

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE STATE OF ALABAMA DEPARTMENT OF FINANCE AND
THE ALABAMA DEPARTMENT OF MENTAL HEALTH
FOR THE DISTRIBUTION OF CARES ACT CORONAVIRUS RELIEF FUNDS**

This Memorandum of Understanding (“Agreement”) is made by and between the State of Alabama Department of Finance, at 600 Dexter Avenue, Montgomery, Alabama 36130, hereinafter referred to as “DOF” and the Alabama Department of Mental Health at 100 North Union Street, Montgomery, Alabama 36130, hereinafter referred to as “ADMH.” DOF and ADMH are hereinafter collectively referred to as the “parties.” This Agreement becomes effective upon approval of the parties and the Governor.

1. PURPOSE AND SCOPE

(a) The federal Coronavirus Aid, Relief, and Economic Security Act, hereinafter referred to as the CARES Act, established the Coronavirus Relief Fund, hereinafter referred to as CRF. The CARES Act appropriated \$150,000,000,000 to the CRF to make payments to state, local, and tribal governments for the purposes enumerated in the CARES Act, namely to respond to and mitigate the coronavirus pandemic. The State of Alabama received approximately \$1,900,000,000 from the CRF. CRF funds may only be used to cover costs that 1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); 2) were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and 3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

(b) Alabama Act 2020-199 divided the State of Alabama’s share of CRF funds into ten categories and charged DOF with the responsibility of administering the funds on behalf of the people of Alabama. One such category provides, “Up to \$300,000,000 to be used to reimburse state agencies for expenditures directly related to the coronavirus pandemic.” ADMH is requesting, and DOF is agreeing to provide, \$1,000,000 from this category of CRF funds to support ADMH’s “Crisis and Recovery Services” program as described in the overview document attached hereto as Appendix A. ADMH is further requesting, and DOF is agreeing to provide, \$6,000,000 from this category of CRF funds to support ADMH’s “Community Provider Reimbursement” program as described in the overview document attached hereto as Appendix A.

(c) ADMH’s “Crisis and Recovery Services” program will develop a web-based/toll-free crisis hotline to help direct individuals, especially those impacted by COVID-19, to appropriate services. This hotline will be staffed by trained crisis specialist to determine the acuity of a crisis situation and determine the appropriate intervention needed to alleviation or stabilize the crisis.

(d) ADMH has nearly 300 provider agencies that offer essential services to individuals with mental illness, substance use disorders, and developmental disabilities. ADMH’s “Community Provider Reimbursements” program will reimburse these providers for eligible and verifiable cost incurred in responding to the COVID-19 outbreak as described in Appendix A.

(e) As these projects have been presented to DOF by ADMH, DOF has concluded the "Crisis and Recovery Services" and the "Community Provider Reimbursements" programs are necessary to respond to and mitigate the coronavirus pandemic in Alabama. Further, DOF concludes that funding this project using the State's CRF funds is an appropriate use of these funds under both federal and state law. DOF fully supports ADMH in its efforts to support and protect the citizens of Alabama.

II. PARTIES' RESPONSIBILITIES

A. ADMH agrees to the following:

1. To develop and implement its Crisis and Recovery Services and Community Provider Reimbursements programs as described in Appendix A;

2. To provide to the State Finance Director's Office, on the Fifteenth of every month, beginning September 15, 2020 until conclusion of the programs by either completion or termination, a report detailing the progress made on these programs and an itemized list of expenditures for these programs for the preceding month;

3. To set up new accounting codes or procedures, as determined by DOF, to track funds dispersed under these programs, including "Appropriation Class 371 - Mental Health Provider Program" for the Community Provider Reimbursements program;

4. To use the funds provided by DOF under this Agreement in accordance with federal and state law and for the purposes set forth in this Agreement and for no other purpose;

5. To spend or return any funds provided by DOF under this Agreement by December 15, 2020; and

6. ADMH acknowledges and agrees that any contracts or other agreements entered into by ADMH that utilize the CRF funds provided under this Agreement can only be funded with CRF funds until December 15, 2020, at the latest. After December 15, 2020, a different funding source must be utilized for such contracts or other agreements.

B. DOF agrees to the following:

1. To provide \$1,000,000 to ADMH from the State's CRF funds as described herein to fund ADMH's proposed Crisis and Recovery Services program and for no other purpose; and

2. To provide \$6,000,000 to ADMH from the State's CRF funds as described herein to fund ADMH's proposed Community Provider Reimbursements and for no other purpose.

