

**MINUTES
WILKES COUNTY BOARD OF COMMISSIONERS
SPECIAL CALLED MEETING WORK SESSION
PROPOSED FACILITY BASED CRISIS CENTER
February 7, 2019**

The Wilkes County Board of Commissioners met on Thursday, February 7, 2019 at 3:04 P.M., with the following members present: Chairman Gideon Keith Elmore, Vice Chairman Eddie Settle, Commissioner Gary D. Blevins, and Commissioner Brian Minton.

Also present were John Yates, County Manager; Chris Huffman, Finance Director; Tony Triplett, County Attorney; and Sarah Call, Clerk to the Board.

Chairman Gideon Keith Elmore welcomed everyone and called the Work Session to order. He stated Mr. Yates is bringing around a sign-up sheet and if anyone would like to speak after Brian Ingraham's presentation, please sign up. Chairman Elmore stated Commissioner David Gambill is tied up this afternoon at work and was unable to attend.

WILKES COUNTY FACILITY BASED CRISIS SERVICE ANALYSIS – Chairman Elmore said the way this meeting came about is Mr. Ingraham called him to discuss the facility at Daymark and was willing to come and explain this to the Board. He added it originally started out that he was coming to meet with a two of them, and as this was being discussed several Commissioners said they would like to sit in. Chairman Elmore added in order to do this they needed to call a Special Called Meeting Work Session to hold an open forum. Mr. Ingraham was kind enough to agree to come and do this. He stated after the presentation everyone will have an opportunity to speak and the floor will be open for comments.

Brian Ingraham, CEO with Vaya Health stated the power point is to look at the frame work with questions and answers that will level the information as to where they are with things. Mr. Ingraham and Christina Dupcuh, CFO went through some of the slides at this time. (Below is the entire slide show provided by Vaya Health)

Wilkes County Facility Based Crisis Service Analysis

A special work session of the Wilkes County Board of Commissioners



Important questions
Data and answers
Conclusions
Options



February 7, 2019

Integrated Care Project

The N.C. Department of Health and Human Services received a multiyear \$10 million grant from SAMHSA (Substance Abuse and Mental Health Services Administration) to integrate primary and behavioral health care in select communities. Vaya will oversee implementation of the project in Wilkes and Watauga counties.

Goals of the project:

- To support prevention and wellness activities
- To provide integrated and behavioral healthcare and retain participants in treatment
- To provide recovery and support services
- To improve the quality of care for citizen of Wilkes and Watauga Counties
- Develop a new system of care under Medicaid Transformation

Program for Treatment for Pregnant and Postpartum Women

The N.C. Department of Health and Human Services received a three-year \$1.4 million federal grant focused on treatment for pregnant and postpartum women in Wilkes County. Vaya will oversee the project, working with Daymark on the following:

- Outreach, engagement, screening and assessment
- Wraparound recovery support services (e.g. child care, vocational, education, and transportation services) designed to improve access and retention in services
- Family-focused programs to support family strengthening and reunification
- Trauma informed, evidenced-based treatment for primary diagnosis of SUD including opioid use disorders--individual, group and family therapy, in-home services, access to medication assisted treatment (MAT) through Opioid Treatment Programs (OTPs) and Office Based Opioid Treatment (OBOTs)
- Mental health care that includes a trauma-informed system of assessments, interventions and social-emotional skill building services
- Case management

Projected Cost for Wilkes FBC

Site Development and Construction \$2,748,000 one-time funding

*Adding an additional 14,000 sq ft to existing property
Amount does not include cost of purchasing/renting
space for parking*

Program Start-up \$254,830 one-time funding

*Furnishings, supplies and personnel required for facility
to open and become operational*

ONE-TIME FUNDING TOTAL: \$3,002,830

Ongoing Operations \$2,147,054 State / \$378,892 Medicaid

*Annual costs associated with running/maintaining a
16-bed FBC*

ANNUAL/ONGOING FUNDING TOTAL: \$2,525,945 per year

**TOTAL FUNDING REQUIRED FOR
STARTUP + YEAR ONE OPERATIONS:** \$5,528,776

Cost

What will it cost to develop a 16-bed Facility Based Crisis (FBC) program in Wilkes County?

How does the cost compare to the available funding from the appropriation of \$1.4m for the development of a Facility Based Crisis program?

Start up and ongoing cost of other Vaya FBC programs

FACILITY	ONE-TIME START-UP CONTRIBUTIONS	TOTAL ANNUAL/OPERATING COSTS CONTRIBUTED BY VAYA HEALTH
C3356 Facility Based Crisis (FBC) and Behavioral Health Urgent Care (BHUC)	\$2,200,000 (Vaya Health) \$1,183,000 (Sanclembe County) \$2,000,000 (DHHS Grant) \$1,000,000 (Mission Hospital) \$6,383,000 (TOTAL)	\$606,309 (Medicaid) \$4,183,000 (State) \$4,789,309 (TOTAL)
Caiyalynn Burrell Child FBC	\$999,758 (Grant received from DHHS) \$300,000 (Family Preservation Services contribution) \$1,299,758 (TOTAL)	\$2,394,000 (Medicaid)
Caldwell FBC	\$320,000 (Vaya Health) \$780,000 (Poochills Foundation Grant) \$620,000 (N.C. Housing Finance Agency) \$1,720,000 (TOTAL)	\$318,450 (Medicaid) \$1,602,000 (State) \$2,121,450 (TOTAL)
Balsam FBC & BHUC (Expansion of facility from 12 to 16 beds and BHUC)	\$400,000 (Vaya Health) \$400,000 (Evergreen Foundation Grant) \$800,000 (TOTAL)	\$799,300 (Medicaid) \$2,260,158 (State) \$3,059,458 (TOTAL)
Synergy Recovery (Wilkes FBC)		\$155,365 (Medicaid) \$699,870 (State) \$855,235 (TOTAL)

