

Item Title: Approval of FY2021 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 \$16,706,885 with Alliance Health that provides funding for behavioral health services subject to terms and conditions acceptable to the County Attorney, contingent on the adoption of the FY21 Wake County Annual Budget 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, contingent on the adoption of the FY21 Wake County Annual Budget.**

Item Summary:

Purpose: While not required by statute, the Board of Commissioners traditionally approves the funding agreement with Alliance Health because of the priority placed on behavioral health services.

Background: 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 \$16,706,885 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. If approved by the Board of Commissioners, this action is contingent on the Board's adoption of the FY21 Wake County Annual Budget.

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 FY2021 contracts total \$27,407,797 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 of: 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 proposed FY2021 County budget. The allocation anticipates drawing approximately \$2.42 million from the County's designated Behavioral Health fund balance.

Additional Information:

Contract with Alliance Behavioral Healthcare = \$16,706,885

Wake County will provide Alliance with up to \$16,706,885 in FY2021 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.

Funding Category	Amount
Crisis Services	\$ 8,144,650
Treatment	\$ 4,575,829
Criminal Justice	\$ 175,000
Residential	\$ 1,130,344
Supports	\$ 2,024,131
Recovery	\$ 385,567
Administrative Support	\$ 271,364
Total	\$16,706,885

Crisis Services *\$8,144,650*

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 *\$ 4,575,829*

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. To achieve needed budget reductions, adult outpatient services is reduced by \$255k from the prior fiscal year. Additionally, funding will be used to support special needs of families/children in the foster care system.

Funding also supports the Behavioral Health Urgent Care pilot project in that provides walk in behavioral health services with evening hours during the week and some weekend hours.

Criminal Justice

\$ 175,000

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. This program will be reduced 50% from the prior fiscal year due to budget reductions.

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

\$ 2,024,131

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 school-based mental health coordination and services, facility support for the CASAWORKS perinatal programs, recreation programming for children and adults 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, in order to serve adults with severe mental illness with a focus on physical health education and support.

Administrative Fees

\$ 271,364

Provide Alliance with 1% of the funding for all contract services to cover administrative costs associated with administering the obligations set forth in the FY21 funding agreements (1% of \$27,136,433.)

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, 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. Wake County will provide \$10,700,912 to Alliance to support the operations of these program. 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.

The key terms of the agreement include:

- Term covers July 1, 2020 through June 30, 2021.
- Funding designed to be used only for the purchase of UNCHCS services at WakeBrook.
- Funding will be distributed in quarterly payments to Alliance.
- Quarterly performance reports will be provided by Alliance.

Attachments:

1. Recommended FY21 Annual Funding Agreement with Alliance Health
2. Recommended FY21 Annual Funding Agreement with UNC Health Care System and Alliance Health