

**Statutory Authority**

North Dakota Century Code Chapters 6-09.16, 10-4, 11-23, 12.1-01, 13-05, 14-08.1, 14-09, 14-10, 14-12.2, 14-13, 14-15, 14-15.1, 14-19, 14-20, 15.1-02, 15.1-24, 15.1-32, 15.1-34, 19-03.1, 23-02.1, 23-06, 25-01, 25-01.1, 25-01.2, 25-02, 25-03.1, 25-03.2, 25-03.3, 25-04, 25-11, 25-16, 25-16.1, 25-16.2, 25-17, 25-18, 26.1-02, 26.1-36, 26.1-45, 26.1-54, 27-20, 27-21, 28-21, 34-15, 35-34, 39-01, 43-41, 50-01, 50-01.1, 50-01.2, 50-06, 50-06.1, 50-06.2, 50-06.3, 4.6, 50-24.7, 50-24.8, 50-25.1, 50-25.2, 50-27, 50-28, 50-29, 50-30, 50-31, 50-32, 50-33, 50-34, 50-35, 54-23.3, 54-38, 54-44.3, 54-44.8, 54-46, and 57-20.

**Agency Description**

The North Dakota Department of Human Services is an umbrella agency headed by an Executive Director appointed by the Governor, who with the Executive Leadership Team, oversee the operations of Administration and Support, Behavioral Health and Field Services, Medical Services, Program and Policy and the Human Service Zone area.

Administration and Support includes Fiscal Administration, Human Resources, Legal Advisory Unit, Risk Management and the Executive Office. The Behavioral Health Division is responsible for licensing, system-wide policy development, planning and training, and workforce development. The Field Services Division is responsible for the provision of clinical services at the eight regional human service centers, the Life Skills and Transition Center and the North Dakota State Hospital.

Medical Services is responsible for the Title XIX Medicaid program, including medical review and quality measurement/improvement, Early and Periodic Screening, Diagnosis and Treatment, the Children's Health Insurance Program (CHIP), long-term care qualified service provider enrollment, Medicaid eligibility policy, claims, and audits; the Program of All-Inclusive Care for the Elderly (PACE); Autism Spectrum Disorder waiver and autism services, Medically Fragile Children's waiver, Children's Hospice waiver; and Medicaid expansion.

Program and Policy is comprised of seven major areas: Aging Services, including nutrition services, family caregiver support, home and community-based long-term support services and case management, vulnerable adult protective services and Money Follows the Person; Children and Family Services, including adoption, foster care, child care licensing and child protective services; Child Support; Developmental Disabilities, including early intervention services and long-term community-based residential and support services; Economic Assistance, which includes public assistance program policy and eligibility; and Vocational Rehabilitation. North Dakota's economic assistance programs are supervised by the state and administered by the 19 human service zones. Additionally, many aging services and children and family services are provided through county social service boards or contracted providers.

Direct delivery of services to individuals and families is provided through the eight regional human service centers. The centers provide an array of outpatient services including behavioral health services, behavioral health crisis services, outreach, developmental disabilities case management, other human services, and vocational rehabilitation services. Regional representatives at the human service centers also provide supervision and direction to county agencies in the provision of social services. The North Dakota State Hospital serves as an acute, intermediate, and rehabilitative psychiatric hospital serving primarily the southcentral and Devils Lake regions and secondarily for all other regions. NDSH also provides residential substance use disorder and Sex Offender treatment. Life Skills and Transitional Center provides residential services for youth and adults with intellectual disabilities and complicated behavioral and medical needs.

**Major Accomplishments**

1. Transitioned Medicaid Expansion outpatient pharmacy services to being administered by the department, resulting in over \$6.0 million savings.
2. Transitioned the Children's Health Insurance Program (CHIP) from a managed care program to a fee-for-service program administered by the department.
3. Increased the income eligibility limits to 162 percent of the federal poverty level for pregnant women so more will be eligible for Medicaid.
4. Updated the Medicaid State Plan effective May 1, 2020 to allow more providers to enroll to provide targeted case management for members with serious mental illness or serious emotional disturbance.
5. Added substance use disorder withdrawal management services to the Medicaid State Plan effective October 1, 2020.
6. Transitioned 63 individuals from an institution to community living through the Money Follows the Person program. Increased the eligibility age to 13 for the Medicaid children's autism spectrum disorder waiver.
7. Served an unduplicated 4,411 children through the Child Care Assistance Program in SFY 2019.
8. Served 72,203 unduplicated eligible individuals through the Supplemental Nutrition Assistance Program (SNAP) in SFY 2019, and 44 percent of them were children and youth, age 18 and younger.
9. Assisted 13,361 households with home heating costs during the 2019 Low Income Home Energy Assistance Program heating season.
10. Served an unduplicated 4,813 eligible individuals through the Temporary Assistance for Needy Families (TANF) program in SFY 2019.
11. Initiated a two-year federal grant-funded project to study intergovernmental case processing in child support.
12. Continued to implement social service redesign efforts by supporting the development of transition plans for the 19 new human service zones.
13. Implemented legislative investments to increase access and awareness of Home and Community Based Services (HCBS) for older adults and individuals with physical disabilities.