Takeaways

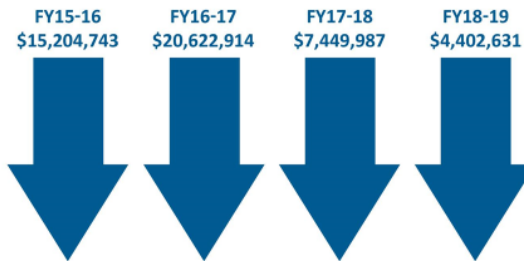
- The \$1.4m allocated in the North Carolina General Assembly's Appropriations Act of 2018 alone is insufficient to develop a facility based crisis program in Wilkes
- Vaya has successfully developed other FBC programs which benefitted from multiple funding sources.

Can Vaya or any other source contribute additional funding to the development of crisis services in Wilkes?

LME/MCO CASH AVAILABLE TO SPEND								
EXCLUDING MEDICAID RISK RESERVE RESTRICTED BY G.S. 122C - 124 (e) (3)*								
For the Five Months Ended November 30, 2018								
* In accordance with G.S. 122C - 124.2 (e) (3), the risk reserve's purpose is to pay outstanding provider claims in cases of insolvency. It is not intended to be used for operating costs. These resources are not available for payment of non-provider claims. These resources may not be accessed by the LME/MCO without written consent from NC DHHS.								
	LME/MCO 1	LME/MCO 2	LME/MCO 3	LME/MCO 4	LME/MCO 5	LME/MCO 6	Vaya	LME/MCO Totals
Cash & Investments	\$ 74,942,159	\$ 146,362,231	\$ 74,561,571	\$ 68,046,563	\$ 102,306,592	\$ 84,779,296	\$ 53,467,028	\$ 604,465,440
Accounts Payable	- \$ 40,611,193	\$ 47,461,367	\$ 15,311,209	\$ 17,258,192	\$ 14,729,362	\$ 35,429,855	\$ 20,508,770	\$ 191,299,948
Single Stream Payable	- \$ 17,333,474	\$ 36,032,487	\$ 5,998,045	\$ 9,975,219	\$ 14,482,849	\$ -	\$ 4,402,651	\$ 88,224,705
30 Day Cash	- \$ 44,279,763	\$ 72,517,986	\$ 25,027,845	\$ 28,394,466	\$ 27,407,061	\$ 38,449,229	\$ 34,199,853	\$ 268,276,183
Cash Available To Spend =	\$ (27,282,271)	\$ (9,649,589)	\$ 30,224,472	\$ 12,423,686	\$ 45,687,320	\$ 10,900,212	\$ (5,639,226)	\$ 56,664,604
Year To Date Profit (Loss)	\$ (17,908,361)	\$ (10,275,081)	\$ 1,492,052	\$ (3,650,587)	\$ (10,169,094)	\$ 26,993,133	\$ (1,705,441)	\$ (14,830,359)
Service Expense Ratio	106.63%	100.41%	100.10%	108.05%	104.65%	91.15%	108.98%	100.94%
Administrative Exp Ratio	100.36%	109.00%	94.08%	114.24%	120.01%	96.60%	111.39%	106.30%
Total Expense Ratio	105.87%	101.39%	99.43%	104.55%	106.05%	91.66%	104.77%	101.53%
Funds Restricted By NC General Statute 122C - 124.2 (e) (3)								
Medicaid Risk Reserve	\$ 46,515,253	\$ 83,657,479	\$ 32,171,556	\$ 32,064,990	\$ 32,178,422	\$ 43,583,225	\$ 40,657,877	\$ 310,628,802

Why does Vaya have so little spendable cash currently available for community projects?

Single Stream Funding



Since 2015, more than \$47 million has been cut from Vaya's funding—on top of the \$31 million cut between 2009 and 2015

Community Reinvestment

Prior to FY17-18, Vaya spent its Medicaid savings on services for our communities. The Vaya Board designated **\$21,469,683** to support community reinvestment initiatives across the 23 counties in the Vaya catchment area. We were proud to develop several high-value services as part of our community reinvestment plan.