III. TERMINATION OF AGREEMENT

Except as set forth in this section, this Agreement may be terminated only by a writing signed by each party or representatives of each party. If ADMH determines that it will not pursue

either of these programs for whatever reason, it may terminate this Agreement upon written notice to the State Finance Director and upon return of any unspent funds. If DOF concludes, after a reasonable investigation and in its sole discretion as administrator of the funds, that the funds provided hereunder have been used in a manner inconsistent with federal or state law, DOF may terminate this Agreement immediately upon written notice to ADMH.

IV. MISCELLANEOUS PROVISIONS

A. The terms and commitments contained herein shall not constitute a debt of the State of Alabama, which is prohibited by Section 213 of the Official Recompilation of the Constitution of Alabama, 1901, as amended by Amendment No. 26.

B. By signing this contract, the contracting parties affirm, for the duration of this Agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of this Agreement and shall be responsible for all damages resulting therefrom.

C. In the event of any dispute between the parties, senior officials of both parties shall meet and engage in a good faith attempt to resolve the dispute. Should that effort fail, and the dispute involves the payment of money, a party's sole remedy is the filing of a claim with the Board of Adjustment of the State of Alabama. For any and all other disputes arising under the terms of this contract which are not resolved by negotiation, the parties agree to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation. Such dispute resolution shall occur in Montgomery, Alabama, utilizing where appropriate, mediators selected from the roster of mediators maintained by the Center for Dispute Resolution of the Alabama State Bar.

D. DOF and ADMH understand the unprecedented and novel challenge that COVID-19 presents to the State and its healthcare institutions. Therefore, ADMH cannot guarantee the success of its efforts under this Agreement. In addition to the reporting requirements in Section II.A.2., ADMH will reasonably update DOF of material changes that make ADMH performance hereunder impracticable.

E. In order to comply with federal requirements relating to the administration of grants and other federal assistance funds, DOF provides the following information to ADMH: This subaward is provided to ADMH through a grant to the State of Alabama in the amount of \$1,901,262,000 from the U.S. Treasury via Section 601(a)(1) of the Social Security Act (42 U.S.C. 301 et seq.), known as the Coronavirus Relief Fund, as created by Section 5001 of the CARES Act, Pub. L. No. 116-136 (March 27, 2020) under Federal Award Identification Number SLT0002 and SLT0223, CFDA #21.019 Coronavirus Relief Fund for the period March 1, 2020 to December 30, 2020. This subaward is provided in accordance with the requirements set forth in the CARES Act and other applicable federal and state law and policy, and ADMH affirms that all information it has provided to DOF relating to this subaward is true and accurate. This subaward does not include research and development. The parties acknowledge and understand that each subrecipient of CRF funds will be evaluated in accordance with Code of Federal Regulations, Title 2, § 200.331(b) for risk of noncompliance with federal statutes, regulations, and the terms and

conditions of the subaward. Further, each subrecipients' activities will be monitored as necessary to ensure that the subaward is used for authorized purposes, in compliance with law, and that subaward performance goals are achieved. Other monitoring tools may be implemented depending on the level of risk posed by the subrecipient.

V. AMENDMENT

This Agreement may be amended only by a writing signed by each party or representatives of each party.

In witness whereof, the parties hereto have caused this Agreement to be executed by those officers, officials, and persons thereunto duly authorized.

State of Alabama
Department of Finance



Digitally signed by Kelly Butler
Date: 2020.08.05 12:21:16
-05'00'

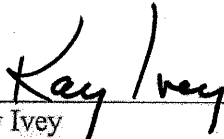
Kelly Butler
Finance Director

State of Alabama
Department of Mental Health



Lynn Beshear
Commissioner

APPROVED:



Kay Ivey
Governor of Alabama

Date: 8-10-2020



KAY IVEY
GOVERNOR

STATE OF ALABAMA
DEPARTMENT OF MENTAL HEALTH
RSA UNION BUILDING
100 NORTH UNION STREET
POST OFFICE BOX 301410
MONTGOMERY, ALABAMA 36130-1410
WWW.MH.ALABAMA.GOV



LYNN T. BESHEAR
COMMISSIONER

Alabama Department of Mental Health (ADMH) Coronavirus Relief Fund Grant Program

Request

Establish a grant program to disperse funding from the Coronavirus Relief Fund received by the State of Alabama (Finance Department) and transferred to ADMH for behavioral health services for individuals and community providers disproportionately impacted by COVID-19.

Breakdown of Funding

ADMH requests \$7 million in one-time investments to enhance behavioral health services for individuals impacted by COVID-19 and reimburse community providers for unexpected expenses related to the virus. The investment will target creating a gateway for people impacted by COVID-19 to access appropriate services for people with mental illness, substance use disorder and intellectual/developmental disabilities.

