



Senate Bill 2012

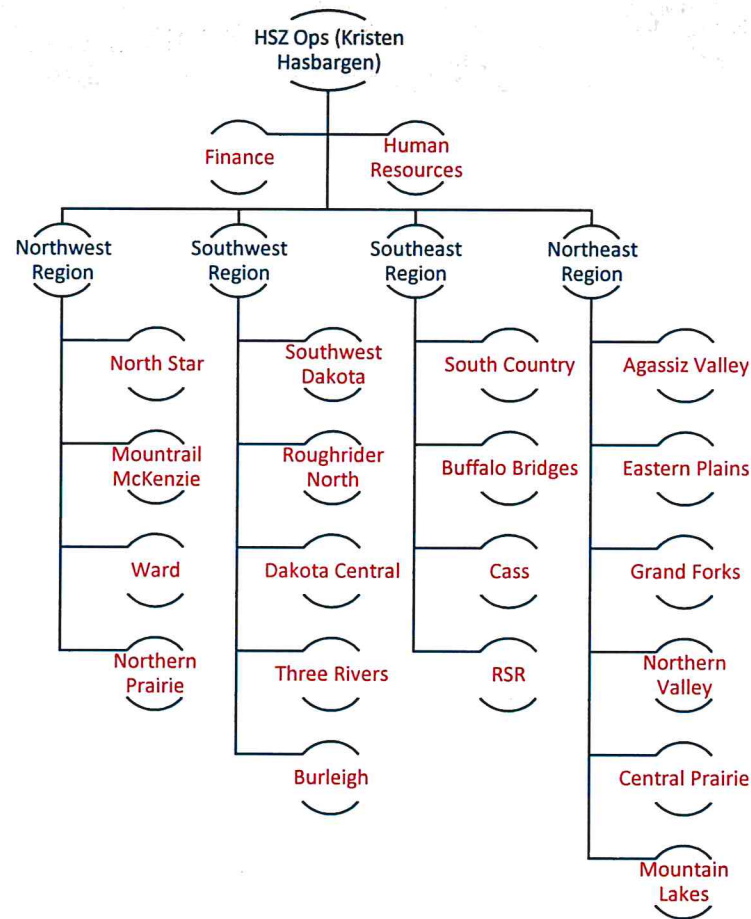
Senate Appropriations Committee | HR Section
Senator Dever, Chairman

Human Service Zone Operations, Kristen Hasbargen, Director
January 31, 2023



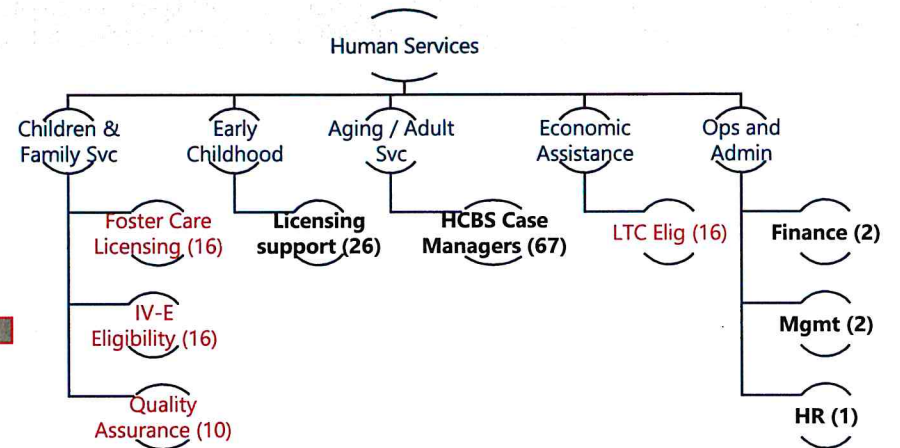
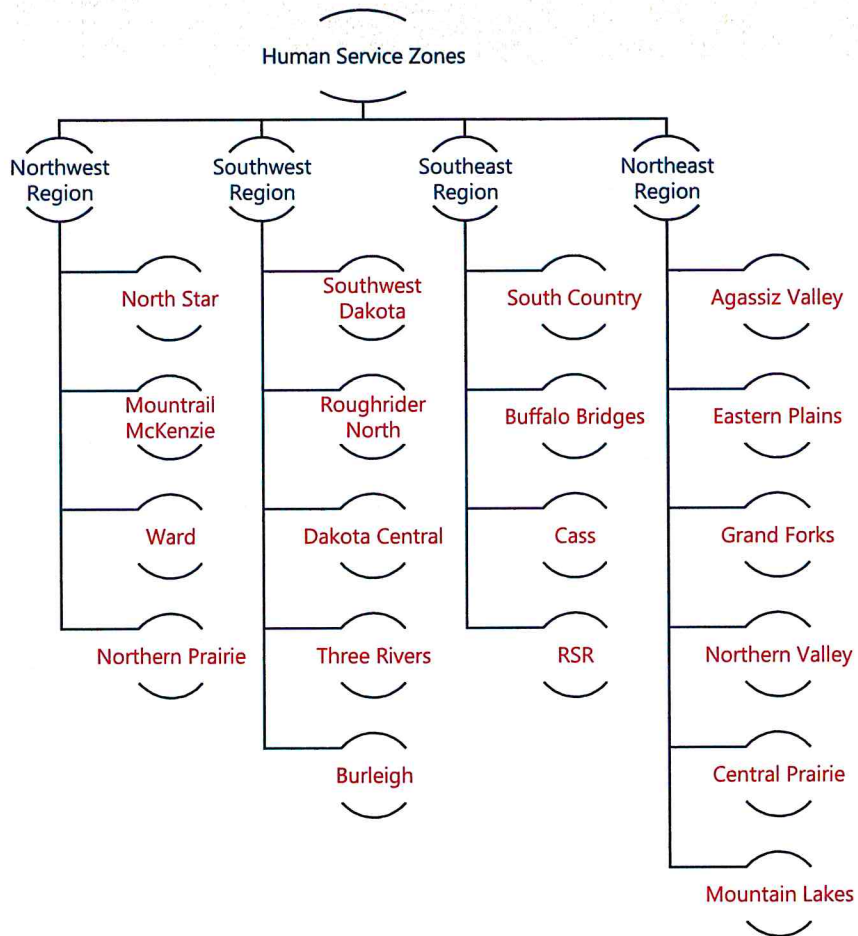
Health & Human Services

Human Service Zone: Staffing and Team Structure



The purpose of the HSZ Ops team is to support the work of the HSZs and HSZ Boards, including review of HSZ Plans, as well as infrastructure support related to various HR and budget functions.