- C3356 Behavioral Health Urgent Care Center
- Caldwell Facility-based Crisis Center
- Balsam Facility-based Crisis Center expansion
- Emergency respite beds
- CLASP Initiative and SOAR expansion
- YVLifeset™
- Narcan® distribution
- MindKare kiosks
- Expansion of MAT
- Project SEARCH
- Integrated care initiatives and workforce development

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Community Reinvestment Initiatives Unable to Fund

- Child Facility Based Crisis (\$500,000 – later funded by a State grant)
- IDC Crisis Service Expansion (\$845,073)
- Peer Run Recovery Centers (\$75,000)
- Substance Use Recovery Housing (\$150,000)
- Veteran's Program (\$225,000)
- Pisgah Legal Services (\$472,500)
- Mountain Housing (\$1,000,000)
- Jail Diversion Programs (\$65,000)
- ICF-MR Rate Increase (\$664,236)
- Northern Region FBC (\$1,300,000)

TOTAL: \$5,296,809

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Takeaways

- Since 2015, Vaya has been required to use \$47m in savings to supplant reductions in single stream funding
- Despite those reductions, Vaya has still managed to fund over \$21 million of community reinvestment projects which have benefitted the entire catchment area

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More Takeaways...

- Vaya continued to commit reinvestment savings until single stream funding reductions reduced Vaya's spendable cash to its lowest point ever, leaving many important projects uncompleted
- Vaya does not have sufficient funding for capital development or ongoing program operations for a Wilkes FBC
- No additional sources of funding for the Wilkes FBC project are known to Vaya

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More to Consider

- What crisis services are available to Wilkes County residents?
- What crisis services are working?
- Are there some options for crisis services development in Wilkes County instead of a FBC?
 - What would help Wilkes County residents most?

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Beds Currently Available to Wilkes County Residents

- 16 at Synergy Recovery
- 12 at C3 Caldwell FBC
- 10 at Cannon Memorial Hospital
- 16 at C3356

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New Inpatient Beds Available to Wilkes County

- Wilkes is in a geographically advantageous position, triangulated with Avery and Caldwell counties, which are adding 44 new inpatient beds
- A development group has requested 35 inpatient beds be added to a proposed conversion of the Alexander Hospital

Wilkes County Utilization

- Outpatient – 2,614 members served
- Mobile Engagement – 950 members, only 18 were referred to Facility Based Crisis
- Advance Access Walk-in Clinic – 1,111 visits; 331 ED diversions (estimated annual savings of \$300,000)
- FBC – 20 members; 147 bed days

Takeaways

- Walk-in clinics have an almost 100% success rate in ED diversion (of the 1,111 Wilkes Advance Access visits, only 7 were referred to ED)
- Mobile Engagement is effective at keeping individuals at home (of 950 visits, only 18 were referred to FBC)

Facility Based Crisis vs Behavioral Health Urgent Care

- A Facility Based Crisis (FBC) center can serve approximately 65 individuals per month, or 780 annually
- A Behavioral Health Urgent Care (BHUC) can serve 300 individuals per month, or 3,600 annually

Benefits of Behavioral Health Urgent Care

- Reduced costs to law enforcement through 24/7 law enforcement drop off
- Reduced jail costs through diversion
- Reduced ED wait times through diversion
- Access to long-term treatment services

Trends to Consider

- Most FBC patients are not Medicaid eligible and in need of detox services- very little funding is available to meet this need
- The walk-in clinic model captures more individuals, never has a wait list and is less expensive to operate than inpatient care
- High need/ benefit services for opioid addiction, like detox and medication assisted therapy (MAT) are increasingly being done on an outpatient basis

Takeaway

- Expanding existing walk-in services in Wilkes County would be a clinically effective and financially viable alternative to a FBC program

Ms. Dupuch provided several updates to include: Integrated Care Project; Program for Treatment for Pregnant and Postpartum Women; Crisis Intervention Training with Law Enforcement in Wilkes County; and \$100K request to purchase Narcan (with-in 90 days Vaya hopes to deliver Narcan to this community for Officers and others).

Mr. Ingraham next discussed the cost of a Facility Based Crisis Center (FBC) he added Vaya and Daymark have a lot of experience with this and developing the programs over a period of time with Daymark operating them all across the state. He added their projections and discussions are based on many years of these facilities being in operation. Next he went through the cost with a brief description as well as the operational cost. Mr. Ingraham added their biggest challenge is to figure out how to do the best they can for the individuals that do not have Medicaid. This is especially the case with crisis services, 70% to 80% of the folks that come in for this care, do not have Medicaid. He added all funding both local and grants are considered when they look at the cost for a 16 bed crisis center in Wilkes. Next he went over the cost of other FBC's from Vaya.

Chairman Elmore asked the number of beds at the C3356 and Child FBC. Mr. Ingraham replied both are 16 beds. He added the most similar to Wilkes would be Caldwell. He asked Carl Spake the number of beds at Synergy. Mr. Spake replied 14. Chairman Elmore said if anyone has questions, please ask as they go.

Chairman Elmore asked why is there such a large cost difference in the C3356 and the Child FBC. Mr. Ingraham replied that was a much larger up fit with multiple programs and offers a larger comprehensive service. The Child FBC was an existing facility that they added 4 more beds. He said in terms of operations Wilkes would be most like Caldwell. Mr. Ingraham stated Billy West with Daymark is here and could address that better. Commissioner Blevins asked the difference from the Wilkes estimates and Caldwell. Mr. Ingraham replied the operations cost would be similar, he was not referring to the facilities cost. Commissioner Blevins ask Mr. West if \$3 million is accurate, Caldwell was \$1.7 million. Mr. West replied it will come down to are they purchasing the building, where it is located, zoning, what is there, and what is needed for coding and zoning, and many variables. He added he does not know enough about Caldwell to know the answer. Mr. West said in his view it is not the facility in Wilkes, the issue is keeping it open. They are running about 18% Medicaid, he added. Mr. Spake stated they run at about 20%. Mr. West said the rest of the money is to come from the state. In order to run a FBC a certain level of staff is needed, especially if they take Involuntary Commitments (IVC), this is where the fixed costs are. Mr. West stated back to the question if \$3 million is enough. Commissioner Blevins said he is not referring to the operating cost, he is referring to the projected cost of construction. Mr. West replied those numbers were two years ago, he would have to say yes possible, but is unsure.