14. Became the seventh state in the country to receive approval of its Family First Title IV-E Prevention Services and Programs Plan.
15. Centralized Early Childhood Services operations by transitioning 25 county and regional licensing and supervisory staff into the CFS Division.
16. Transitioned 17 regional staff into the CFS Division as Field Services Specialists to help implement a program of continuous quality improvement and provide technical assistance and supervision of child welfare services.
17. Led efforts that will result in the statewide implementation of the Safety Framework Practice Model for child welfare.
18. Entered into a new State/Tribal Title IV-E Agreement with the four federally recognized Tribal Nations in North Dakota: Mandan, Hidatsa & Arikara Nation, Spirit Lake Nation, Standing Rock Sioux Tribe, and Turtle Mountain Band of Chippewa.
19. Expanded and transformed behavioral health crisis services statewide.
20. Expanded telehealth services statewide and implemented centralized telehealth assessment team allowing for expanded walk-in assessment at all HSC for eight hours each day, Monday through Friday.
21. Achieved three-year accreditation by Joint Commission for the North Dakota State Hospital (NDSH) for the 21st time.
22. Received recognition from Joint Commission for the NDSH as a high achieving hospital and honored via hospital best practice consortium.
23. Achieved four-year person-centered excellence accreditation from The Council for the Life Skills and Transition Center (LSTC).
24. Expanded statewide emergency crisis services at LSTC by hiring CARES community crisis coordinators.
25. Worked with Behavioral Health to provide Individual Placement Services to individuals with a behavioral health or traumatic brain injury diagnosis.
26. Entered into 15 contracts covering 65 schools across the state to assist counselors with providing transition services supporting 2,485 students with disabilities to transition to employment and post-secondary options.
27. Added new funding tiers to several services available in the Traditional IID/ Developmental Disabilities Home and Community-Based Services waiver.
28. Expanded Free Through Recovery program to include individuals outside the criminal justice system.
29. Developed a Medicaid State Plan amendment to expand access to home and community-based services and supports as a covered service for individuals of all ages with a significant mental illness, an addiction or a brain injury.
30. Expanded addiction and recovery supports by changing the qualifying age for the substance abuse disorder voucher program from 18 to 14 years of age and allowing licensed opioid treatment programs to apply to open a medication unit to serve people in additional communities.
31. Provided federal funding to 22 local public health units and four tribes to support implementation of evidence-based substance abuse prevention efforts.
32. Initiated Peer Support Certification in North Dakota.
33. Implemented a Pandemic Low Income Home Energy Assistance Program (P-LIHEAP) to assist households who received heating assistance during the 2019-20 heating season.
34. Lifted mandatory work requirements for individuals in the SNAP and TANF Program to address COVID-related needs such as work opportunities ending, the need to self-quarantine, the need to care for children due to a closure of child care and in-person schooling.
35. Implemented a Pandemic Electronic Benefits Transfer (P-EBT) program in partnership with the Department of Public Instruction to provide SNAP benefits to families with children eligible for free or reduced price meals.
36. Worked with housing partners to implement a Rent Bridge rent assistance program to prevent evictions for qualifying households whose incomes were negatively affected by the pandemic.
37. Worked with the North Dakota Department of Health and other partners to develop modified operating practices for childcare providers and developed and implemented a Child Care Emergency Operating Grant.

