SB2012

Senate Appropriations Committee
Senator Brad Bekkedahl, Chairman

Administration and Operations | January 17, 2023

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Presentation roadmap

➢ Healthiest state in the nation

➢ Working differently as one HHS

➢ Improving the lives of North Dakotans:

    ➢ 2021-2023 biennium impacts

    ➢ 2023-2025 biennium focus and plans | proposals

➢ 2023-2025 Budget and other resource requirements

HHS Goal: Help ND become the healthiest state in the nation

We'll focus on three actions to accomplish this:

Invest in the **FOUNDATIONS** of well-being	Ensure everyone has the opportunity to realize their **POTENTIAL**	Give everyone the **OPPORTUNITY** to decide to:
Economic Health	Strong, Stable Families	Be Healthy
Behavioral Health	Services Closer to Home	Be Active
Physical Health	Early Childhood Experiences	Find & Prevent Disease Early
	Efficiency Through Redesign High-Performing Team	

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Working differently as one HHS team to transform services

BETTER TOGETHER

Transforming the Citizen Experience

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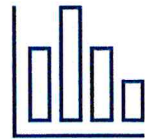
Shared Services (Administration and Operations)
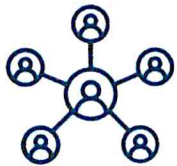
Executive Office
- Commissioner
- Deputy Commissioner
- Project Management
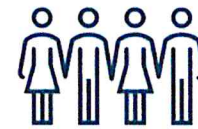- Quality and Data Governance
- IT Governance
- Change Management

Finance
- 4 Asst CFO's
- Budget Management
- Audit Management
- Procurement & Contracts
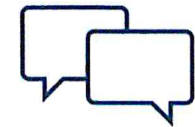- Logistics Management
- General Accounting

Legal
- General Council
- Administrative Rules/Legislation
- Estate/Third Party Recovery
- Appeals
- ADA Compliance/ Civil Rights
- HIPAA Compliance
- Records Management

Human Resources
- Business Partners
- Ops & Digital
- Talent Acquisition
- Total Rewards
- Talent Mgmt/ Learning & Development
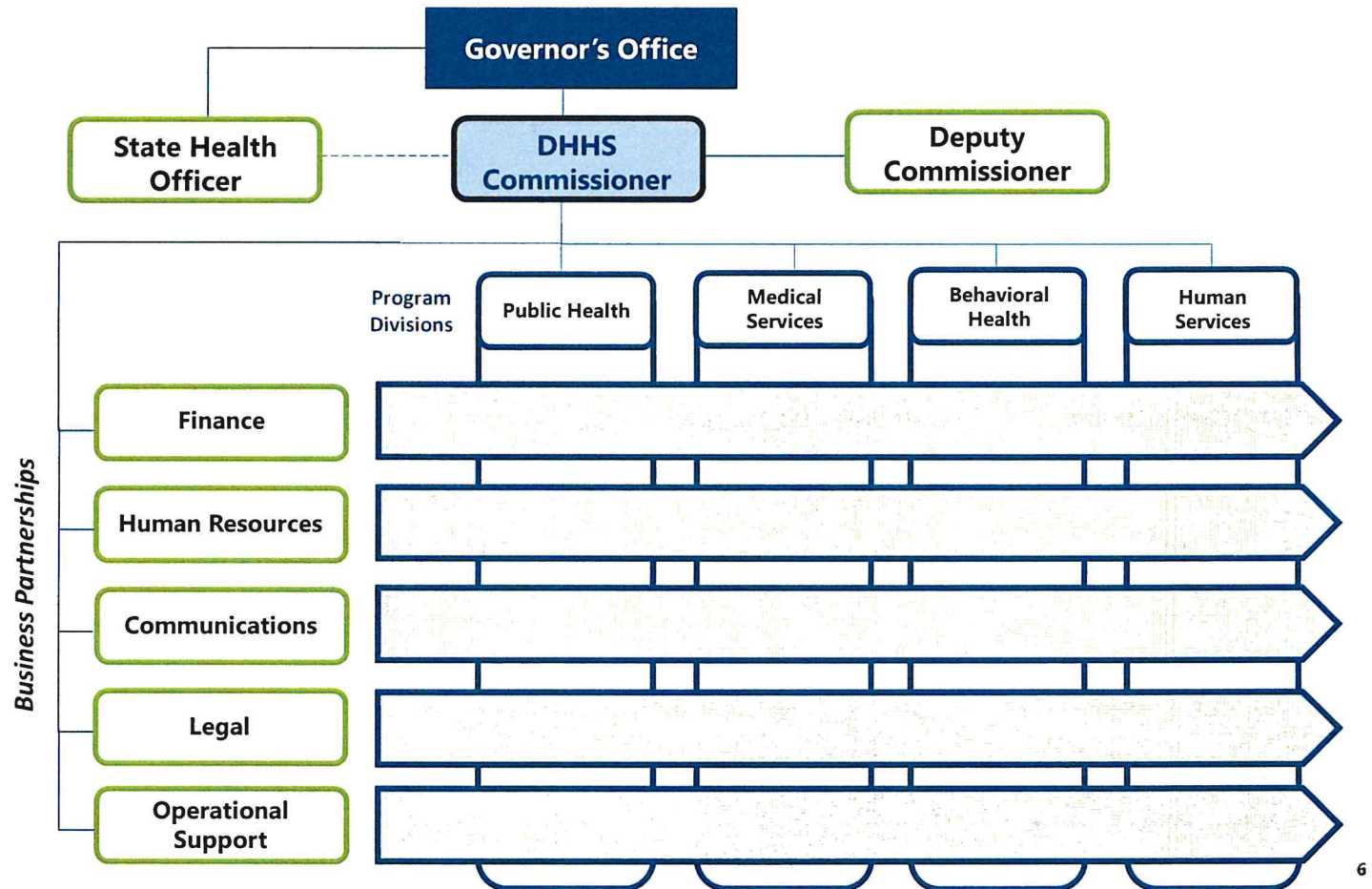- Employee Health/Safety/Risk Mgmt