Mr. West briefly explained a Lexington facility they recently did and the cost of it. He stated the first year is very expensive and has to be supported from outside funds. Chairman Elmore asked who supported those facilities. Mr. West replied Vaya. Mr. Ingraham added the difference is those facilities are now a part of their ongoing operation. If they are looking at doing something new there is not new money for operations or development. The other choice would be to take the funds from another program or service. Chairman Elmore asked if those facilities would pull

the folks out of Wilkes, the need is in Wilkes, correct. Mr. Ingraham replied these are regional programs, the FBC is for the northern region.

Vice Chairman Settle stated it seems from the list Vaya had some other foundations and agencies chip in for the facility. The operations is covered from Medicaid and state funds. The state has \$1.4 million toward Wilkes. Mr. Ingraham stated to add a Wilkes FBC there would have to be new money, \$2.5 million for annual operating. There is no new money in operating revenue to sustain a program. Mr. Ingraham stated if they can build it for \$1.4 (he is not saying they can) they are still looking for the operating cost for startup and ongoing costs. It represents new money that is not part of their budget. Commissioner Minton said there are clients currently going out of the county to other facilities, which would now have the option to stay in Wilkes. He added those funds are now going out and would come back, correct. Mr. Ingraham replied they are paying for it anyway. He said if it is the right lever of care, sure. They contract with Synergy currently, they are required to offer all services, and this is one of the important things in their contract.

Mr. Ingraham stated their reinvestment plan never intended to be the totality of the plan, there was always someone else meant to participate in the funding. Chairman Elmore asked Senator Shirley Randleman to explain where the \$1.4 came from. Senator Randleman replied in 2015-2016 the General Assembly Health and Human Services Oversight Committee asked the LME's to present proposals on how they intended to spend down their fund balances. Vaya, then Smokey Mountain, presented a plan which contained a Crisis Facility in Northwest North Carolina. She said after discussions the facility site became Wilkes, they met in Wilkes for site visits and ended up with the Daymark Building. Senator Randleman said the amount in that proposal to the Committee was \$1.4 million. She added once they learned that they were not going to do the facility they continued to have concerns in the General Assembly.

Senator Randleman said in working with the Health and Human Services Appropriations Chair, they went back to the proposal that contained the \$1.4 to construct a facility in Wilkes. She realizes this figure may have gone up since that was 4 years ago. Senator Randleman stated when she spoke with Billy West in December he said it may have gone up about \$300,000 which would be \$1.7. She added they do not know where the other \$1 million in the current estimate came from. It may be the purchase of the Daymark building they are not sure. She added this is where the \$1.4 came from, which was from the proposal Smokey Mountain presented to the committee. Senator Randleman said she suggested to them in December that if they needed \$300K more to go to Representative Elmore and request \$300,000 to finish the construction. She stated they are supposed to submit a report to the Health and Human Services oversight in April, which is a good time to bring this up.

Chairman Elmore asked what year was the Smokey proposal. Senator Randleman replied probably 2016, this is when they did the site visit. In 2017 they learned they were not doing the facility. She went in 2018 and managed to get \$1.4 million. Chairman Elmore stated no doubt construction cost has gone up.

Mr. Ingraham agreed and added even back in the 2016 planning process it wasn't intended that the totality of the project would be \$1.4. This is what they budgeted to put toward it. The other programs all had funding associated with them. They never got anywhere in terms of other organizations showing an interest or having the ability to commit any resources toward this. Chairman Elmore asked if there is money to close the gap in the \$1.4 and the actual construction cost; would that change the consideration for the facility. Mr. Ingraham replied they could make an argument that they could come up with the funds to build it. Their criteria is based on clinical and financial viability, is it going to work for the people in the community, will it do well, and is it sustainable into the future. He added there is a challenge with one time funds vs. ongoing operating expenses. There is always a challenge in doing this for them just as it is for the county and the things they do.

Mr. Ingraham said they are very appreciative of Senator Randleman's work to secure the funding, to them it is what can they do to best meet the needs of the community. They understand it is for the construction of a Facility Based Crisis Center. He added if that is not feasible, is there utility to the money and a way it could still benefit Wilkes and the surrounding counties. Commissioner Blevins said back in 2016 when the original proposal came out Smokey was doing other capital programs and they met at the Library. He recalls there had to be some additional funding to come from resources within the county. There was not enough money budgeted at that time. Commissioner Blevins asked what the plan for ongoing operations at that time was; was it to come from Smokey/Vaya at that time. Mr. Ingraham replied what has changed is they have a lot less money now, that was a different day in terms of what they could afford to do. Commissioner Blevins said that is the problem, he is on the Vaya Board and Finance Committee and has sat through those meetings for many hours. He saw the single stream funding and fund balance reduced during his time, to include a large portion of the fund balance that is tied up by statute. It can't be used, yet it is attributed to their fund balance. Commissioner Blevins said most folks do not believe this argument. It is so complicated financially, is the money there or not for operations, this is the issue, how do they resolve this.