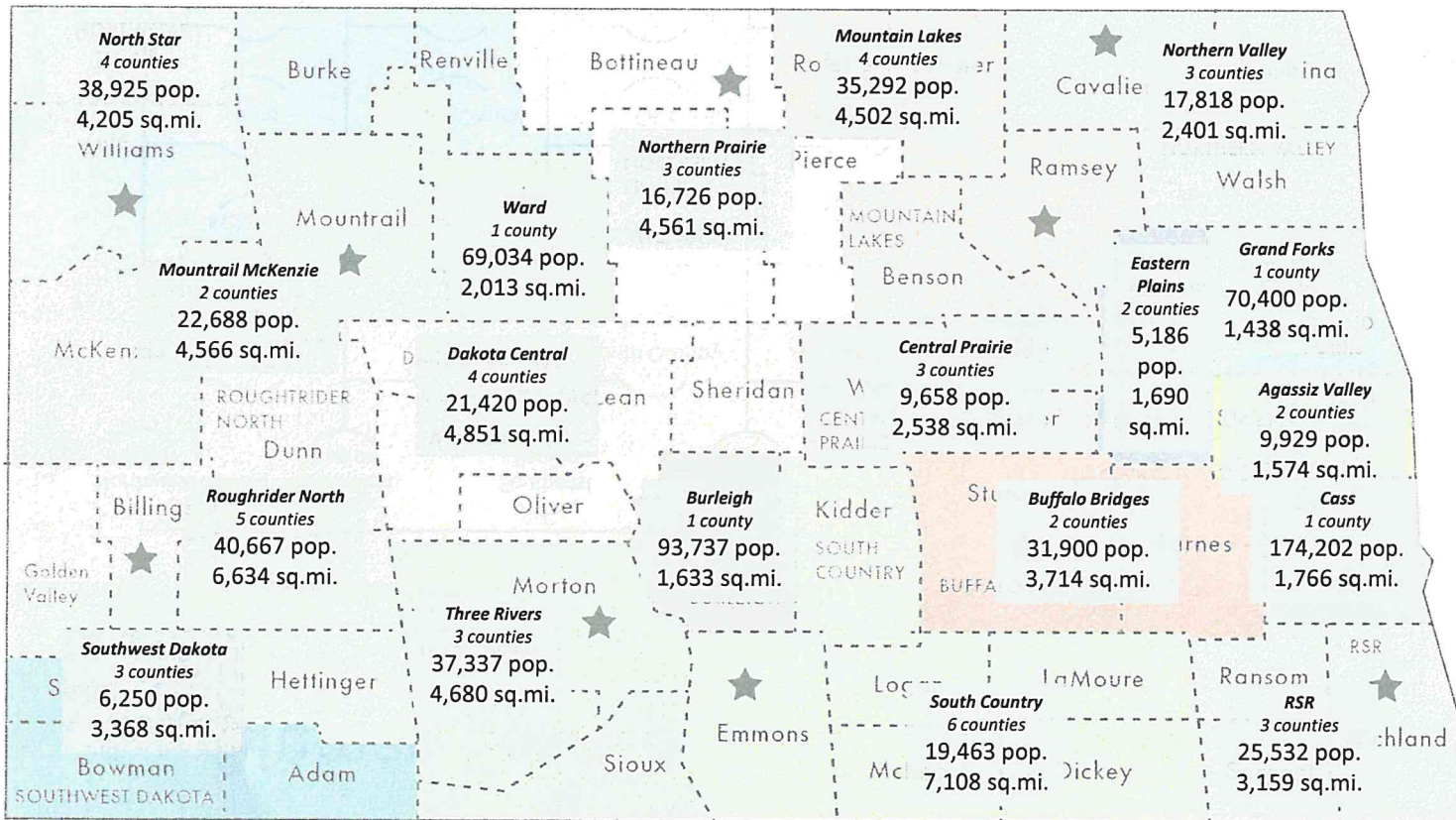
Human Service Zone: Staffing and Team Structure



HSZ - State-Delivered Services / Supports

21-23 Authorized FTE Base	23-25 Executive Budget FTE	12-31-22 Vacancies (from base)
156	-98 = 58	2

19 unique Human Service Zones work together to serve every corner of ND



Population:
5,186 to 174,202

County collaborations:
1 to 6

Square miles of geography covered:
1,438 to 7,108

Social Service Redesign set the stage for Counties and the State to work together to serve North Dakotans through the Human Service Zone structure

- Standardization
- Consistency
- Shared services + workload
- Increased access and resources for clients
- Decreased multi-function jobs and allowed for specialization/expertise – reduced # of hats
- Clear program performance measurements
- Increased state collaboration + oversight
- Property Tax Relief

	Host Zone	Zone	HHS
Employer	✘		
Benefits	✘		
HR Policy Manual		✘	✘
HP Policy Addendums - Submitted by Zone/ DHS Approval		✘	
Merit System Requirements			✘
Office Closure	✘	✘	
Supervision of Staff		✘	
Mileage/Reimbursement	✘		
Bonuses (Performance, Retention, etc,...)		✘	✘
Programmatic Policy			✘

What does it mean to work together? What it means to be a Zone Employee

HR Policies

- The Zone HR Policy Manual was created in July of 2020 with HHS and Zone representation
- All of the policies are based on Admin Code, Best Practice or State/Federal Laws
- The Zones must follow the established Zone HR Policy Manual, but each Zone has the ability to create addendums (changes) to certain areas of the policy manual
- Example: Dress Code, Weather Related Closures, Benefits
- The Host County determines office closures related to weather or other incidents
- Telecommute workers are required to work when the office is closed due to weather related or other closures



What does it mean to work together? FTE Committee (HR)



Hiring

- SB 2124 directed: "The department of health and human services shall develop a process to review a request from a human service zone for any proposed increase in staff."
- Zones assisted in development of both process and group composition. The committee consists of 4 Zone Directors and 4 members of the HHS Zone Team.
- Salary offers need approval from FTE committee only if above midpoint of salary range.
- Committee meets twice per week.
- This group reviews salary increases, bonuses, and temporary hires.

What does it mean to work together? HHS/State Role



- Establish policy and procedure for programs based on law and administrative rule
- Support programs teams in the zones with technical assistance, hands on training and reviews, including quality reviews
- Administer and adhere to the state merit system for human resource management
- Provide HR technical assistance and support as needed
- Provide official posting and ranking of Zone candidates for interview

New state responsibilities since SB2124

- Funder of all direct costs for delivery of human services
- Provide fiscal support for budgeting and purchasing
- Partner with the zone board on zone director performance management, hiring and terminations

What does it mean to work together? Host County Role

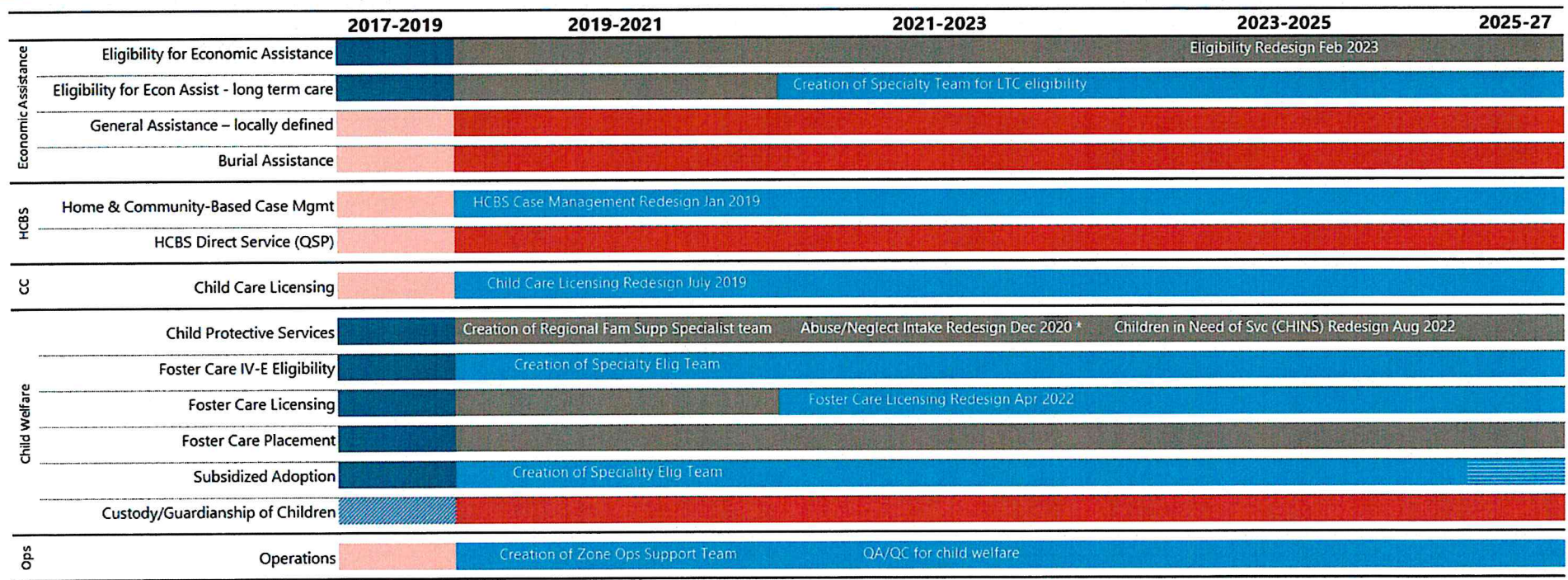


- State's Attorney (employee issues, child welfare, contracts)
- Host County Employer
- Host County Auditor
- Payroll + Benefit administration
- Retirement Provider
- Physical Space
- HR Support (varies by Zone)
- EAP Provider (if offered)

What does it mean to work together? Human Service Zone Board Role

- Serve as an Advisory Board
- Representative of those served by the Zones
- Co-manage Zone Director Performance, Hiring and Termination

North Dakota's model of human service delivery is characterized by shared roles and responsibilities



* Adoption and implementation of Safety model framework Dec 2020



Human Service Zones: Overview of budget changes

Description	2021 - 2023 Budget Base	Increase/ (Decrease)	2023 - 2025 Executive Budget
Salaries and Benefits	\$ 26,977,885	\$ (16,296,846)	\$ 10,681,039
Operating	Costs for State-delivered svc 4,171,761	(3,719,725)	452,036
IT Services	17,128	(355)	16,773
Capital Asset Expense	-	-	-
Capital Assets	Costs for Zone-delivered svc -	-	-
Grants	158,750,611	32,322,796	191,073,407
Total	\$ 189,917,385	\$ 12,305,870	\$ 202,223,255

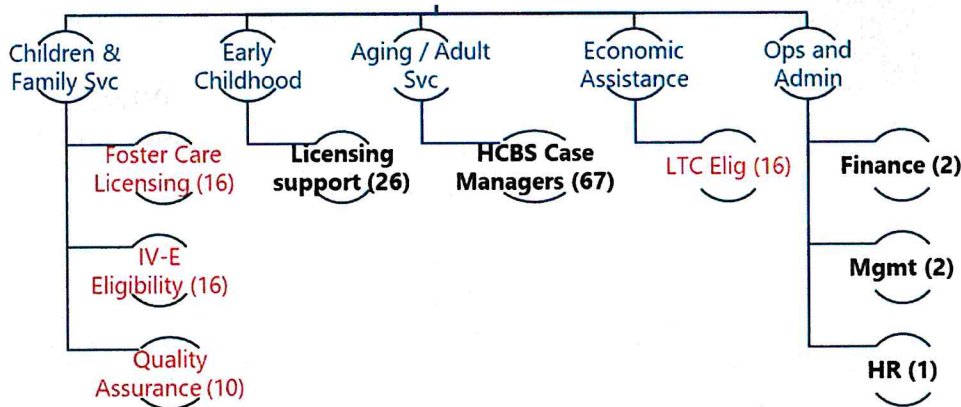
General Fund	\$ 1,240,391	\$ (1,240,391)	\$ -
Federal Funds	1,176,874	1,046,383	2,223,257
Other Funds	187,500,121	12,499,879	200,000,000
Total Funds	\$ 189,917,386	\$ 12,305,871	\$ 202,223,257

Full Time Equivalent (FTE)	156.00	(98.00)	58.00
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FTE associated with State-delivered svc

Summary of 457 Fund decrease related to state-delivered services and supports

Description	2021 - 2023 Budget Base	Increase/ (Decrease)	2023 - 2025 Executive Budget
Salaries and Benefits	\$ 26,977,885	\$ (16,296,846)	\$ 10,681,039
Operating	\$ 4,171,761	\$ (3,719,725)	\$ 452,036
IT Services	17,128	(355)	16,773
Capital Asset Expense	-	-	-
Capital Assets	-	-	-
Grants	\$ 158,750,611	\$ 32,322,796	\$ 191,073,407
Total	\$ 189,917,385	\$ 12,305,870	\$ 202,223,255



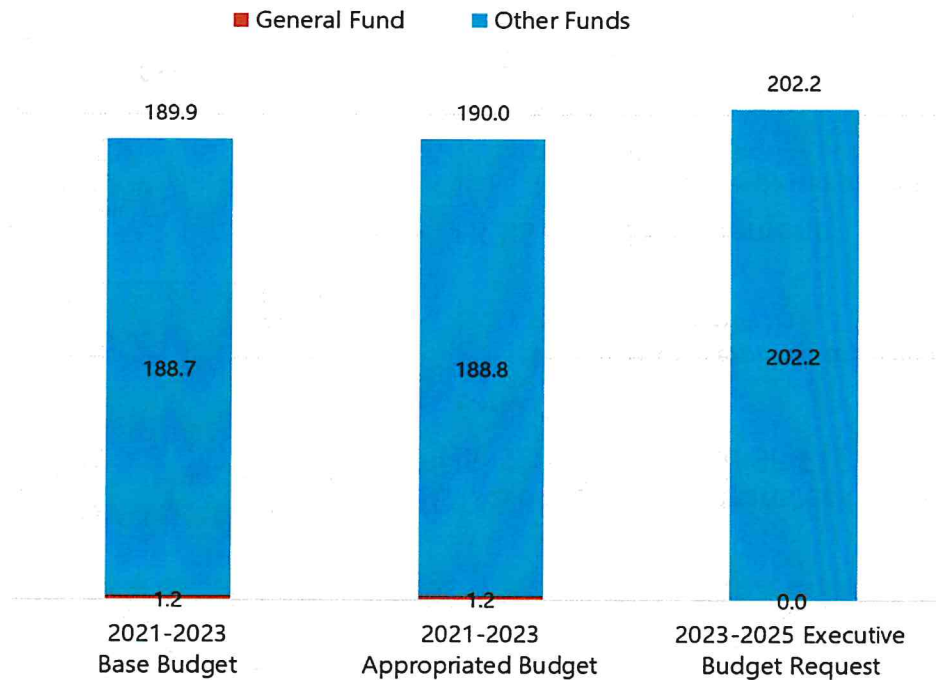
TOTAL obligation to transfer from 457 to HHS: \$20,833,563 and 98 FTE

- Early Childhood
 - \$4,659,684 total expenses attributed to this cost pool (staffing, travel, IT)
 - 26 FTE
- HCBS Case Management
 - \$13,326,329 total expenses attributed to this cost pool (staffing, travel, IT)
 - 67 FTE
- Ops and Admin
 - \$2,847,550 total expenses attributed to this cost pool (staffing, contracts (incl indirect cost), public notices, travel, IT)
 - 5 FTE

Human Service Zones: Overview of budget changes (IN MILLIONS)

INCREASE FROM BASE TO EXECUTIVE RECOMMENDATION \$ 12.2 MILLION

- 6%/4% proposed salary increase
- 5% annual increase in base HSZ budgets
- Additional Zone-delivered supports in child welfare and in-home care
- Minus the costs associated with transferring a portion of state-delivered services from 457 / Prop Tax Relief fund to HHS budget



Human Service Zones: Overview of budget changes

Budget detail by account

Description	2021 - 2023 Budget Base	Increase/ (Decrease)	2023 - 2025 Executive Budget
511x Salaries - Regular	\$ 19,058,733	\$ (12,046,743)	\$ 7,011,990
512x Salaries - Other	-	-	-
513x Salaries Temp	-	-	-
514x Salaries Overtime	-	0	0
516x Salaries Benefits	7,919,152	(4,250,104)	3,669,048
Total Salaries & Benefits	\$ 26,977,885	\$ (16,296,846)	\$ 10,681,039
52x Travel	326,985	(261,594)	65,391
53x Supply	4,205	(3,205)	1,000
54x Postage & Printing	745	(500)	245
55x Equipment under \$5,000	-	-	-
56x Utilities	-	-	-
57x Insurance	-	-	-
58x Rent/Leases - Bldg/Equip	3,242	(3,242)	0
59x Repairs	-	-	-
61x Professional Development	25,600	(18,100)	7,500
62x Fees - Operating & Professional	3,810,984	(3,433,084)	377,900
67x Expenses	-	-	-
53x Supplies	-	-	-
60x IT Expenses	17,128	(355)	16,773
68x Land, Building, Other Capital	-	-	-
69x Over	-	-	-
69x Equipment Over \$5,000	-	-	-
71x Grants, Benefits, & Claims	158,750,611	32,322,796	191,073,407
72x Transfers	-	-	-
Total Operating	\$ 162,939,501	\$ 28,602,716	\$ 191,542,217
Total	\$ 189,917,386	\$ 12,305,870	\$ 202,223,256

Human Service Zones: Overview of budget changes

Funding Source Summary

Description	2021 - 2023 Budget Base	Increase/ (Decrease)	2023 - 2025 Executive Budget
General Fund	\$ 1,240,391	\$ (1,240,391)	\$ -
Federal Funds	1,176,874	1,046,383	2,223,257
Other Funds	187,500,121	12,499,879	200,000,000
Total Funds	\$ 189,917,386	\$ 12,305,871	\$ 202,223,257

Included in 2023-25 Executive Budget Request

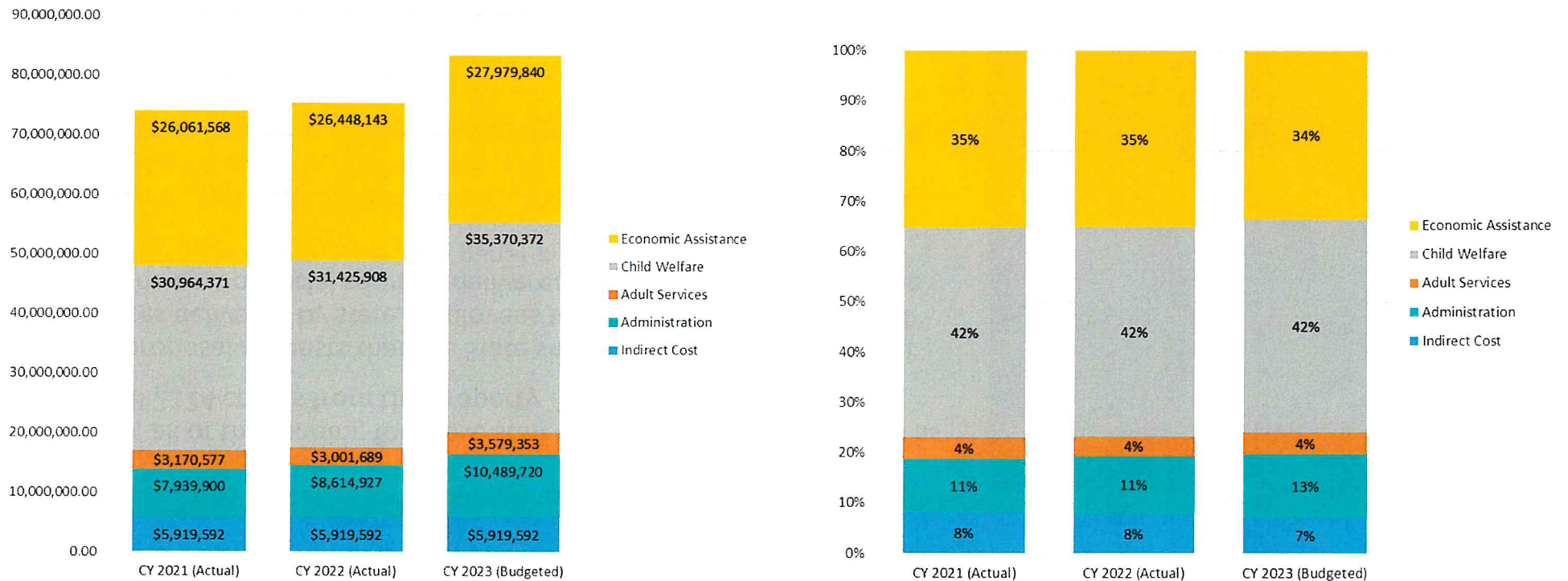
Budget Transition for State-Delivered Services

- Today, all of the funding for these staff who deliver human services as per SB 2124 comes from the Property Tax Relief Fund.
- This proposal requests that the State shift the cost of funding social services delivered by state employees to the state HHS budget, and that the cost of social services delivered by HSZ employees continue to come from the Property Tax Relief Fund.
- Removing the costs associated with HSZ-to-State transferred teams from the Property Tax Relief Fund and aligning them with their respective programs would offer greater transparency into total cost to operate each program.

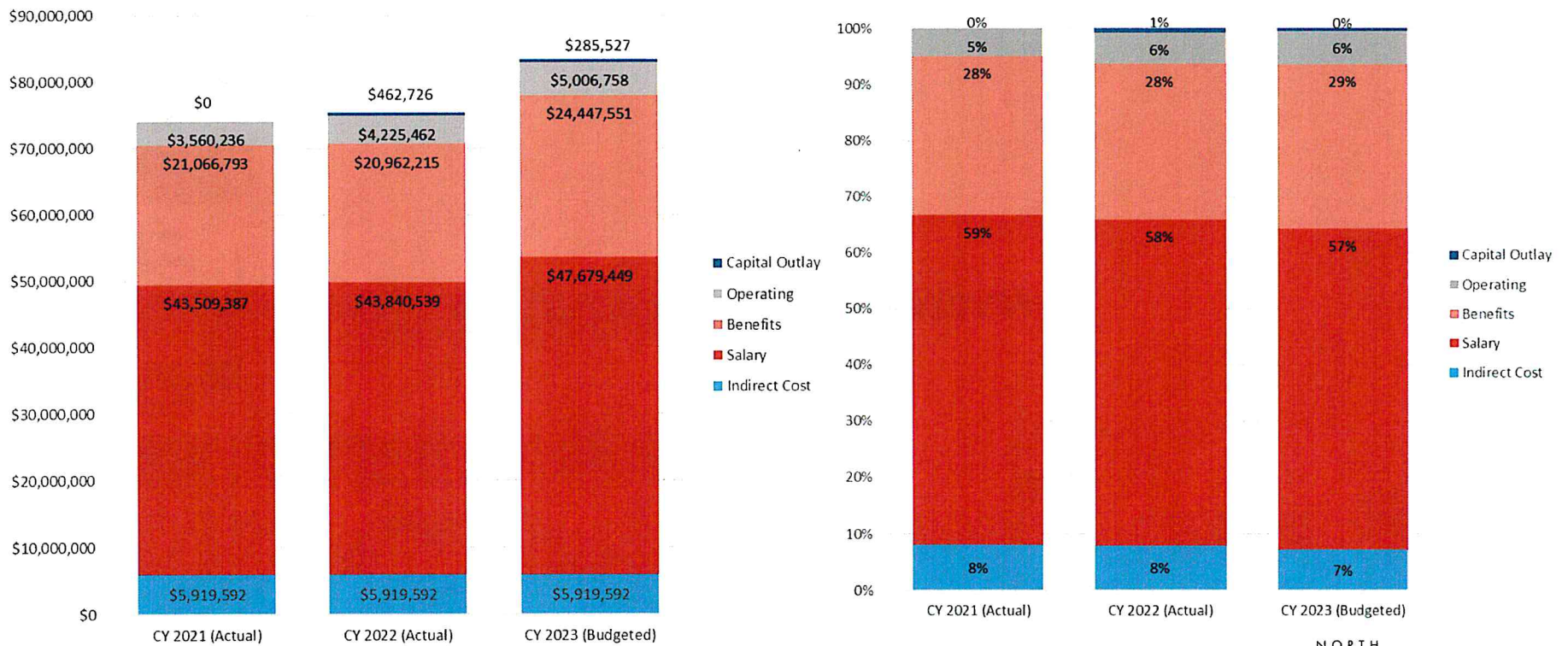


Total	General	Other
\$0	\$19,816,722	(\$19,816,722)

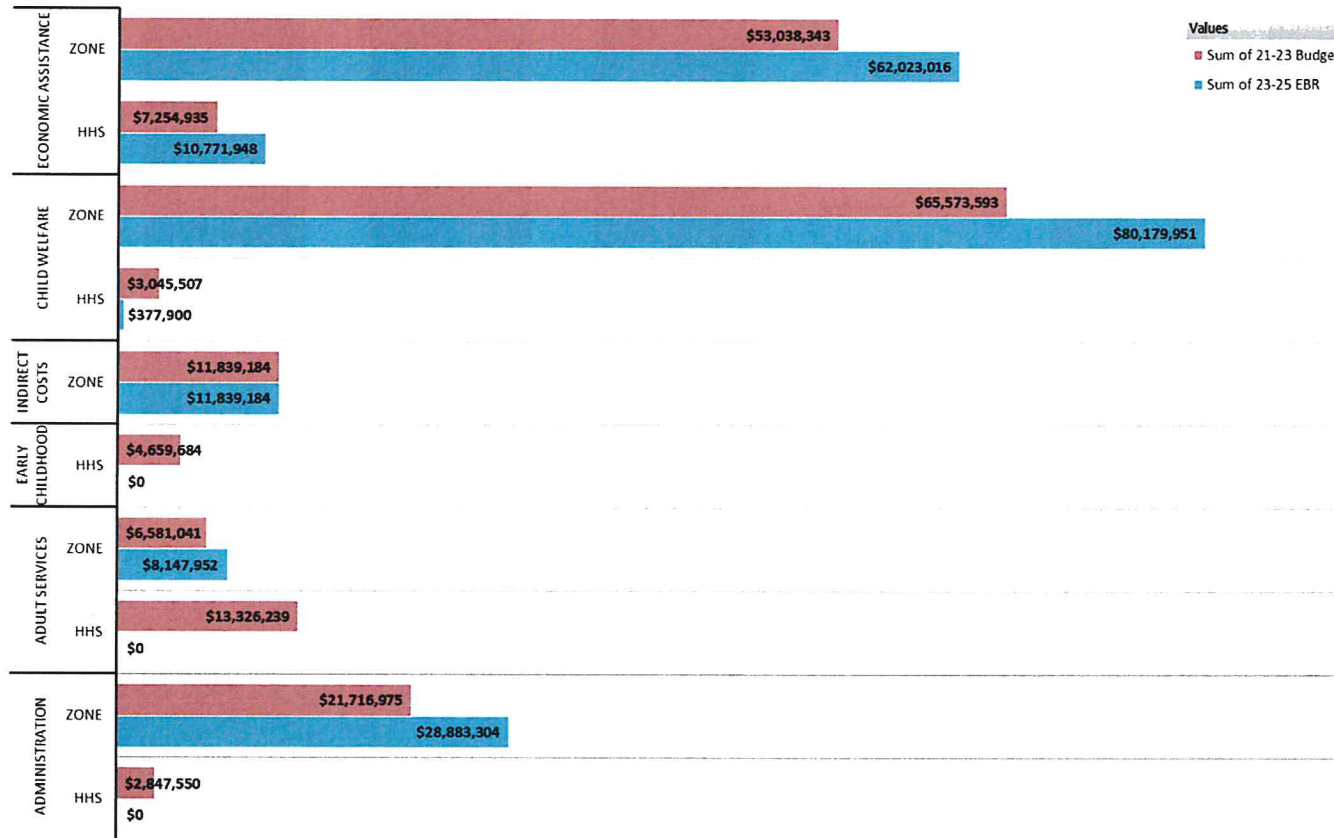
86% of state dollars invested in Human Service Zones goes to deliver services in 3 core areas



Staff compensation accounts for 86% of HSZ Expenses that are reimbursed by the ND Property Tax Relief Fund

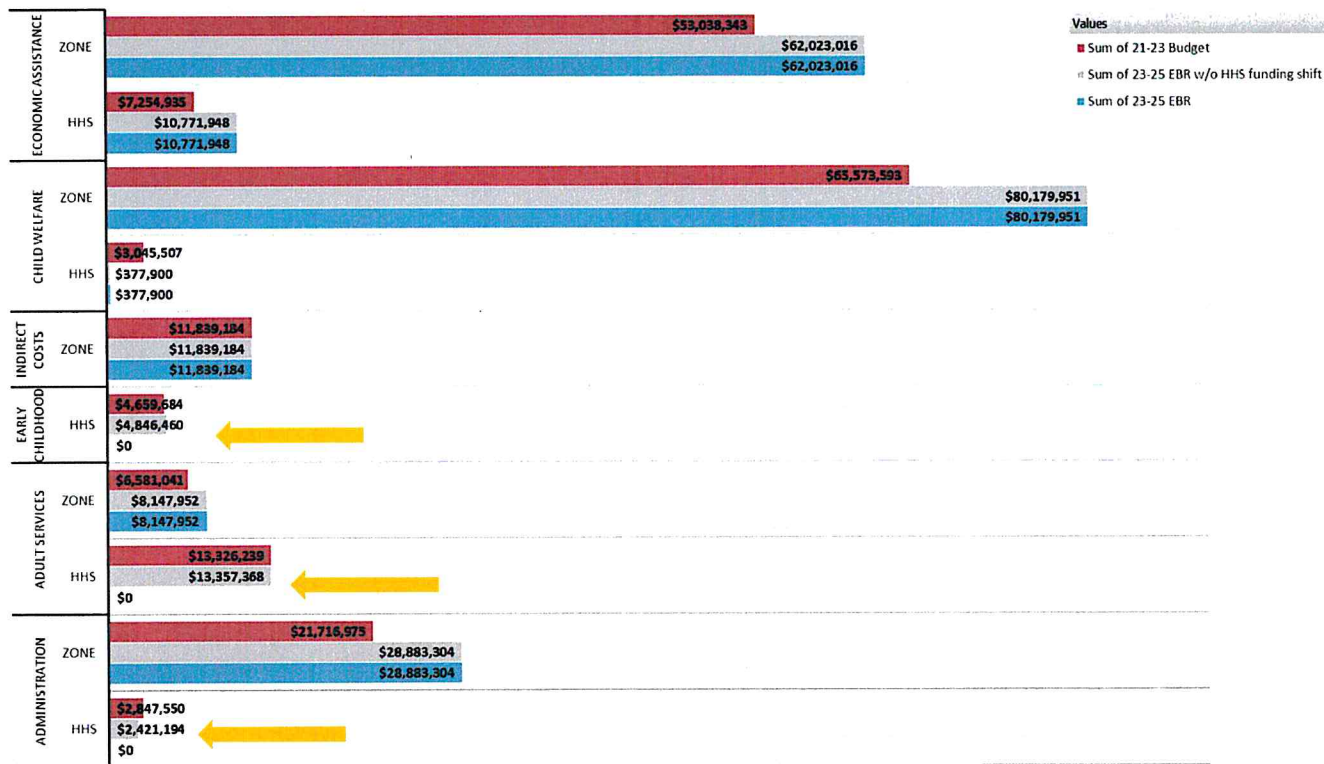


The majority of increases in the 23-25 EBR represent additional investment in staffing (both compensation and roles)



The funding shift from the Property Tax Relief Fund to the HHS budget does not change budgeted funding proposed for HSZs

Sum of 23-25 EBR | Sum of 23-25 EBR w/o HHS funding shift | Sum of 21-23 Budget



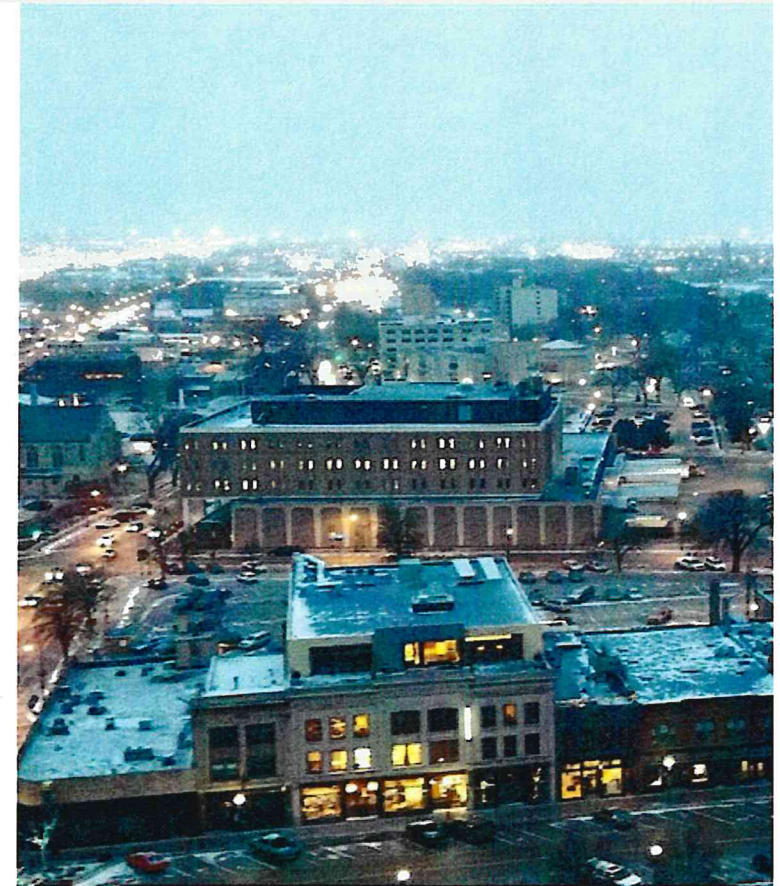
Cost Pool Group
HHS-Zone

Policy Bills with Budget Impact

SB 2139 - Burial Assistance

- Bill proposes final dispositions (cremation or burial) are reimbursed at \$3,500 for all Zones.

Total	General	Special
\$612,000	\$0	\$612,000



SB 2012 Section 5

Estimated Income – Human Service Finance Fund

**SENATE BILL NO. 2012
DEPARTMENT OF HEALTH AND HUMAN SERVICES' BUDGET
HUMAN SERVICE ZONE OPERATIONS SECTION**

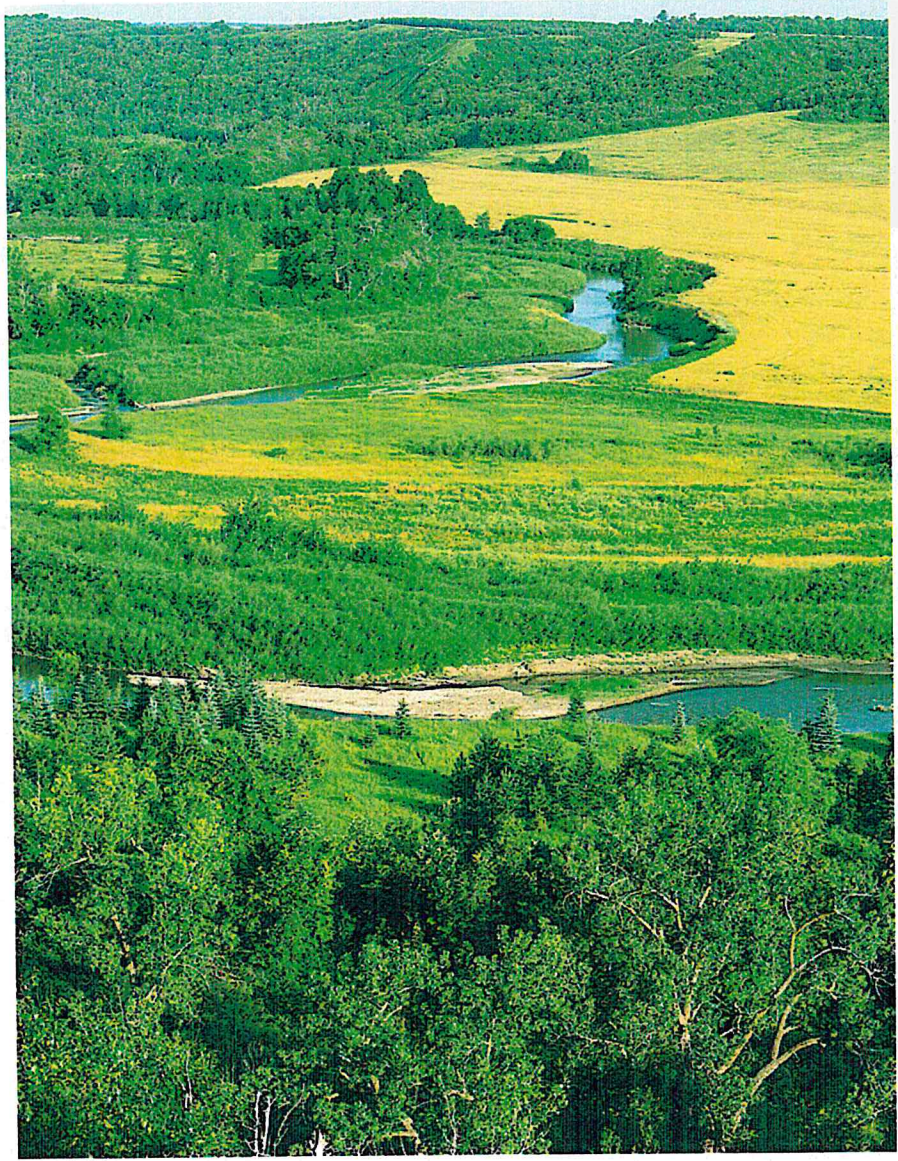
SECTION 5 (SECTION 8 of Governor's Recommendation) ESTIMATED INCOME - HUMAN SERVICE FINANCE FUND. The estimated income line item in subdivision 4 of section 1 of this Act includes the sum of \$187,223,092,200,000,000 from the human service finance fund for state-paid economic assistance and social and human services.



On the horizon for Human Service Zones and HHS



- Embracing a regional processing approach for SNAP, CCAP, LIHEAP, TANF, and Medicaid eligibility
 - Eligibility “redesign” goes live in February 2023
- Solidifying the work of new statewide teams
 - CHINS (children in need of service)
 - Child Abuse and Neglect Hotline
 - Foster care licensing and eligibility
 - Cross Zonal Continuous Quality Improvement peer groups
- Creating HSZ Data Snapshots – key program measures of effectiveness and impact
- Working together to problem solve
 - Guardianship | HCBS services | Case mgmt for children with complex needs | Timeliness of child protection visits| 1915(i)



Contact information

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<https://www.hhs.nd.gov/human-service/zones>