Communications
- Strategic communications and change management
- Marketing, outreach and education
- Media relations
- Multi-media support
- Team member communications

North Dakota's HHS **Shared Services Model**

Why?

Our shared services model...

- **Supports optimized policy and service delivery** *for program Divisions.*

- *Supports business partners (Finance, HR, Communications, and Legal) in providing* **strategic business functions across HHS.**

- **Structures service delivery based on the service provided** *to best meet organizational need.*

Governor's Office

State Health Officer — DHHS Commissioner — Deputy Commissioner

Business Partnerships:
- Finance
- Human Resources
- Communications
- Legal
- Operational Support

Program Divisions: Public Health | Medical Services | Behavioral Health | Human Services

Improving the lives of North Dakotans

How legislative support and appropriations made an impact in the **2021-2023 biennium**

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HR 2.0 Purpose: Position HR to evolve to build and support a 21st Century workforce

From	To
Current State of HR	**Future State of HR**
Transactional HR	Foundational HR + Strategic HR
Agency-Level HR Focus	Statewide HR + Agency-Specific HR
Inconsistent management practices & team member experience	Consistent management practices & team member experience
Duplication of HR efforts statewide	HR operations team to reduce duplication of effort
HR team members doing anything and everything HR + non-HR work	Industry standard HR positions with career growth potential
Inconsistent HR data and reporting	Consistent data entry to drive data driven decisions & easy reporting
PeopleSoft + other, fragmented systems	HR Tech strategy with easy processes + enhanced self-service options for team members and managers

ervices

Finance division: Building a solid finance foundation

Focused on improving financial acumen to ensure our services are cost efficient

Finance onboarding program and Success Profile implementation

Reduction of operating expenses

Development of Finance Playbook

Communications division: Supports HHS in its goal to make ND the healthiest state in the nation

Early childhood experiences
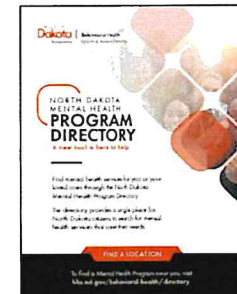Launch event for new early childhood division

Physical health
Knowtify blog; Do without the flu campaign

Faces of ND Medicaid
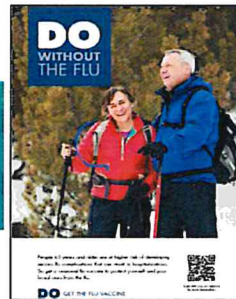
Strong, stable families
Faces of ND Medicaid initiative

Behavioral health
ND Mental health program directory support

GOALS OF REDESIGN
Effectively process cases in a timely manner
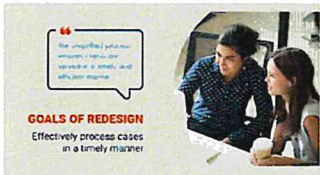
Efficiency through redesign
Human service zone redesign videos