Mr. Ingraham stated he has had this conversation a lot with legislatures, staff, and commissioners. To provide them the information to understand these facts are shown on the slide (LME/MCO Cash Available to Spend). He said no they do not have the funding to contribute anything more toward this. They are not aware of any additional sources of funding that could propel this forward. Mr. Ingraham went through the slide at this time which is a snap shot as of November 30th and the most recent filings on record. He explained: Vaya has \$53 million; they owe accounts payable of \$20 million which is deducted from the \$53; single stream payable (described on the next slide) what they owe toward that this year which is another accounts payable of \$4 million; 30 day cash of \$34 million; this leaves them (5,639,226) cash available to spend which means they do not have the 30 days cash available. They have only about 25 days available. This is the reality of how much spendable cash they have. Mr. Ingraham stated this is talked about a lot, the Medicaid Risk Reserve (by NCGS 122C-124.2(e)(3), and whose money is it. He said it is not Vaya's money, it is the State's money. It is their risk insurance against Vaya if they run out of money and the state has to pay claims. Mr. Ingraham stated no one has ever accessed that money. He added they can add \$41million to their

funds, but it is not accurate. Commissioner Blevins stated the Statue that controls the money lists what the money can be used for, basically it is nothing, unless they go bankrupt.

Mr. Ingraham said there are two quick points to make. The first is why it is that way, it is the single stream reductions and the requirement that they supplant those reductions with Medicaid savings. He added in addition they spent money on reinvestment projects which they are very proud of. They did this until they could no longer afford to, when the non-reoccurring cuts became reoccurring cuts they had to hold up. Mr. Ingraham said that is what happened here and why they came in 2016 and explained it. Chairman Elmore asked how they can stay in business if they continue down this path. He is hearing that they cannot afford to put a facility in Wilkes County. Mr. Ingraham replied they cannot afford any additional funding. If it could fit within the existing budget they could, they can't find new money. Mr. Ingraham stated some of the later slides have several other things they are not doing that they cannot afford.

Chairman Elmore asked do they have plans to have a FBC anywhere in this region. Mr. Ingraham replied not now. Chairman Elmore stated it is not just Wilkes County. Mr. Ingraham replied no. Chairman Elmore asked if all their plans for future facilities are on hold. Mr. Ingraham went over the list from the slide showing things on hold at this time. Vice Chairman Settle stated he understands the Risk Reserve and why they do that. He asked what they use to gauge what is needed and what they can afford in Wilkes County. Mr. Ingraham replied they go back to what they understand about the operations of these programs and what is being proposed. Vice Chairman Settle stated Vaya put startup money in the C3356 in Asheville; Caldwell; and Balsam, was that because this was all pre 2016. Mr. Ingraham replied it was over a period of time. Vice Chairman Settle said they have \$1.4 million available and they say they need \$3 million to build it plus operation cost. Is this just bad timing for Wilkes. Mr. Ingraham replied they look at the needs they are trying to meet in Wilkes and the surrounding areas. This was not what the money was appropriated for but this is how they look at it. Is there another way this money could be used that would be clinically and financially viable and sustainable.

Senator Randleman stated in speaking with the Chair of Health and Human Services it is clear the \$1.4 was earmarked for a particular purpose. If the money is not used for this purpose as of June 30th it will revert back to the State's general fund. Ms. Randleman said if Vaya needs money to extend or expand services in Wilkes and Northwest NC they can go into the General Assembly through a Legislative member or directly to Health and Human Services oversight and make the request for additional funding to expand services. This money is earmarked for a crisis facility in Northwestern NC and since the site had already been chosen that is why it says Wilkes County.

Senator Randleman said they can ask for additional funding and show evidence of need and then the new appropriations chairs will decide whether or not they have the money to expand those services or not. Representative Jeffrey Elmore stated with an appropriation of that nature it is based on non-reoccurring funds and they have a reoccurring budget. The State's budget as a whole for reoccurring funds will be extremely tight if not null. Representative Elmore said with a non-reoccurring appropriation like this, if that money goes back in the general fund it will basically disappear. It will be impossible to change it with the time frame that the legislation

was written because the only way a change could happen from non-reoccurring to reoccurring would be through the entire budget process. He added it can't happen with a snap of fingers. If they tried to get this to happen with the tightness of reoccurring funds the flock they are proposing later in the slides to turn it into operations money would be impossible and no availability to do that. Representative Elmore stated in his research and trying to find out what is going on, he is not on DHHS or an expert, but they have been put to the task of having a proposal in April of how they will do this. It is to the point that coming together with a plan and presenting it in April is a viable option. As for converting to operational, is not going to happen, very few people have the weight in Raleigh to make this change happen with the Budget numbers they have.

