33,072,410	38,689,759	(5,617,349)	22.72%
BURGUNDY ASSET MANAGEMENT	International Region	4,863,299	4,771,497	91,802	3.34%
GLOBAL EMERGING MARKETS FUND - STEWART	Emerging Markets Region	5,423,494	5,395,975	27,519	3.73%
DFA EMERGING MARKETS-VALUE	Emerging Markets Region	4,000,793	6,066,327	(2,065,534)	2.75%
T ROWE PRICE NEW ERA FUND	Real Return	3,665,229	5,647,804	(1,982,575)	2.52%
BROOKFIELD INVT FDS GLOBAL LISTED REAL ESTATE FD	United States	4,314,024	5,938,777	(1,624,753)	2.96%
LAZARD FDS INC GLOBAL LISTED INFRASTRUCTURE	International Region	4,898,076	5,415,196	(517,120)	3.37%
PRIVATE EQUITY		6,914,673	6,618,108	296,565	4.75%
LONGFELLOW	Fixed Income	21,902,348	21,518,102	384,246	15.05%
CASH, RECEIVABLES AND OTHER	Fixed Income	213,030	213,030	-	0.15%
		<u>145,535,320</u>	<u>152,777,949</u>	<u>(7,242,629)</u>	<u>100.00%</u>

The Michigan Health Endowment Fund
Operating Portfolio Holdings
March 31, 2020
(unaudited)

Description	Industry	Credit Rating	Maturity	Yield	Market Value	Principal Cost	\$ Gain/Loss
Cash/Cash Equivalents							
FIDELITY GOVT MMKT	Money Market Fund	AAA	Daily	0.20%	20,523,959.82	20,523,959.82	\$ -
					\$ 20,523,959.82	\$ 20,523,959.82	\$ -

Commercial Paper

GREAT BRIDGE CAPITAL	Financial Services	A1 / P1	4/14/2020	1.69%	1,039,510.63	\$ 1,036,060.38	\$ 3,450.25
ENI OIL	Exploration & Production	A2 / P2	4/17/2020	1.72%	887,492.61	\$884,155.89	\$ 3,336.72
MONDELEZ INC	Food & Bev	A2 / P2	5/12/2020	1.17%	1,227,632.26	\$1,227,247.90	\$ 384.36
NISSAN	Auto Manufacturing	A2 / P2	6/1/2020	1.70%	2,293,464.16	2,288,222.01	\$ 5,242.15
BP OIL	Exploration & Production	A2 / P1	6/4/2020	1.80%	2,023,952.31	\$2,012,192.10	\$ 11,760.21
NATWEST MARKETS	Financial Services	A2 / P2	7/29/2020	1.69%	884,956.66	\$883,323.79	\$ 1,632.87
CATHOLIC HEALTH	Healthcare Property	A2 / P2	8/13/2020	2.14%	3,010,059.10	\$3,002,615.33	\$ 7,443.77
					\$11,367,067.73	\$11,333,817.40	\$ 33,250.33

Corporate Bonds

NY LIFE	Life Insurance	Aaa / AA+	4/9/2020	1.92%	2,000,200.00	2,000,039.49	\$ 160.51
REYNOLDS AMERICAN	Tobacco	Baa2 / BBB+	5/1/2020	2.12%	511,331.10	512,071.94	\$ (740.84)
GENERAL ELECTRIC	Equipment Manufacturing	Baa1 / BBB+	5/4/2020	1.85%	726,856.00	727,508.93	\$ (652.93)
DAIMLER	Auto Manufacturing	A2 / A	5/5/2020	2.35%	1,207,415.44	1,209,616.72	\$ (2,201.28)
MONDELEZ INC	Food & Bev	Baa1 / BBB+	5/7/2020	1.82%	1,326,600.00	1,341,611.84	\$ (15,011.84)
AMGEN	Pharmaceuticals	Baa1 / A-	5/11/2020	1.80%	1,799,874.00	1,800,807.99	\$ (933.99)
SHELL OIL	Exploration & Production	Aa2 / AA-	5/11/2020	3.57%	2,307,597.60	2,305,857.44	\$ 1,740.16
ABBVIE CORP	Pharmaceuticals	Baa2 / A-	5/15/2020	1.92%	1,000,070.00	1,000,704.60	\$ (634.60)
COLUMBIA PIPELINE	Pipeline	Baa1 / A-	6/1/2020	2.08%	1,424,194.20	1,432,927.35	\$ (8,733.15)
ABN AMRO BANK	Banks	A1 / A	6/4/2020	1.68%	1,363,465.10	1,371,837.39	\$ (8,372.29)
NATIONAL BANK OF CANADA	Banks	Aa3 / A	6/12/2020	1.74%	1,992,220.00	2,001,402.29	\$ (9,182.29)
EXELON CORP	Utilities	Baa2 / BBB	6/15/2020	1.89%	559,938.40	561,110.23	\$ (1,171.83)
FORTUNE BRANDS HOMES	Building Materials	Baa3 / BBB+	6/15/2020	2.05%	1,995,800.00	2,003,928.21	\$ (8,128.21)
MORGAN STANLEY	Banks	A3 / BBB+	7/24/2020	1.62%	2,018,880.00	2,024,385.09	\$ (5,505.09)
DAIMLER	Auto Manufacturing	A2 / A	8/3/2020	1.73%	1,792,116.00	1,805,920.29	\$ (13,804.29)
HSBC	Banks	Aa3 / AA-	8/12/2020	1.87%	922,668.00	927,528.78	\$ (4,860.78)
ANTHEM	Health Insurance	Baa2 / A-	8/15/2020	1.87%	1,007,060.00	1,009,204.78	\$ (2,144.78)
HUNTINGTON BANK	Banks	A3 / A-	8/20/2020	1.72%	1,324,584.86	1,332,906.87	\$ (8,322.01)
HILLSHIRE BRANDS	Food & Bev	BBB+ / BBB	9/15/2020	2.72%	2,105,701.39	2,124,064.02	\$ (18,362.63)
MASS MUTUAL	Life Insurance	Aa3 / AA+	9/22/2020	1.75%	1,533,601.32	1,539,446.72	\$ (5,845.40)
HSBC	Banks	A3 / A-	9/27/2020	1.72%	503,040.00	507,987.72	\$ (4,947.72)
AON INSURANCE	P&C Insurance	Baa1 / A-	9/30/2020	1.63%	2,626,156.00	2,643,413.10	\$ (17,257.10)
H&R BLOCK	Financial Services	Baa3 / BBB+	10/1/2020	1.77%	1,175,226.56	1,197,192.97	\$ (21,966.41)
PUBLIC SERVICES COLORADO	Utilities	A1 / A	11/15/2020	1.57%	1,000,290.00	1,002,819.72	\$ (2,529.72)
BERKSHIRE ENERGY	Utilities	A3 / A-	1/15/2021	1.62%	501,215.00	502,953.15	\$ (1,738.15)
					\$34,726,100.97	\$34,887,247.63	\$ (161,146.66)

\$66,617,128.52 \$66,745,024.85 \$ (127,896.33)