BETTER TOGETHER
Transforming the Citizen Experience

High-performing team
HHS team member communications and engagement

HCBS SPOTLIGHTS
ND ADRL AGING & DISABILITY RESOURCE LINK

Services closer to home
Home community-based services webinar support

New HHS.nd.gov serves as one door to hundreds of programs and services ...
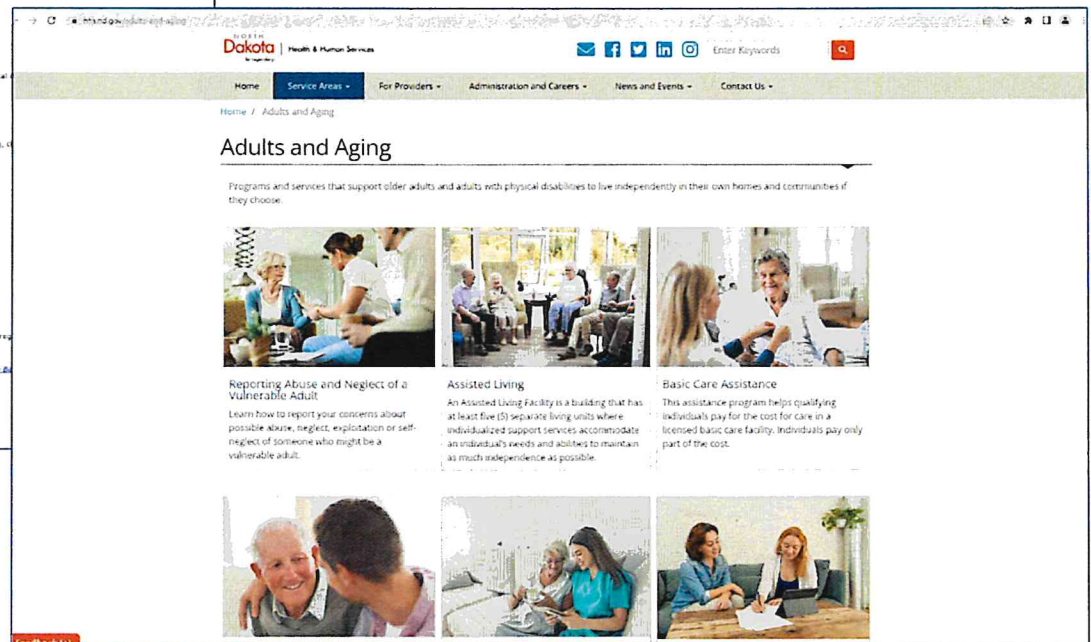
Launched
Sept. 1, 2022

… and significantly improves the customer experience and ability to find help
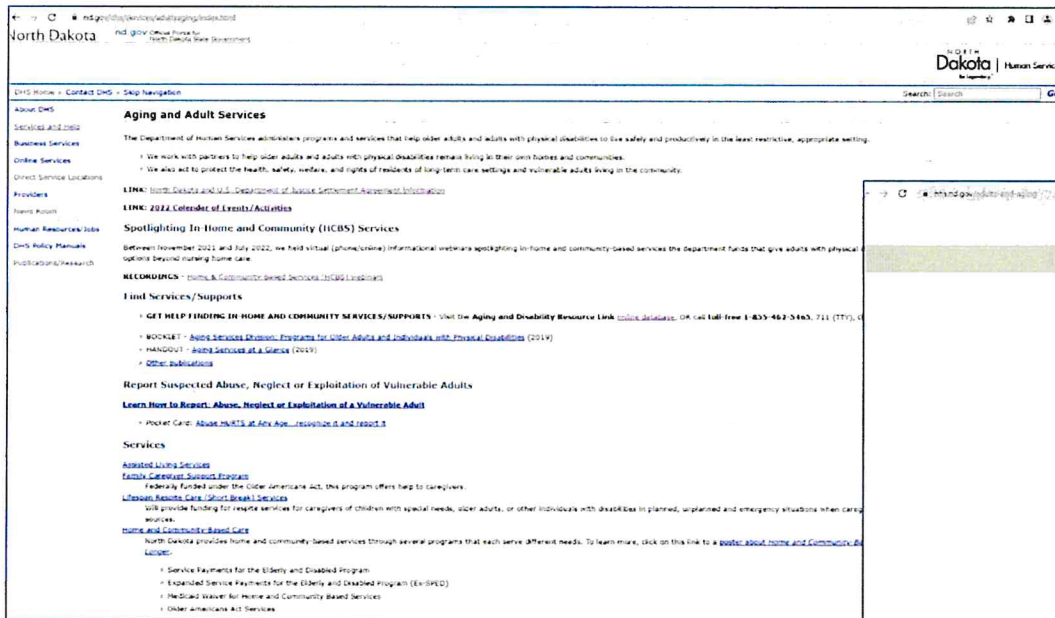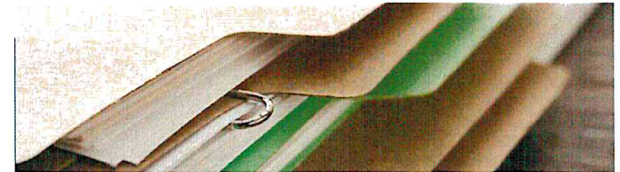