Mr. Ingraham stated they understand one time vs. reoccurring and the likeliness of anyone changing that. He asked if they changed from construction of a FBC to something that was not brick and mortar, but still left it one time, would it be an option. Representative Elmore replied the point he is making is if they want to make that change they have to have a report in April or the money goes away with the fiscal year. He added this is the way the provision is set up. He said they deal with this all the time with the education budget and pilot programs, they are non-reoccurring funding and tied to salaries and they are always concerned about continuing the pilot. Mr. Ingraham stated they agreed with all of them, they do not want to lose this resource. This is what they do, get funding to get the maximum benefit for the county residents and all folks in their catchment area for the greatest benefit. He added there could be options even with one time funding where they could start something that is not as specific as a FBC, a plan B. Mr. Ingraham said it is one time only, but not specifically for the construction of a FBC. They are not sure if anyone in the General Assembly would take a look at a change in the language. Representative Elmore stated the point he is trying to make is the language cannot be changed at this point. The way this is written the \$1.4 will revert back and disappear. Even if it is recreated in some other format, this is guaranteed at this time. He added then they are at zero and trying to capture the money back. Representative Elmore said with the budget constraints if they get something back it will be very little and will most likely be another non-reoccurring appropriation because that would be the availability. The big question they need to ask from what they see on the numbers, is how much strain they want to place on their 30 day cash. Representative Elmore added this is a decision that Vaya has to make as the entity. He said he appreciates all the information and data from the CFO Christina Dupcuh at Vaya as well as from Billy West at Daymark it helps to understand the big picture for Vaya and other LME/MCO's.

Commissioner Blevins stated in looking at the financials he is acknowledging they have about 30-days cash flow. Representative Elmore replied that is what they are operating on and the way the Statue reads and the reason it is in place is if they go bust. Commissioner Blevins added the money by Statue is only for that reason, other than that they have about 30-days fund balance. Representative Elmore stated the way it works is they are counting this in the fund balance, they can get consent from DHHS if something really bad happened. They could draw funds out if they were losing money and explained why. Commissioner Blevins asked if any LME in NC has received money from DHHS on a waiver that he is aware of. Mr. Ingraham replied no, never. Representative Elmore stated that is a piece of the legislation to make sure if they do dissolve or disappear the state has a cushion for that.

Carl Spake with Synergy Recovery asked why does no-one think Wilkes has a FBC program, they do. The program has always been called Detox and he is not sure if they got lost in that title. They are a Facility Based Crisis program. They treat substance use disorders; mental health; and do an intergraded dual diagnosis. He said if a program is built in this county it will compete with them, or they will compete with it. Mr. Spake stated they have a contract with Partners and Vaya both and are always looking for expansion. They are one of the only facilities that is for profit, although there is very little profit in it. He said they do things differently, they do not use nurses. It is less expensive because the state has given them the capability to do this. Mr. Spake stated it is difficult with cash flow and keeping the doors open, they do not want to lose clients. He is worried people have forgotten they are a FBC and not just a detox. He added they cannot mix client populations together, for this reason they do not take IVC clients.

Commissioner Blevins asked if there is some way the funding can be used to improve Mr. Spake's facility and enhance it to create a more comprehensive FBC in what he has already. Can they all work together and talk about moving forward. Commissioner Blevins added it may fit into the wording of the legislation and benefit Wilkes County. There is funding in place for ongoing operations at Synergy currently, that possibly could be expanded to other partners. Mr. Spake said they currently have 14 beds so it would take 2 to get to the maximum of 16. Chairman Elmore asked if the \$1.4 could be invested in this facility owned by the county and leased to Synergy. Senator Randleman replied that would need to be an inquiry, she does not know. She added they talked about money, but have not talked about the need. Senator Randleman said at the meeting in December the question was asked comparatively to what the need is today. She stated Mr. West made them aware at that time, the need is greater, and it has not declined. Senator Randleman said the citizens in this county and region deserve the services just as others in NC has. This is the main objective, to make sure the people in this area are served.

Chairman Elmore asked Mr. Spake if they build 16 beds at his facility can he operate it efficiently. Mr. Spake replied yes. Chairman Elmore asked why Vaya can't do this. Mr. Ingraham stated there are differences in Mr. Spake's programs and some of the other things they have talked about. They can look at a way to do that. Mr. West stated he has known Mr. Spake a long time and they work together well to see a lot of people, there is a need that is true. Mr. West said they have seen more walk-ins this year, the walk-in clinic is very effective, it keeps folks out of the ER. Unfortunately the ones that need to go do, but this causes a problem at the hospital. Mr. West stated the walk-in clinic is beneficial, the need is there, the clinic at Daymark is referring clients to Synergy and Caldwell. He added the \$1.4 million is a great thing, they would love an FBC, but as a provider they do not want to build something that in 2 years will close. If there is an existing way to do it with an existing resource that is great. Mr. West said with the walk-ins not everyone can go home, if they can send them here locally they will. He added it is hard to keep those beds 100% full. Mr. Spake agreed. Mr. West said it is tough to do, it does not mean the need is not there, it is tough to let people come and go. The clients can decide if they want to leave treatment.