Crisis and Recovery Services: \$1 million

The COVID-19 pandemic is having a disproportionate impact on vulnerable populations, particularly in terms of higher rates of COVID-19 illness and mortality. In addition to the physical health impacts, ADMH and its community partners anticipate a surge in mental health and addiction treatment needs caused by the pandemic will further deepen the overall health and related economic disparities in these communities across the state. We anticipate that people receiving services will have an increased acuity and people who have never previously sought treatment for behavioral health concerns will now seek support for needs such as anxiety, depression, and substance misuse. As reported in local media, there has already been a surge in overdoses throughout the state during the pandemic

Elinore McCance-Katz, who leads SAMHSA in HHS, affirms this anticipation: “The COVID-19 pandemic has impacted the behavioral health of the nation in that many individuals with existing or newly developing mental and substance use disorders have experienced additional stressors through the declining economy and high unemployment rates. These health conditions will not only affect individuals who are in recovery, but also new individuals with mild to moderate symptoms because of prolonged stress and isolation. Accordingly, treatment providers will likely see increases in the demand for access to services.”

The CDC has an entire webpage dedicated to coping with stress of a pandemic. They encourage people to seek help and treatment from behavioral healthcare providers. Unfortunately, there is not any type of centralized resource, like a call center/crisis line, that can help connect Alabamians impacted by COVID-19 to treatment and services.

In April and June 2020, TBD Solutions conducted two surveys of behavioral health providers to understand the impact of COVID-19 on service delivery. In April, 45.3 percent of call centers had seen an increase in volume and referrals, and in June, 58 percent of call centers had seen an increase. That same survey identified “care coordination issues” as the top reason that calls were increasing. Respondents also reported an increase in the acuity of the people they serve, which they attributed to both increased psychosocial stressors brought on by COVID-19 as well as reduced access to available services.

Currently, Alabama does not have a centralized call center to help route or direct individuals (especially those impacted by COVID-19) to appropriate services. Therefore, ADMH proposes to enhance statewide and regional crisis line capacity by developing a web-based portal/toll-free number available 24/7/365 and answered by trained crisis specialists. Crisis call centers are often the first point of access for people experiencing a mental health crisis, de-escalating individuals and connecting them with helpful community resources. A triage screening determines the acuity of the crisis situation and determines the appropriate intervention needed to alleviate and/or stabilize the crisis. Especially, during a time when hospitals are overwhelmed and mental health providers struggle to deliver services at the same pre-COVID level, a crisis line would help identify and route people to the appropriate resources they need from the safety of their own home.

Community Provider Reimbursements: \$6 million

The Alabama Department of Mental Health has nearly 300 provider agencies that offer the full array of essential services to individuals with mental illness, substance use disorder, and developmental disabilities. These providers have continued to operate throughout the pandemic incurring many unexpected expenses related to the virus which threaten their already thin financial margins.

ADMH is proposing a grant program to reimburse these providers for COVID-19 related expenditures. All reimbursements to community providers would be in accordance with Finance Director Kelly Butler’s memorandum dated June 3, 2020 concerning Federal Coronavirus Relief Fund. ADMH will set up new accounting codes and establish any necessary procedures to track all funds dispersed and provide reports to the Finance Department which will be outlined in an MOU. All reimbursements will be for eligible and verifiable costs incurred in responding to COVID-19 outbreak. We will utilize the following test for eligibility of expenditures must meet the following three conditions; a) necessary expenditures due to COVID-19; b) not budgeted as of March 27, 2020; C) incurred on or after March 1, 2020, up to December 30, 2020. All reimbursed expenses will be fall into one of the categories outlined in Mr. Butler’s “Attachment B” that delineated the following categories:

- Personal Protective Equipment
- Cleaning and Sanitation
- Medical

- Workplace Safety Preparations
- Telework Expense
- Training
- Payroll
- COVID-19 Related Leave

We will reiterate to providers that Federal Coronavirus Relief Fund expenditures are subject to federal audit and clear, verifiable documentation (showing proof of payment, date, purpose and amount etc.) must be provided for all claims (no exceptions). The providers will have to complete and submit the Certificate and Assurance Form that was part of Mr. Butler's memo.

To date, ADMH has received reimbursement requests from community providers for expenses incurred March-June 2020 that total approximately \$4.3 million. Looking to the remainder of CY2020, it is anticipated that these providers will incur additional \$1.7 million in COVID-19 related expenditures (PPE, cleaning/sanitation, medical and workplace safety).