BEFORE

AFTER

Legal division: Ensures streamlined processes and compliance with hundreds of federal and state laws and regulations

Person centered accessibility

Increased and streamlined general assistance, small estate, and probated estate recoveries

Improved records management and document migration

2023-2025 Budget request

The **program, systems and workforce support** necessary to continue to serve North Dakotans

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Overview of administrative budget changes

Description	2021 - 2023 Budget Base		Increase/ (Decrease)		2023 - 2025 Executive Budget
Salaries and Benefits	$	27,413,848	$	6,761,084	$ 34,174,932
Operating		8,070,097		29,741,394	37,811,491
IT Services		1,757,959		2,156,140	3,914,099
Total	$	37,241,904	$	38,658,618	$ 75,900,522

General Fund	$	21,368,312	$	26,129,473	$ 47,497,785
Federal Funds		15,280,389		11,590,239	26,870,628
Other Funds		593,203		938,906	1,532,109
Total Funds	$	37,241,904	$	38,658,618	$ 75,900,522

Full Time Equivalent (FTE)	140.90	6.50	147.40

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Overview of budget changes (IN MILLIONS)

INCREASE FROM BASE TO EXECUTIVE
RECOMMENDATION $ 38.7 MILLION

- $20.5 M Inflation Package
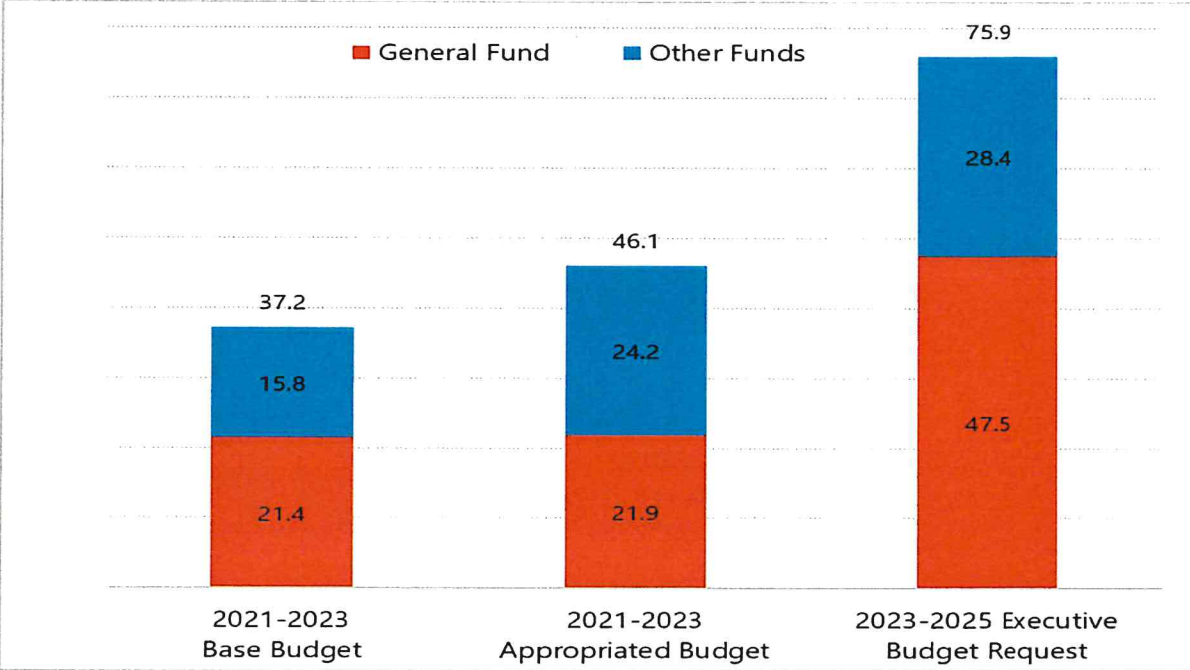
Overview of budget changes (IN MILLIONS)