Chairman Elmore asked if the 14 beds at Synergy are full at this time. Mr. Spake replied yesterday yes, today no. Chairman Elmore asked how many are Wilkes citizens. Mr. Spake

stated today it is two, he added over the last year they have had 96 folks from Wilkes. Mr. West said since Synergy does not have nurses they cannot do IVC as Daymark can, and to be able to do that they have to be certified and show expertise. There are a lot of things Daymark has capacity to do that Synergy can't. Mr. West stated if they get the 16 beds how can they maximize the efforts, maybe they can extend the walk in clinic too. He added this would not take \$1.4, but it is very detailed work to make changes. It is not as easy as it sounds to just add two beds, it is very complex.

Commissioner Blevins stated he has met with Mr. West and Vaya a few times and they have discussed what kind of service will aid Wilkes County to address the needs. He added they were very impressed that a 24/7 walk-in clinic to have needs met would be very effective to help keep folks out of the ER and cut down on IVC. Commissioner Blevins said they thought this would be a great way to go and why they began to pursue this. Unfortunately the way the legislation is written they can't use that money, but it is still a great idea. He added if they can get support from Vaya to do that it will be beneficial. Mr. West stated they had the same issue in Winston-Salem, it was slated for an FBC and he was called into a room and asked what they could do for a whole lot less. He said they came up with this idea to run the clinic 24/7. Mr. West said what he hears from every MCO they work with (not just Vaya) is they don't know if they can sustain this level of service, where can they find cuts, and what are the priorities. He added they have more indigent than they have indigent money, until Medicaid expansion, they have nothing until it happens.

Commissioner Minton asked why there is no break out of the \$1.4 to build the addition. What are the specific construction cost. They have not saw that in the packets, he added. Mr. West said they will not see that, it would have cost about \$30K to get that. Commissioner Minton said they used something to come up with the original \$1.4. Mr. West replied they had contractors that had built other facilities to come and give an estimate. Commissioner Minton stated he did not have to see every item, but would have liked to see the big picture of how they got to \$1.4 in the presentation today. He added they mentioned the \$1.4 then another \$300K, and a total of \$3 million needed. Where is the breakdown of how they got to this amount. Commissioner Minton asked what the cost to do the addition is, they have provided that before to someone, that is how they got to the \$1.4 originally, but they don't have that today. He understands it is \$196 a SF, but he would like to see a breakdown of the construction cost estimates. Commissioner Blevins asked originally did they have a consultant to draw up a plan to give them some preliminary plans. Mr. West replied Vaya hired a consultant that took the construction cost of the facility Daymark had done and consulted with one of their contractors and said it would cost \$30K to get the architect to do this. He said then they asked them to give an approximate cost estimate. They have that, just not with them today. Mr. West said he can go back and find it for them. He added the \$300K is nothing more than he called his contractor and asked if they had to do this today and he gave them the \$1.4 estimate 2-years ago give him the worst case scenario increase. Mr. West said the contract said he would give him a wild guess of \$300K it is just a ball park estimate from a phone call. The \$1.4 was more solid, but still without paying someone to draw it up and itemize. He will find it and send to you, he said. Commissioner Minton stated it would be good to see, it is viable information and from his understanding it was provided in December. He added it would have helped to explain this today.

Representative Elmore stated he has to leave, but very much appreciates everyone's time. He added in this particular case a lot of the issue is communication between all the stakeholders on what can and cannot be done, for understanding, and transparency. Representative Elmore said he would like to compliment them for pulling this together to hash some of this out and come up with different ideas and solutions. He added in order to be able to do something they have \$1.4 million on the table that will disappear. The LME has until April to come up with a game plan on how these funds will be used and they hold the ability to pull it together to relay back to them. Representative Elmore stated at any point the Commissioners feel their LME is not working for them they are empowered to say they want to switch through a request to DHHS. Chairman Elmore thanked Representative Elmore for attending and leaving Raleigh early to get back in time for this meeting. He added the Board appreciates all he does.

Chairman Elmore stated before he leaves he would like to clarify the money goes away if they do not use for the beds at Daymark for the FBC. He asked can someone make a decision to use it at Synergy at a county owned building. Representative Elmore replied he cannot answer this, it would be determined by the definition of a FBC, the legislation called for an FBC. Chairman Elmore stated this may be possible. Representative Elmore replied maybe, he is unsure. Senator Randleman added when they did the site visits, she does not know if Synergy was ever a part of the discussion. She said they looked at properties and then Vaya made the decision the best option was to add on to the Daymark Building. Senator Randleman said if this is an option it needs to be discussed, but it was never mentioned before.

Ms. Susan Bachmeier, Chief Nursing Officer, WFB-Wilkes Medical Center, said to add to their decision process it is imperative to the hospital that they have more Behavioral Health beds to provide for their patients. Ms. Bachmeier said in calendar year 2018 they provided over 22,000 hours of patient holdings within their Emergency Department. This does impact everyone in this room. If they are holding a patient because a bed is not available that room is not available for someone else that may need it at the hospital. She said they understand the need and sympathies on the funding of behavioral health care for Wilkes. Ms. Bachmeier said they have to have some relief. She added earlier this week they held two children in their ER for days, and sometimes up two weeks because they have no place to go that is appropriate for their care. They keep them warm, safe, bathed and fed, but they are not providing them what they and their families need. Ms. Bachmeier stated this has a huge impact on every aspect of health care. Chairman Elmore thanked Ms. Bachmeier for her time and comments. Mr. Spake agreed there is lots of pressure on the hospital for placement on IVC as well as Sheriff Shew and his Deputies and all the time they spend over there waiting for placement. He added if they can help with this that will help meet some of the needs in Wilkes County.

