

Item Title: Amend Funding Agreement with Alliance Health for Short-Term Transitional Group Homes for Wake County Youth in Foster Care

Specific Action Requested:

That the Board of Commissioners amends a funding agreement with Alliance Health to develop transitional group homes for Wake County youth in foster care, subject to terms and conditions acceptable to the County Attorney.

Item Summary:

Purpose: The Board of Commissioners is required to approve amendments extending the term of the agreement.

Background: Each week, children in Wake County with complex behavioral health needs require immediate protection in a safe and supportive environment that can meet their physical and mental health care needs. The number of children with these needs currently far exceeds the spaces and services available to keep them safe, help them overcome crisis and reunite them with family and community. As a result, they may end up sleeping in hospital emergency rooms or in county department of social services offices.

In November 2022, Wake County authorized funding to address the critical need for youth who meet criteria for services with Alliance Health (Alliance). Wake County and Alliance have partnered to establish short-term transitional group homes for youth who are in the custody of Wake County Health and Human Services and who require an immediate therapeutic residential level of care. The funding authorized up to 18 beds be established for youth with co-occurring mental health and intellectual/developmental disabilities and youth with mental health and substance use disorders. To date, 6 beds have been established and two homes have been purchased by a provider to establish 8 more beds. Alliance will work to identify a provider and site for the final 4 beds. Wake County funds assist with start-up costs for group home providers including capital investments, furniture and fixtures, start-up staffing and administrative costs. Alliance provides operational funding to the providers.

The Board is requested to approve a contract amendment to extend the term of the agreement to March 31, 2025.

Strategic Plan: This action supports Community Health and Wellbeing Goal 3: By 2029, 5% more residents asked will indicate low barriers to healthcare and behavioral health services, such as access to providers, insurance coverage, affordability and appointment wait times.

Fiscal Impact: Funding to support this item was appropriated during the original Board action in November 2022. No additional funding is requested.

Additional Information:

The transitional group homes are designed to provide a safe, short-term, trauma-informed environment for youth ages 12 – 17 to receive clinical support and comprehensive assessment to determine their longer-term needs.

At Wake County's request, Alliance prepared a proposal to support approximately three transitional group homes that will provide up to 18 beds restricted to Wake County youth. The startup cost for these homes will be funded by Wake County. To date, one provider is providing 6 beds and an additional provider has purchased two homes to provide 8 beds. An additional provider and home is needed to achieve the 18 bed target. Although much work has been completed to achieve the goal, additional time is requested to finish establishing the needed beds for these youth. The Board is requested to approve a contract amendment to extend the term of the agreement to March 31, 2025.

The ongoing operations of these homes will be funded through Alliance as the targeted youth population will be enrolled in Medicaid via their status as being in DSS custody. The estimated annual operating budget per transitional group home is \$1.12M.

Alliance engages in agreements with the selected group home provider to provide a grant that will cover their start-up costs which may include capital investment/renovation, furniture and fixtures, start-up staffing for up to 90 days and administrative costs. The grant terms are outlined in contract with the selected provider and include stipulations such as paying back the investment should they close in advance of a five-year commitment.

Attachments:

1. Amendment to Funding Agreement