**Executive Budget Recommendation**

- Provides \$9.0 million from the General Fund for the Substance Abuse Disorder (SUD) program.
- Adds 3.00 FTE for home and community based services case management staff.
- Provides \$500,000 for ongoing IT costs for the Early Childhood Data System from the General Fund.
- Provides \$917,004 for civil sex offender treatment from the General Fund.
- Provides a one-time appropriation of \$7.2 million for nursing facility payment reform, with \$3.3 million from the General Fund.
- Provides a one-time General Fund appropriation of \$3.3 million for a nursing facility bed buy back program.
- Provides a \$30.0 million one-time appropriation for replacement of the FRAME/ CCWIPS system, with \$15.0 million from the General Fund.
- Provides \$28.3 million for a 1.0 percent and 1.0 percent inflationary increase to providers, with \$13.8 million from the General Fund.
- Includes 12.00 FTE positions to transfer administration of Medicaid Expansion into the Department and transition Medicaid Expansion rates from commercial fee schedule to traditional Medicaid fee schedule. This would be effective July 1, 2022 with a one-year transition and includes budget savings of \$96.6 million, with General Fund savings of \$10.7 million.
- Authority to proceed with a new North Dakota State Hospital under a public-private partnership, NDCC 48-02.1.

## REQUEST/RECOMMENDATION COMPARISON SUMMARY

325 Department of Human Services

Biennium: 2021-2023

Description	Expenditures Prev Biennium 2017-2019	Legislative Base 2019-2021	2021-2023 Requested		Requested Budget 2021-2023	2021-2023 Recommended		Executive Recommendation 2021-2023
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
<b>By Major Program</b>								
Management	215,027,196	150,318,927	54,460,422	36.2%	204,779,349	87,223,386	58.0%	237,542,313
Program and Policy	3,002,049,754	3,459,367,842	96,639,473	2.8%	3,556,007,315	209,285,070	6.0%	3,668,652,912
Human Service Centers	138,652,621	162,984,547	(309,912)	(0.2%)	162,674,635	4,533,765	2.8%	167,518,312
Institutions	148,368,606	138,383,749	(14,847,573)	(10.7%)	123,536,176	(11,691,808)	(8.4%)	126,691,941
County Social Service Financing	154,012,317	173,700,000	2,177,464	1.3%	175,877,464	3,458,738	2.0%	177,158,738
<b>Total Major Programs</b>	<b>3,658,110,494</b>	<b>4,084,755,065</b>	<b>138,119,874</b>	<b>3.4%</b>	<b>4,222,874,939</b>	<b>292,809,151</b>	<b>7.2%</b>	<b>4,377,564,216</b>
<b>By Line Item</b>								
Salaries and Wages	122,805,197	128,724,469	6,355,671	4.9%	135,080,140	10,282,038	8.0%	139,006,507
Operating Expenses	243,554,541	289,217,559	62,281,074	21.5%	351,498,633	94,682,276	32.7%	383,899,835
Capital Assets	77,237	60,000	25,000	41.7%	85,000	25,000	41.7%	85,000
Capital Construction Carryover	73,178,207	0	0	0.0%	0	0	0.0%	0
Grants	387,366,442	449,002,998	(4,516,385)	(1.0%)	444,486,613	6,686,742	1.5%	455,689,740
Human Service Centers / Institutions	287,021,227	301,368,296	(15,157,485)	(5.0%)	286,210,811	(7,158,043)	(2.4%)	294,210,253
Grants-Medical Assistance	2,390,095,326	2,742,681,743	86,954,535	3.2%	2,829,636,278	184,832,400	6.7%	2,927,514,143
Property Tax Relief	154,012,317	173,700,000	2,177,464	1.3%	175,877,464	3,458,738	2.0%	177,158,738
<b>Total Line Items</b>	<b>3,658,110,494</b>	<b>4,084,755,065</b>	<b>138,119,874</b>	<b>3.4%</b>	<b>4,222,874,939</b>	<b>292,809,151</b>	<b>7.2%</b>	<b>4,377,564,216</b>
<b>By Funding Source</b>								
General Fund	1,325,416,970	1,461,150,884	64,437,593	4.4%	1,525,588,477	102,792,972	7.0%	1,563,943,856
Federal Funds	2,033,588,186	2,266,624,651	114,074,550	5.0%	2,380,699,201	205,560,725	9.1%	2,472,185,376
Special Funds	299,105,338	356,979,530	(40,392,269)	(11.3%)	316,587,261	(15,544,546)	(4.4%)	341,434,984
<b>Total Funding Source</b>	<b>3,658,110,494</b>	<b>4,084,755,065</b>	<b>138,119,874</b>	<b>3.4%</b>	<b>4,222,874,939</b>	<b>292,809,151</b>	<b>7.2%</b>	<b>4,377,564,216</b>
<b>Total FTE</b>	<b>2,162.23</b>	<b>2,230.23</b>	<b>(11.60)</b>	<b>(0.5%)</b>	<b>2,218.63</b>	<b>(8.60)</b>	<b>(0.4%)</b>	<b>2,221.63</b>