

**Item Title:** Approval of FY 2020 Funding Agreements with Alliance Health for Behavioral Health Services

**Specific Action Requested:**  
That the Board of Commissioners:

- 1. Authorizes the County Manager to enter into a funding agreement not to exceed \$17,260,357 with Alliance Health that provides funding for behavioral health services subject to terms and conditions acceptable to the County Attorney, and;**
- 2. Authorizes the County Manager to enter into a tri-party funding agreement not to exceed \$10,700,912 with Alliance Health and UNC Health Care that provides funding for behavioral health services at WakeBrook campus subject to terms and conditions acceptable to the County Attorney.**

**Item Summary:**

**Purpose:** Wake County contracts with Alliance Health (Alliance) to engage the services of community providers for specific programs and services that might not otherwise be available to Wake County residents. The Board is asked to approve two annual contracts. The first is a contract with Alliance in the amount of \$17,260,357 for services described below. The second contract is a \$10,700,912 tri-party agreement with UNC Health Care and Alliance. UNC Health Care provides services at Wake County's WakeBrook campus and requests a tri-party funding agreement to reflect the commitment from all three parties.

**Background:** Since 2012, Wake County has provided local county resources to Alliance to assist in the provision of mental health, developmental disability and substance abuse (MH/DD/SA) services in Wake County. Wake County and Alliance work together to establish the service areas that will receive County funding and leverage state and federal dollars. These services address identified gaps in the service continuum in the key areas of crisis services, criminal justice, housing, familiar faces and system access/coordination. The FY 2020 contracts total \$27,961,269 and include funding to continue pilot programs that began in FY19 including a behavioral health urgent care and mobile crisis outreach for first responders and an expansion of the school based mental health team.

**Board Goal:** This action supports the Board of Commissioners' goal to: Promote an effective behavioral and physical health system of care and practices that benefits all residents.

Fiscal Impact: The contract amounts are included in the approved FY 2020 County budget. The allocation anticipates drawing approximately \$2.8 million from the County's designated Behavioral Health fund balance.

**Additional Information:**

*Contract with Alliance Health = \$17,260,357*

Wake County will provide Alliance with up to \$17,260,357 in FY 2020 for the purchase of services supporting six service categories and administrative fees. A brief description of each category is identified below with the associated County funds that will support each program. Alliance will enter annual contracts with community providers. Alliance will pay each provider as services are delivered and Wake County will reimburse Alliance on a quarterly basis. Funds unspent at the end of the fiscal year are moved to a designated fund balance for future support of behavioral health services. The funding agreement requires Alliance to obtain approval from Wake County if funds need to be moved between the programs. Alliance oversees service quality and performance outcomes and is required to provide Wake County with regular program performance reports.

*Crisis Services* *\$8,200,000*

Crisis services will provide funding for inpatient psychiatric care at Holly Hill Hospital, and funding to continue the pilot of enhanced mobile crisis resources partnered with Wake County EMS.

*Treatment* *\$ 4,893,485*

Treatment will fund outpatient services for adults who have a behavioral health diagnosis or co-occurring MH/SA diagnoses and have no payor source. Services will be available in Raleigh, Cary and regional centers. Services include assessments, individual and group therapy, and medication management. Additionally, funding will be used to support special needs of families/children in the foster care system. Funding also supports the new Behavioral Health Urgent Care clinic in Wake County that provides walk in behavioral health services with evening hours during the week and some weekend hours.

*Criminal Justice* *\$ 350,000*

Support for the criminal justice system provides outpatient/post-release treatments of adults who have co-occurring mental health and substance use diagnosis and are being discharged from the Wake County Detention Center.

*Residential* *\$ 1,130,344*

Residential programs and support will provide funding to support substance abuse transitional living beds, short term supportive housing and case management to support independent living for adults with mental illness.

*Supports* *\$ 2,024,117*

Supports assists programs that do not directly provide treatment on their own but instead are meant to be utilized in conjunction with other programs. Programs include expanded school-based mental health coordination and services, facility support for the CASAWORKS perinatal programs, recreation programming for children with intellectual

and developmental disabilities, increasing access to social security for eligible adults, coordination of care for individuals in the court system, support for the Network of Care community resource database and ongoing provision of Mental Health First Aid.

*Recovery* \$ 385,567

Recovery will support recovery focused services including a peer-led recovery center using evidenced-based practices, to serve adults with severe mental illness with a focus on physical health education and support.

*Administrative Fees* \$ 276,844

Provide Alliance with 1% of the funding for all contract services to cover administrative costs associated with administering the obligations set forth in the FY19 funding agreements (1% of \$27,684,425.)

The key terms of the agreement include:

- Term covers July 1, 2019 through June 30, 2020.
- Funding designated by service category as described above.
- Alliance may redistribute funding within program categories with written approval from the Wake County Manager's Office.
- Funding will be distributed in quarterly payments to Alliance based on actual expenditures.
- Quarterly performance reports will be provided by Alliance.

*Contract with UNC Health Care System and Alliance Health = \$10,700,912*

Wake County will provide \$10,700,912 to Alliance to support the operations of crisis and assessment services. Alliance will provide funds to UNCHCS as expenses are incurred. It is anticipated that there will not be enough funds to cover the costs of the programs; UNCHCS will cover the budget shortfall.

*Crisis Services* \$10,700,912

Wake County, UNC Health Care System (UNCHCS) and Alliance Health began a joint commitment for the provision of services at Wake County's WakeBrook campus in 2013. UNCHCS operates crisis and assessment services, a 16-bed Facility-based Crisis program, a 16-bed Alcohol and Drug-Detoxification Unit and a 28-bed Inpatient Psychiatric Unit for adults.

The key terms of the agreement include:

- Term covers July 1, 2019 through June 30, 2020.
- Funding designed to be used only for the purchase of UNCHCS services.
- Funding will be distributed in quarterly payments to Alliance.
- Quarterly performance reports will be provided by Alliance.

<b>Contract with Alliance Health by Program Category</b>	<b>Amount</b>
Crisis Services	\$8,200,000
Treatment	4,893,485
Criminal Justice	350,000
Residential	1,130,344
Supports	2,024,117
Recovery	385,567
Administrative Support	276,844
<b>Subtotal</b>	<b>\$17,260,357</b>
<b>Contract with UNC Health Care System and Alliance Health by Program Category</b>	<b>Amount</b>
Crisis Services – WakeBrook	\$10,700,912
<b>Subtotal</b>	<b>\$10,700,912</b>
<b>Total FY 2020 Behavioral Health Services Funding</b>	<b>\$27,961,269</b>

**Attachments:**

1. FY20 Annual Funding Agreement with Alliance Health
2. FY20 Annual Funding Agreement with UNC Health Care System and Alliance Health