■ General Fund　■ Other Funds

Inflation for HHS Operating

20.6
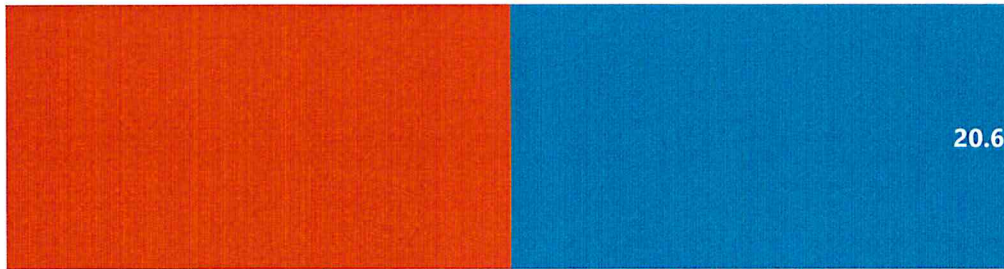
Operating/Compensation package increases (6%/4%)

13.5

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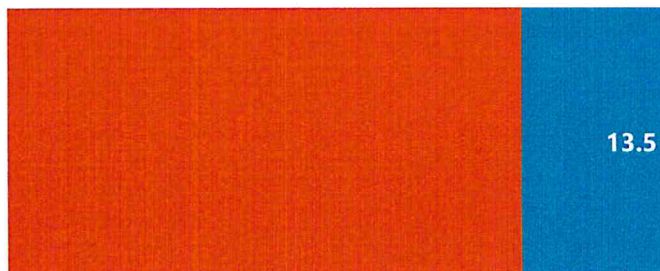
Admin + IT Percentage of Total Budget

Total budget $5.793 billion.
- Admin support is 75.9M - 1.3%
- IT is $229M - 4%

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Health and Human Services
IT Overview

Overview of IT budget changes

Description	2021 - 2023 Budget Base	Increase/ (Decrease)	2023 - 2025 Executive Budget
Salaries and Benefits	$ -	$ -	$ -
Operating	314,658	18,342	333,000
IT Services	141,966,634	86,509,291	228,475,925
Capital Asset Expense	-	-	-
Capital Assets	75,000	-	75,000
Grants	-	-	-
Total	$ 142,356,292	$ 86,527,633	$ 228,883,925

General Fund	$ 60,127,345	$ 3,642,017	$ 63,769,362
Federal Funds	79,809,422	51,560,881	131,370,303
Other Funds	2,419,525	31,324,735	33,744,260
Total Funds	$ 142,356,292	$ 86,527,633	$ 228,883,925

Full Time Equivalent (FTE)	-	-	-

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Overview of budget changes (IN MILLIONS)

INCREASE FROM BASE TO EXECUTIVE RECOMMENDATION $86.5 MILLION

- $60M Child Support System
- $11M Contract and Grant System
- $19M IT contracts and NDIT increases
- $1M Automated Background Checks

Legend: ■ General Fund   ■ Other Funds

	2021-2023 Base Budget	2021-2023 Appropriated Budget	2023-2025 Executive Budget Request
Total	142.4	238.2	228.9
Other Funds	82.3	156.8	165.1
General Fund	60.1	81.4	63.8

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Overview of budget changes (IN MILLIONS)

■ General Fund   ■ Other Funds

Child Support Replacement/ Contract System & Grant System	71.0
Continued Program Costs	19.0
IT Underfunding	(3.5)

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Opportunities and challenges
What will it take for HHS to meet the moment?

| Talent	Systems	Budget	Policy

• Managing immense and **continual change**
 	
• Workforce shortage and **talent war** with private sector for key roles:
  ◦ Behavioral health clinicians
  ◦ Child safety and protection case managers
  ◦ Direct support caregivers
  ◦ Nurses
 	
• Our partnership with private partners for **service delivery** = their challenges are our challenges
	• **Mainframe** environment
	
	• **Data analysis** and **data modernization**
	
	• **Re-design delivery of services** in eligibility determination, case management, provider enrollment
	
	• **Integrate** behavioral health policy and service delivery
	
	• OCR and Bots as **automation tools**
	
	• Update **state lab**
	
	• Phase 2 of **HHS integration effort**
		• **Rates tied to quality** and complexity of care
		
		• **Re-balancing investment** from institutional to non-institutional settings
		
		• Address immediate / acute / urgent needs **without sacrificing investments** in approaches that can prevent crisis
		
		• **Right sizing staff** to meet demand
		
		• **Efficient operations / efficient team**
			• FORWARD PROGRESS: Invest energy, talent and resources in **ongoing strategic initiatives**
			
			• STRATEGIC PRIORITY: **Kids' health,** safety and wellbeing, and childhood obesity
			
			• STRATEGIC PRIORITY: Update **state lab**
			
			• STRATEGIC PRIORITY: Treatment environment at the **State Hospital**
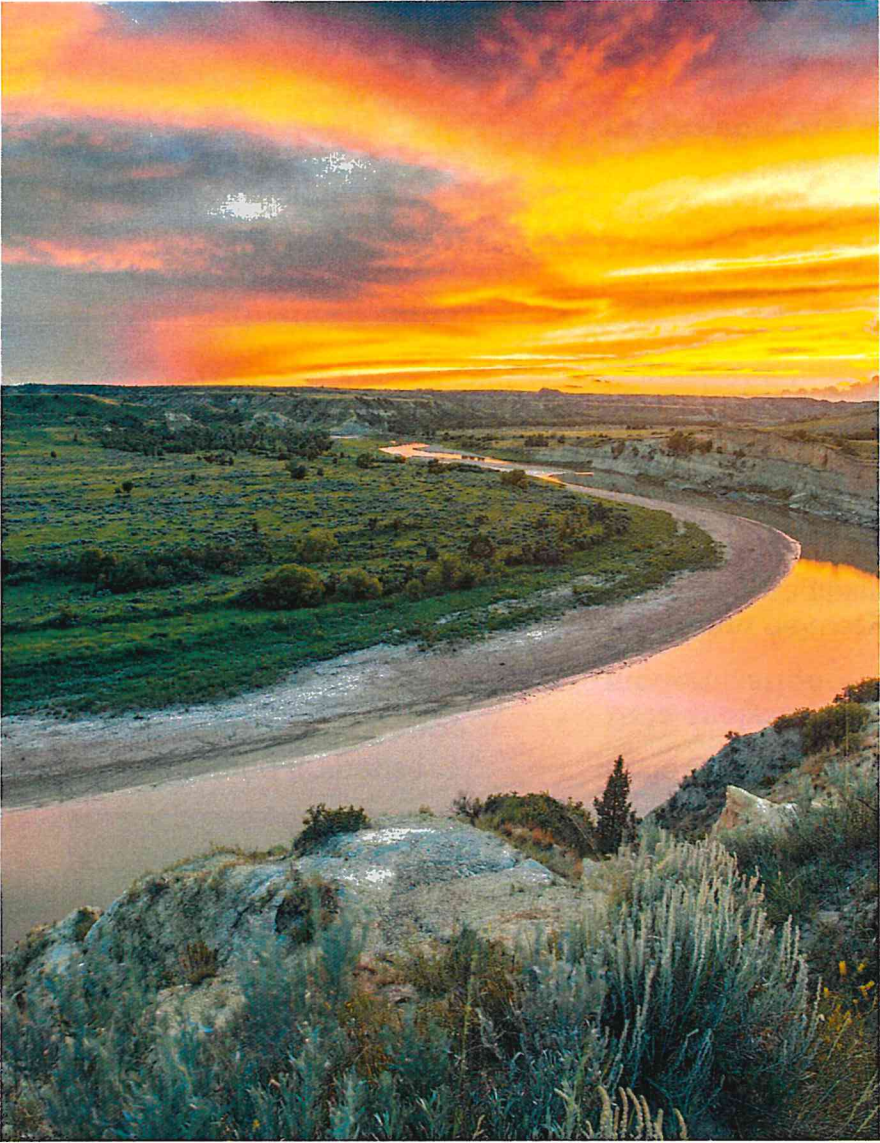
Contact information

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