Vice Chairman Settle asked if the \$1.4 is spent at his facility would that help alleviate the problem at the hospital. Mr. Spake stated they have stopped taking IVC's, there is a new rule and designation that required accreditation that cost \$10K to \$20K every three years. He added this is why they made the decision to no longer do this, they can't afford to. Mr. Spake said two beds will help some. He said the most helpful would be a 24 hour facility where folks can come in, be assessed no matter what the population and try to find placement. In some of these cases

issues are resolved in less than 24 hours once they get someone to talk to. He added this would be very helpful in his opinion.

Senator Randleman stated she has received many calls over the years that folks are waiting on beds. She added it would be awesome to have an FBC for them to go rather than the ED, if it is stabilization of meds that could be handled at Daymark quickly that would be great. There are folks that have physical damage or health issues related to injuries and if their needs can be addressed like this that would be great. Senator Randleman said the deputies do not need to be sitting with them at the ER or transporting them to Burke County they need something here, where the need exists. She added Synergy does a great job, she has worked with them, but they need a facility that takes IVC that will make a difference along with a 24 hour clinic. Senator Randleman said it is much broader than substance or alcohol abuse, it goes much farther, with IVC's, injuries and circumstances beyond their control. The need to meet all of these needs.

Mr. Donald Reuss with Vaya Health said he has the task of operationalizing these facilities across their region. He added so they can help understand the issues, today they have a 16 bed child facility in Asheville half empty. They are working with all their counties in Western NC trying to figure out how to get the children sitting in the ED to those facilities. Mr. Reuss stated most hospitals will not discharge those individuals to what they consider a lower level of care which is what they consider a FBC. They want to transfer to an inpatient level care or another hospital. Their goal is to get them to the FBC before they go to the ED. Mr. Reuss said they need to catch them in their crisis before they go, because they have rules that do not allow them to discharge to the FBC, even if they build it they would have to make the decision to transfer them to a lower level of care, which is very hard to do. He added this is why the walk-in clinic is so helpful and they can keep the beds at the FBC full. None of the FBC's in their region are full he checked them all this morning. It is not that there is not a need, it is a struggle to get them to the facilities and a system issue, which has to do with many factors, he added.

Chairman Elmore stated he has heard another county discuss the combination of needing a 24 hour clinic and FBC both. They do not know the answer, but they are looking to all the folks in the room today for help. Mr. Ingraham replied that is why they are here, they are not giving up. Chairman Elmore said they do not want to lose these funds. Mr. Ingraham said they hate they cannot respond to all questions sufficiently to everyone, and does not like to say it is more complicated than that, but it is. He regrets they did not provide the level of detail they would have liked they will be sure to do that. Mr. Ingraham said they will keep working on this, they will not over promise, but there may be a hybrid approach to meeting the requirements of the legislation and doing something at Synergy and Daymark. He added if there is a way to do it they will figure it out and hope they have this as the take away, they are huge advocates of this county.

Chairman Elmore asked if anyone else would like to speak that has not. No one else asked to speak at this time. Vice Chairman Settle said they have 7 weeks to come up with something, there are many folks in this room that can help, and they have procrastinated enough. Mr. Ingraham asked to allow them keep working on it, the goal was to level the information today so that everyone could understand it as much as possible. He asked them to have faith in them and

they will do what they can. Vice Chairman Settle stated he has heard complicated and complex and he agrees it is. Mr. Ingraham replied they are trying to provide the right amount of detail without over doing it, which requires them to believe they are telling them the truth. Chairman Elmore stated they had a lot of the main questions answered and he asked if anyone has anything to add this is their opportunity. Mr. Ingham stated they will stick around if someone has individual questions for them. Commissioner Blevins said they made good progress today, they have some new ideals that sound viable if they can get the language together to move ahead. He added they will have to put a working group together of folks that have knowledge of this quickly and get them onboard as well as someone from the legislature. They need to make sure the wording and legalities are acceptable to the legislature as a hybrid of the original plan. Senator Randleman said the report they are to present in April is on the implementation of that provision that was in the budget. When they go in they will need a description or explanation as to how they have implemented the provision in the law. She added it was specifically written for that reason so they can come in and provide a written report of how they are going to do this and the plans for the facility. It is not to go in with a different proposal of how to change it around, that would have to come in the next budget cycle. Ms. Randleman stated just as when they met in December if the cost is not \$1.4 if it is \$1.7 that is what they need to go in and ask for. She did not want them to misunderstand what this report is supposed to contain. It is how Vaya has implemented the provision in the budget.

Chairman Elmore thanked everyone who came today for their time and insight. He added Vaya will now go back to rehash and come back with a solution and communicate that to them. Mr. Ingraham promised that they will give it their best effort.

ADJOURN – The Special Called Meeting Work Session of the Wilkes County Board of Commissioners adjourned at 4:56 P.M.

Sarah D. Call, Clerk

Giddeon Keith Elmore, Chairman

WILKES COUNTY BOARD OF COMMISSIONERS

Approved: