



Engrossed HB1012 Overview – Economic Assistance

Senate Appropriations | Human Resources Division

Senator Dick Dever, Chairman

March 31, 2025, Michele Gee | Director, Economic Assistance Section



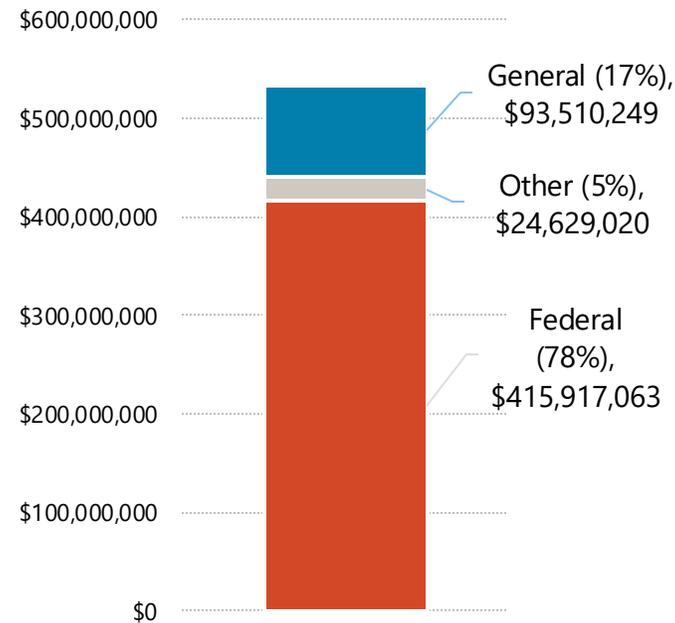
Health & Human Services

Budget Overview

Economic Assistance: \$547.5 million total budget

- 86% of Economic Assistance budget is paid directly to families to help meet basic needs
 - Another 2% of the budget is paid to private community providers who provide various outreach and support services associated with core programs
- With the exception of child care, 97+% of direct assistance administered by Economic Assistance is federally funded
 - Federal funds available for child care assistance are supplemented with general fund dollars to allow ND to serve more families than would otherwise be possible

25-27 Exec Budget Reco – Economic Assistance



8.5%
total HHS Budget

Core Programs:

- Supplemental Nutrition Assistance Program (SNAP)
- Temporary Assistance for Needy Families (TANF) Program
- Low-Income Home Energy Assistance Program (LIHEAP)
- Child Care Assistance Program (CCAP)
- Housing Stability

+ Eligibility determination process for Medicaid

The Economic Assistance section helps lower-income North Dakotans when they are struggling to make ends meet by connecting them to resources that can help meet their basic needs, preventing greater and more damaging crises.

Economic Assistance: Overview of Federal Funding Sources

| Federal Funding Source | Purpose | Spending Deadline | Grant Year 2024 Deadline | Grant Year 2024 Award |
|--|--|---|--------------------------|--|
| Child Care Development Fund (CCDF) <i>CCDF funds are used in Economic Assistance and Early Childhood</i> | Primary Federal Program specifically devoted to providing families with child care subsidy and funding supports to states to improve quality. Total Federal = \$23,580,222 Total State = \$5,768,485 Requirements: 3% Infant Toddler Quality 9% Quality 5% Admin 70% Direct Service | Discretionary (100% Federal) By end of 3 rd Federal Fiscal Year | 9/30/2026 | \$15,420,486 |
| | | Mandatory (100% Federal) No specific liquidation date requirement. | N/A | \$2,506,022 |
| | | Matching – Federal/State Match (based on Federal Medicaid Assistance Percentage) By end of 2 nd Federal Fiscal Year | 9/30/2025 | Federal: \$5,653,714 State: \$4,751,449 |
| | | Maintenance of Effort (100% State) By end of 1 st Federal Fiscal Year | 9/30/2024 | \$1,017,036 |
| Low Income Home Energy Assistance (LIHEAP) Grant | To assist low income households, particularly those with the lowest incomes that pay a high proportion of household income for home energy, primarily in meeting their immediate home energy needs. | 100% Federal By end of 6 th Federal Fiscal Year | 9/30/2029 | \$23,703,987 |

Economic Assistance: Overview of Federal Funding Sources

| Federal Funding Source | Purpose | Spending Deadline | Grant Year 2024 Deadline | Grant Year 2024 Award |
|---|---|---|--------------------------|--|
| <p>Supplemental Nutrition Assistance Program (SNAP)</p> | <p>SNAP is designed to promote the general welfare and to safeguard the health and well being of the Nation's population by raising the levels of nutrition among low-income households.</p> | <p>Benefits are 100% Federal Administration is 50-50</p> <p>Drawn from a Letter of Credit</p> | <p>N/A</p> | <p>Federal: \$115,523,154 (direct benefit) \$7,569,717 (admin)</p> <p>State: \$57,728 (direct benefit) \$6,837,979 (admin)</p> <p>Other: \$9,693 (admin)</p> |
| <p>Temporary Assistance for Needy Families (TANF) Grant</p> <p><i>TANF grant is utilizes by Economic Assistance and Children & Family Services</i></p> | <p>Four purposes of TANF:</p> <ul style="list-style-type: none"> • Provide assistance to needy families so that children can be cared for in their own homes or in the homes of relatives • End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage • Prevent and reduce the incidence of out-of-wedlock pregnancies • Encourage the formation and maintenance of two-parent families | <p>No requirement to liquidate by a specific date.</p> | <p>N/A</p> | <p>Federal: \$26,300,000</p> <p>State MOE: \$9,069,286</p> |

Grants on a Walkthrough

| DESCRIPTION | 2025-27 BASE BUDGET | | COST TO CONTINUE | | TOTAL CHANGES | | TOTAL CHANGES | | TOTAL CHANGES | |
|------------------------|-----------------------|----------------------|--------------------|-------------|----------------------|-----------------------|---------------|-----------------------|---------------|-----------------------|
| | | | | FMAP | | TO GOVERNOR | | TO HOUSE | | TO SENATE |
| TANF REGULAR BENEFIT | \$ 14,828,741 | \$ 2,305,054 | \$ - | \$ - | \$ 2,305,054 | \$ 17,133,795 | \$ - | \$ 17,133,795 | \$ - | \$ 17,133,795 |
| TANF DIVERSION BENEFIT | 60,000 | 69,180 | - | - | 69,180 | 129,180 | - | 129,180 | - | 129,180 |
| TANF KINSHIP CARE | 2,980,800 | (2,260,800) | - | - | (2,260,800) | 720,000 | - | 720,000 | - | 720,000 |
| CHILD CARE | 90,611,262 | 21,595,266 | - | - | 21,595,266 | 112,206,528 | - | 112,206,528 | - | 112,206,528 |
| SNAP - BENEFITS | 220,820,292 | 31,116,588 | - | - | 31,116,588 | 251,936,880 | - | 251,936,880 | - | 251,936,880 |
| SNAP - SUMMER EBT | - | 11,031,265 | - | - | 11,031,265 | 11,031,265 | - | 11,031,265 | - | 11,031,265 |
| LIHEAP | 33,999,168 | 9,215,599 | - | - | 9,215,599 | 43,214,767 | - | 43,214,767 | - | 43,214,767 |
| TOTAL FUNDS | \$ 363,300,263 | \$ 73,072,152 | \$ - | \$ - | \$ 73,072,152 | \$ 436,372,415 | \$ - | \$ 436,372,415 | \$ - | \$ 436,372,415 |
| GENERAL FUND | \$ 55,003,493 | \$ 21,403,307 | \$ (90,000) | \$ - | \$ 21,313,307 | \$ 76,316,800 | \$ - | \$ 76,316,800 | \$ - | \$ 76,316,800 |
| FEDERAL FUND | \$ 307,644,058 | \$ 38,968,846 | \$ 90,000 | \$ - | \$ 39,058,846 | \$ 346,702,904 | \$ - | \$ 346,702,904 | \$ - | \$ 346,702,904 |
| OTHER FUND | \$ 13,352,711 | \$ - | \$ - | \$ - | \$ - | \$ 13,352,711 | \$ - | \$ 13,352,711 | \$ - | \$ 13,352,711 |

HHS PROPOSED AMENDMENT - LIHEAP GRANTS FEDERAL REDUCTION \$ (9,000,000)

Other Grants

| DESCRIPTION | 2023-25 BIENNIUM AMOUNT | INCREASE/ (DECREASE) | 2025-27 EXECUTIVE BUDGET RECOMMENDATION | | | |
|---|-------------------------|----------------------|---|--------------------|---------------------|---------------------|
| | | | TOTAL | GENERAL FUND | FEDERAL FUND | OTHER FUND |
| Supplemental Nutrition Assistance Program (SNAP) Nutrition Education | \$2,400,000 | \$100,000 | \$2,500,000 | \$0 | \$2,500,000 | \$0 |
| Supplemental Nutrition Assistance Program (SNAP) Outreach | 160,000 | | 160,000 | | 160,000 | |
| Supplemental Nutrition Assistance Program (SNAP) Employment & Training | 3,324,756 | (528,252) | 2,796,504 | 1,296,040 | 1,500,464 | |
| Temporary Assistance for Needy Families (TANF) Employment & Training Supportive Services | 1,552,772 | (490,515) | 1,062,228 | | 1,062,228 | |
| Low Income Home Energy Assistance (LIHEAP) Weatherization, Furnace Repair & Replacement, Outreach | 11,000,000 | (1,000,000) | 10,000,000 | | 10,000,000 | |
| Child Care Assistance Program (CCAP) Quality Tier Provider Payments | | 3,000,000 | 3,000,000 | 3,000,000 | | |
| Housing Initiative, Eviction Prevention & Housing Stabilization | | 14,500,000 | 14,500,000 | | | 14,500,000 |
| GENERAL FUND | \$700,000 | \$3,596,038 | \$4,296,038 | \$4,296,040 | \$- | \$- |
| FEDERAL FUND | 17,737,528 | (2,514,835) | 15,222,693 | - | 15,222,692 | - |
| OTHER FUND | - | 14,500,000 | 14,500,000 | - | - | 14,500,000 |
| GRAND TOTAL | \$18,437,528 | \$15,581,203 | \$34,018,731 | \$4,296,040 | \$15,222,692 | \$14,500,000 |

Comparison of budget expenditures and projections

By Program

| PROGRAMS | 2023-25 LEGISLATIVE BASE | ONE-TIME / CARRYOVER | 2023-25 EXPENSES THROUGH DECEMBER | 2023-25 PROJECTED EXPENDITURES | 2025-27 EXECUTIVE BUDGET RECOMMENDATION | INCREASE / (DECREASE) | ENGROSSED HB 1012 | GENERAL | FEDERAL | OTHER |
|------------------------------------|--------------------------|----------------------|-----------------------------------|--------------------------------|---|------------------------|-----------------------|----------------------|-----------------------|----------------------|
| ECONOMIC ASSISTANCE ADMINISTRATION | \$ 1,982,824 | \$ - | \$ 2,124,797 | \$ 2,904,901 | \$ 3,874,259 | \$ (66,013) | \$ 3,808,246 | \$ 894,794 | \$ 2,913,452 | \$ - |
| POLICY & SYSTEM SUPPORT (PASS) | 2,859,123 | - | 2,395,583 | 3,112,317 | 2,862,681 | (93,000) | 2,769,681 | 1,004,552 | 1,765,129 | - |
| SPACES OPERATIONS | 1,634,070 | - | 797,702 | 1,239,327 | 1,504,467 | (57,000) | 1,447,467 | 610,382 | 837,085 | - |
| ECONOMIC ASSISTANCE IT | - | - | - | - | 51,508,995 | 2,000,000 | 53,508,995 | 9,434,513 | 40,750,120 | 3,324,362 |
| QUALITY CONTROL | 2,475,594 | - | 1,923,892 | 2,564,011 | 2,577,301 | (123,000) | 2,454,301 | 1,282,402 | 1,171,899 | - |
| CHILD CARE ADMINISTRATION | 448,367 | - | 443,471 | 581,427 | 3,753,914 | (1,500,000) | 2,253,914 | 1,500,000 | 753,914 | - |
| CHILD CARE GRANTS (CCAP) | 90,611,261 | 33,604,000 | 71,287,581 | 100,540,342 | 112,206,528 | - | 112,206,528 | 75,303,066 | 29,869,390 | 7,034,072 |
| LIHEAP ADMINISTRATION | 11,557,758 | - | 12,358,869 | 13,623,141 | 1,677,264 | - | 1,677,264 | - | 1,677,264 | - |
| LIHEAP GRANTS | 46,699,140 | - | 15,639,737 | 33,654,019 | 53,214,767 | - | 53,214,767 | - | 53,214,767 | - |
| TANF ADMINISTRATION | 492,972 | - | 394,694 | 519,589 | 595,923 | (3,000) | 592,923 | 26,796 | 566,127 | - |
| TANF GRANTS | 15,839,821 | - | 7,753,859 | 10,236,119 | 18,343,430 | - | 18,343,430 | 1,013,734 | 11,011,057 | 6,318,639 |
| TANF KINSHIP GRANTS | 2,980,800 | - | 457,015 | 634,547 | 720,000 | - | 720,000 | - | 720,000 | - |
| TANF JOBS GRANTS | 8,504,719 | - | 5,927,461 | 8,053,641 | 9,254,222 | - | 9,254,222 | - | 2,302,276 | 6,951,947 |
| TANF ALTERNATIVE TO ABORTION | 600,000 | - | 132,175 | 132,175 | - | - | - | - | - | - |
| SNAP ADMINISTRATION | 1,175,913 | - | 1,391,217 | 1,671,081 | 2,471,945 | (92,000) | 2,379,945 | 1,143,972 | 1,235,972 | - |
| SNAP GRANTS | 226,705,048 | - | 176,209,373 | 228,544,141 | 268,424,649 | - | 268,424,649 | 1,296,038 | 267,128,610 | - |
| HOUSING STABILITY | 33,519 | 62,231,000 | 41,474,247 | 52,614,495 | 14,500,000 | (13,500,000) | 1,000,000 | - | - | 1,000,000 |
| TOTAL | \$ 414,600,930 | \$ 95,835,000 | \$ 340,711,673 | \$ 460,625,272 | \$ 547,490,344 | \$ (13,434,013) | \$ 534,056,332 | \$ 93,510,250 | \$ 415,917,063 | \$ 24,629,020 |

HHS PROPOSED AMENDMENT - LIHEAP GRANTS FEDERAL REDUCTION **\$ (9,000,000)**

Carryover: Housing Stability \$61,646,000
 Child Care COVID Funds \$25,904,000
 Additional COVID Funds \$ 4,700,000

One Time: HB 1540-Child Care Quality Based Payments \$3,000,000
 State ARPA Funds (housing stability) \$585,000

Note: Child Care General Fund 23-25 includes HB 1540-Child Care Assistance related initiatives (not One-Time) \$47,800,000



How do we accomplish our task?

HHS Economic Assistance

Economic Assistance operates North Dakota's Integrated Eligibility system, which is a gateway to all Medicaid services and to the core of family financial resource programs administered by the section.

Program Administration

- Federal Compliance
- State Law & Administrative Rules
- State Plan
- Federal Reporting
- Federal & State Agreements, including data sharing, security, interfaces
- Oversee contracts with community providers for support services and outreach

Supporting Service Delivery

- Training, Policy and System Support
- Benefit Issuance
- Integrated Eligibility technology platform (development, maintenance, security)
- Eligibility determination for long term services and supports

Program Integrity & Performance

- Program Monitoring
- Federal & State Quality Reviews
- Federal & State Audits
- Performance Improvement

NDCC Reference for Economic Assistance

NDCC 50-09 | Aid to Dependent Children

NDCC 50-33 | Child Care Assistance

Our work serves as a gateway to stabilizing resources that improve the overall health and wellbeing of 160,000+ North Dakotans each year

Administer family financial assistance programs:

- Supplemental Nutrition Assistance
- Home Energy Assistance
- Child Care Assistance
- Temporary Assistance to Needy Families
- Housing Stability Svc



Determine financial eligibility for:

- Supplemental Nutrition Assistance
- Home Energy Assistance
- Child Care Assistance
- Temporary Assistance to Needy Families
- Housing Stability Svc
- Medicaid / Medicaid Expansion
- Children's Health Insurance
- Development Disability Svc
- Adult/Aging Svc
- Basic Care Assistance
- 1915i



Each month distribute funds to:

- SNAP – \$9.9 M to 26,600 households
- Home Energy Assistance - \$2 M to 14,000 households
- Child Care Assistance - \$6.2 M to 3,800 households
- Temporary Assistance to Needy Families - \$500,000 to 700 households
- Housing Stability Svc - \$1 million to 1,200

How do we accomplish our task?

Human Service Zones

Serving North Dakota individuals and families is a partnership. Economic Assistance administers programs, while Human Service Zones determine eligibility to deliver benefits.

Person Decides to Apply

Making ends meet is getting more difficult every month so the applicant makes the decision to reach out for help.

Human Service Zone

The applicant can contact their human service zone directly or they can simply apply online.

Gather Information

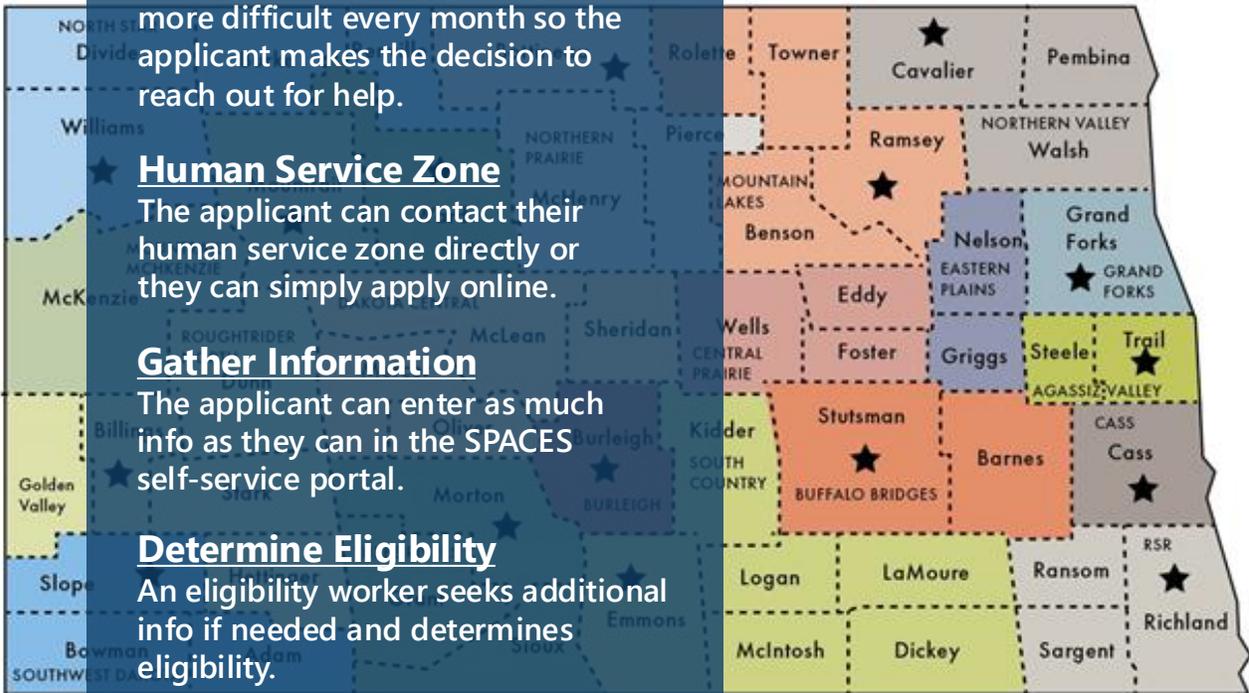
The applicant can enter as much info as they can in the SPACES self-service portal.

Determine Eligibility

An eligibility worker seeks additional info if needed and determines eligibility.

Issue Benefits

If eligible, the state will issue the benefit in the appropriate manner.



How Clients Access Services

One Address. One Phone Number. No Wrong Door.

Eligibility redesign makes it easier for families to get help by simplifying access points.

Centralized Mail Unit



One mail and email address for document submission

Customer Support Center



One phone number to speak to an expert

Local Support

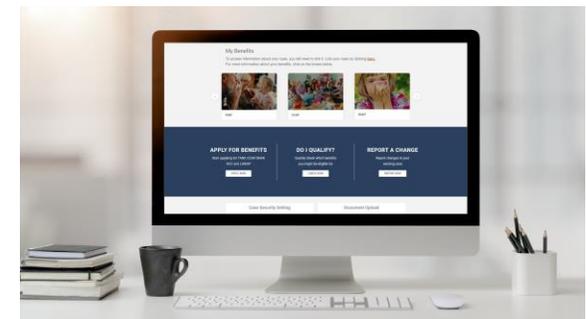


Local offices will remain open for in-person support

Self-Service Portal

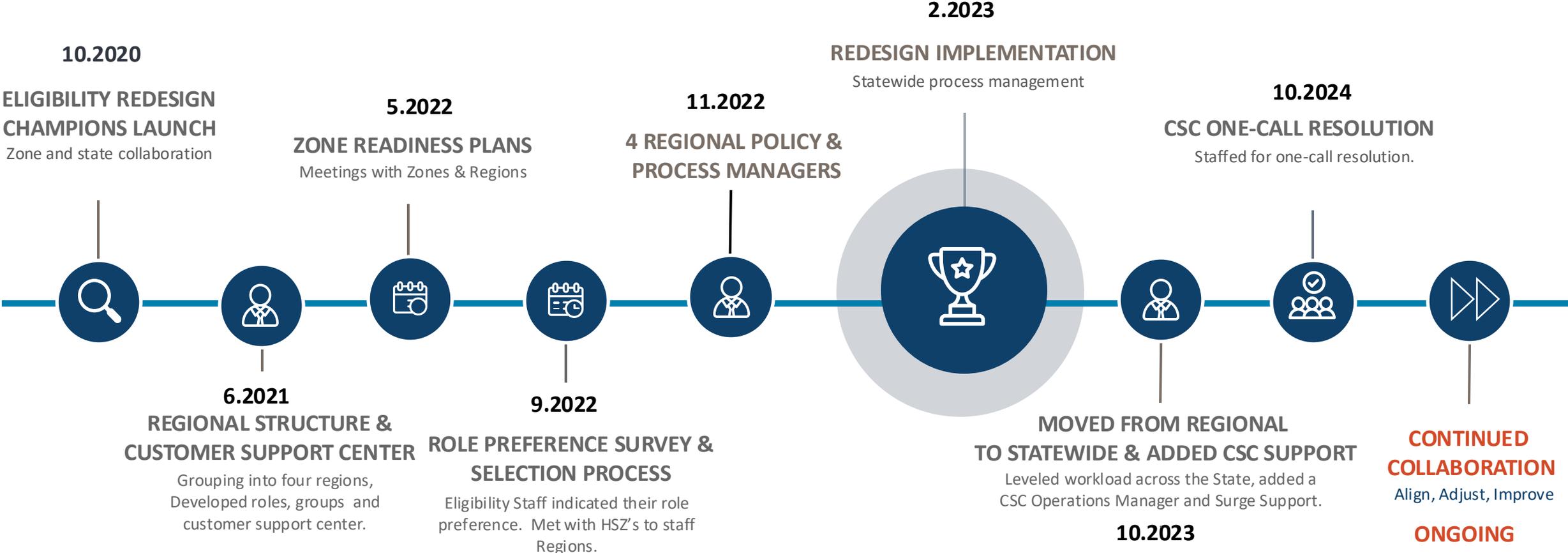
Individuals can use the self-service portal to apply, report changes, renew their benefits, view notices, upload documentation, and check their eligibility and benefits.

Dec 2024 SSP Adoption Rate – 47.13%



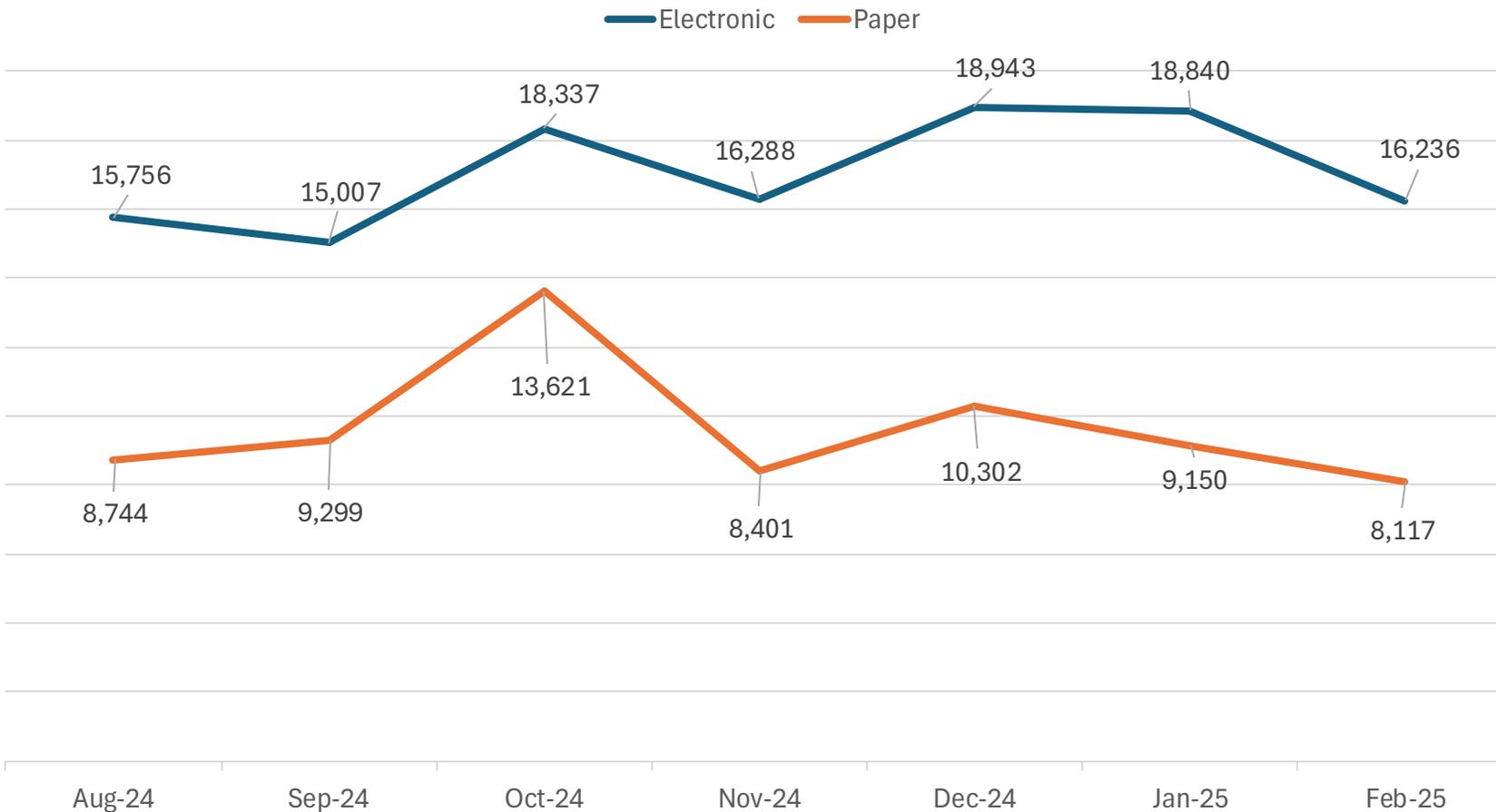
Redesigning the way we work together to deliver resources accurately and efficiently

KEY MILESTONES



Centralized Mail Team assures seamless routing of documents across the state

Incoming Document Counts



4 Digital Mail Specialists (HHS)
+
36 Support Specialists (HSZ)
+
3 Support Spec Supervisors (HSZ)

(1) Scan

- Scan paper applications and documentation sent to the central mail unit or to HSZ Office

(2) Index

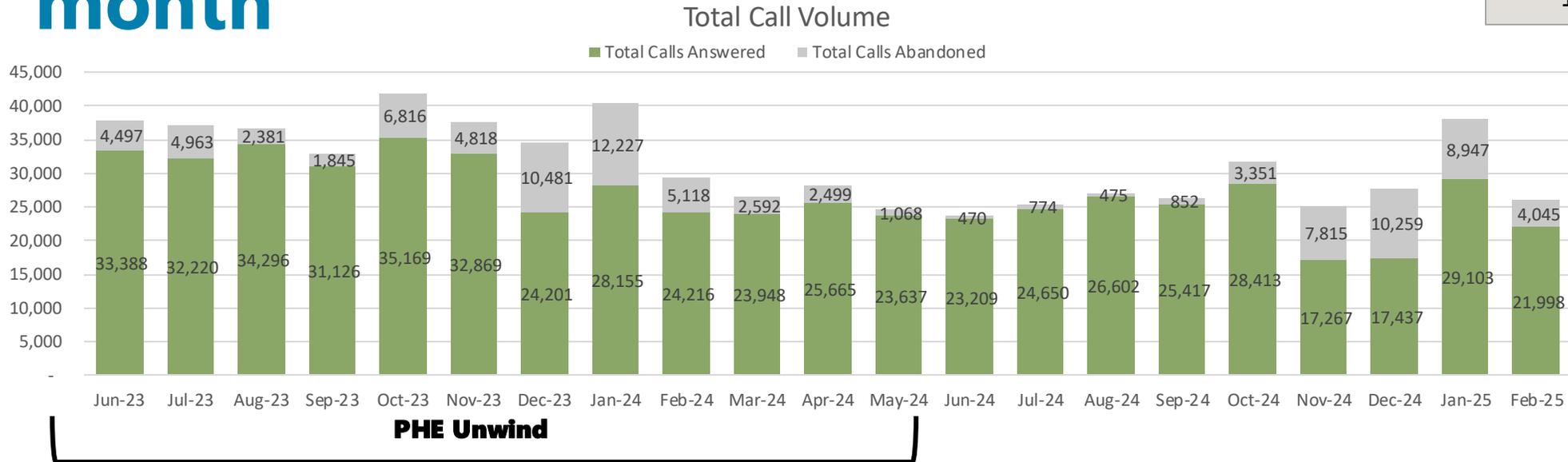
- Team indexes scanned documents to a work queue.
- Automatic indexing to work queue of electronic submissions via self service portal (SSP)

(3) Assign

- Batch process assigns work from the queue to the eligibility worker based on their role and group assignment

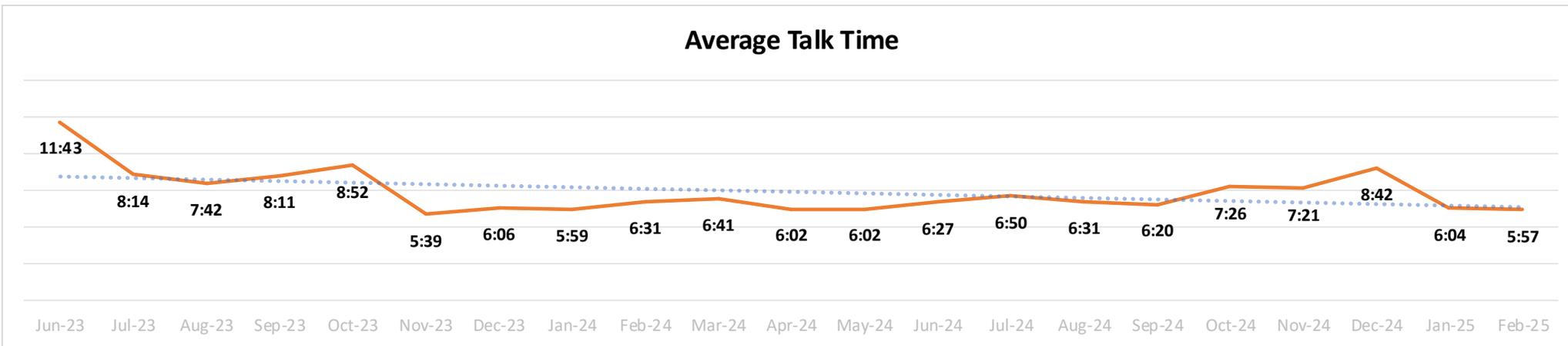
Customer Support Center (CSC) team serves as a resource to tens of thousands of North Dakotans every month

39 CSC agents (37 HSZ, 2 HHS)
 +
 9 CSC Leads & Sups (HSZ)
 +
 1 CSC Coordinator (HHS)



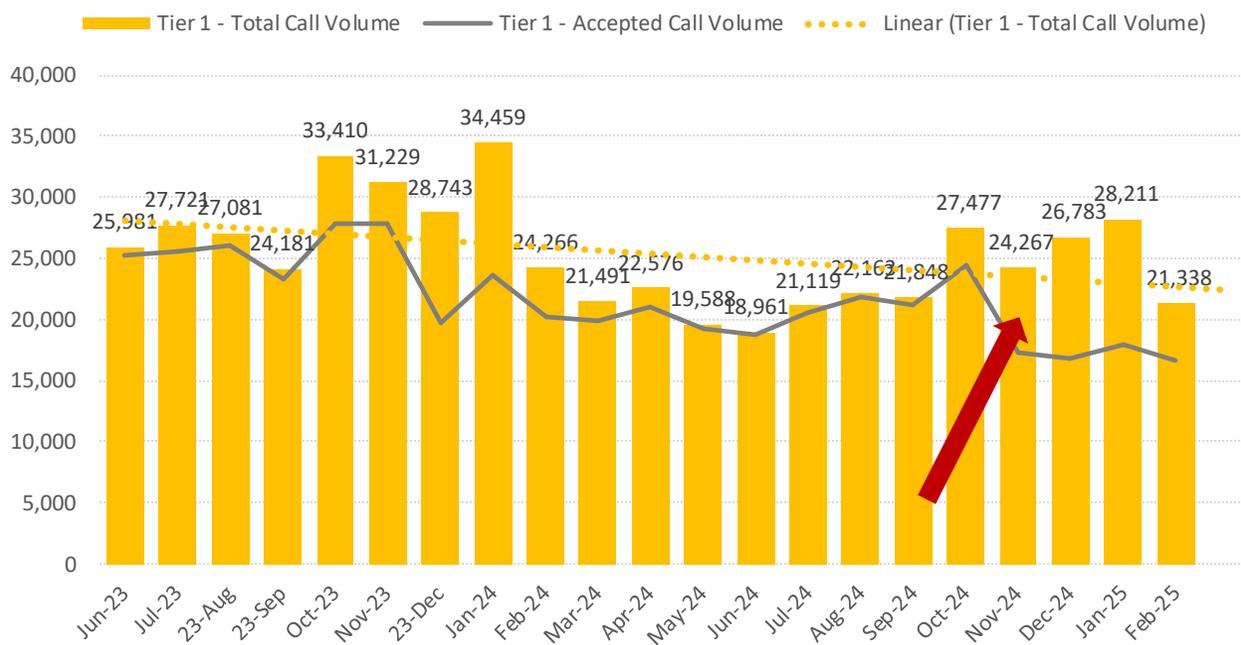
Why do people call?

- When will my case be processed? (#1 - SNAP and #2 Medicaid)
- Questions about what they need to provide to complete review (notice of request for verifications)
- Why was my case closed? Why did the payment status/amount change?
- TANF monthly reporting explanation or JOBS status/inquiry
- EBT cards

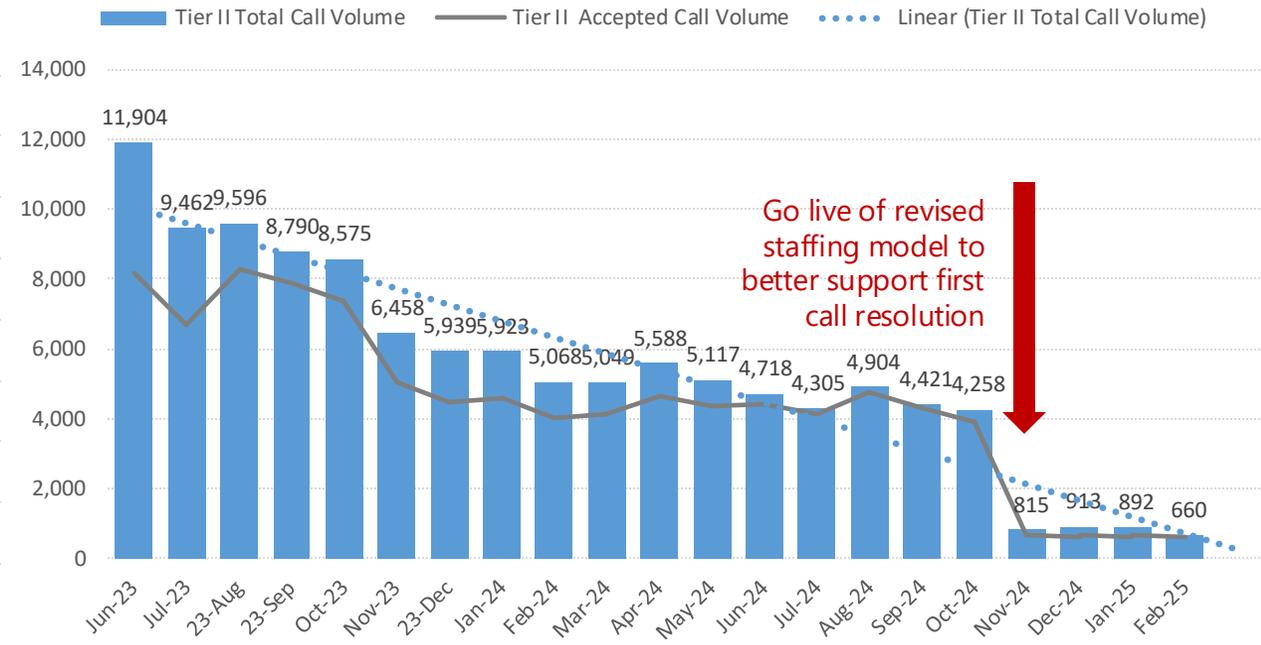


First-call resolution helps assure callers get the answers they need

CSC TIER I Calls



CSC TIER II Calls



Tier 1 calls are answered by an experienced eligibility worker who is trained to triage calls and answer questions, provide feedback, initiate an action step on a case, or make an appropriate referral/transfer to an alternate source.

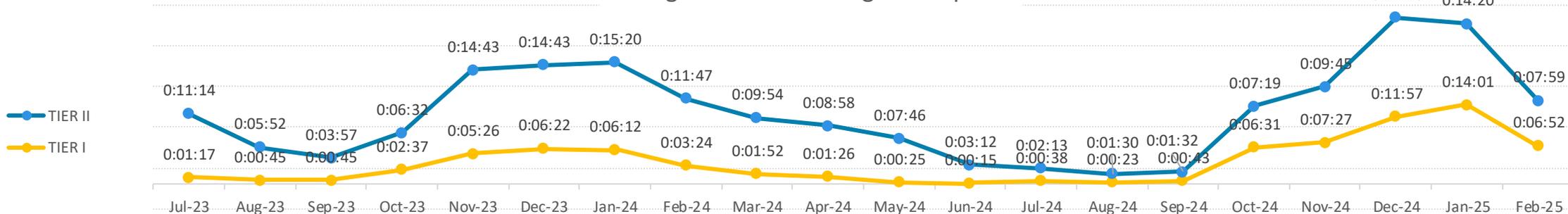
Tier 2 eligibility workers manage calls that are more complex, including when callers require de-escalation, or significant case issues that need additional research & documentation.

Average wait times have increased since transitioning to the first call resolution framework

TOTAL CSC CALLS (Tier 1 and Tier 2)



Average Wait Time for Agent Response



Eligibility teams determine eligibility for 16-18,000 apps & reviews per month by processing 60-70,000+ work items

Centralized Mail Team

- 4 Digital Mail Specialists (HHS)
- +
- 36 Support Specialists (HSZ)
- +
- 3 Support Specialist Sups (HSZ)



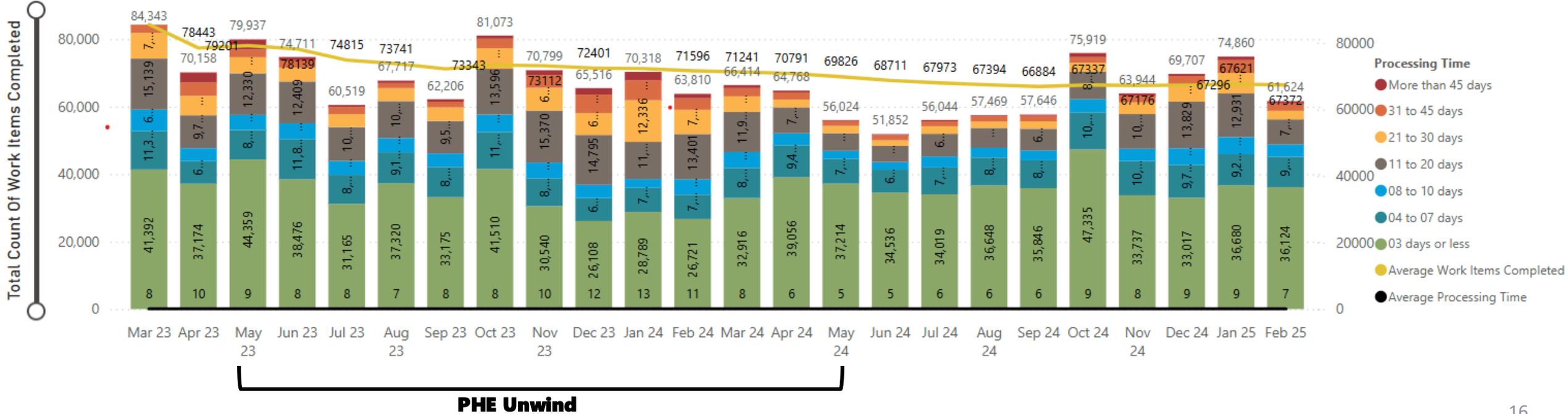
Customer Support Team

- 39 CSC agents (37 HSZ, 2 HHS)
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- +
- 1 CSC Coordinator (HHS)



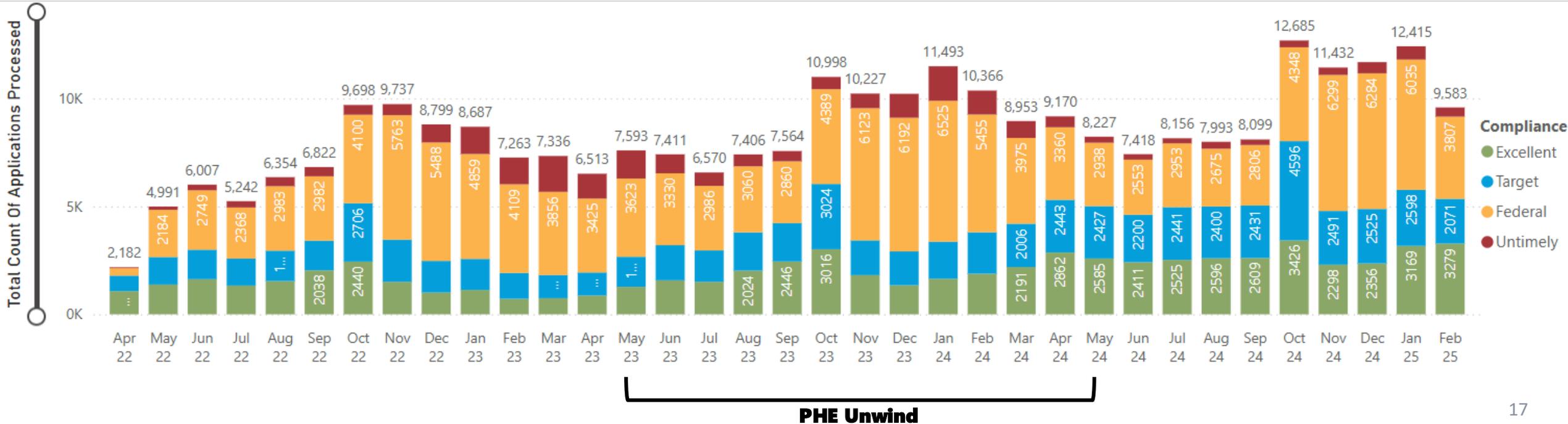
Eligibility Team

- 124 App processors (HSZ)
- +
- 156 Maint processors (HSZ)
- +
- 20 Long Term Care elig (HHS)



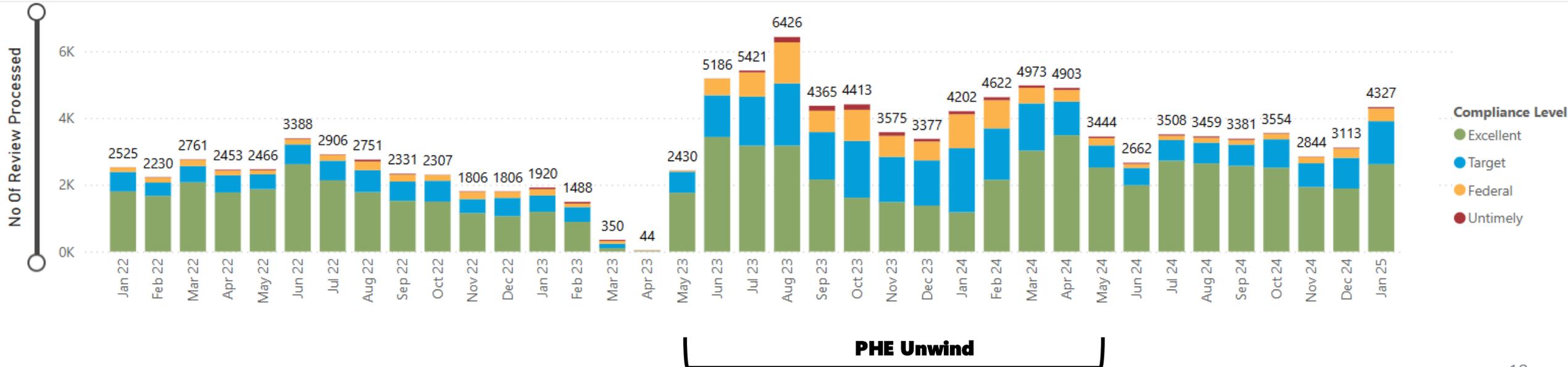
Application Processing - All Programs

- February 2023 – HHS and HSZ’s worked together to develop a regional service delivery model to support Economic Assistance and Medicaid coverage.
- May 2023 – First month participants were required to complete a Medicaid renewal, after the temporary Medicaid coverage extension due to the PHE.
- October 2023 – HHS and HSZ’s moved from a regional to a statewide service delivery model to support Economic Assistance and Medicaid coverage.
- May 2024 – Last month of Medicaid renewals for PHE unwind.



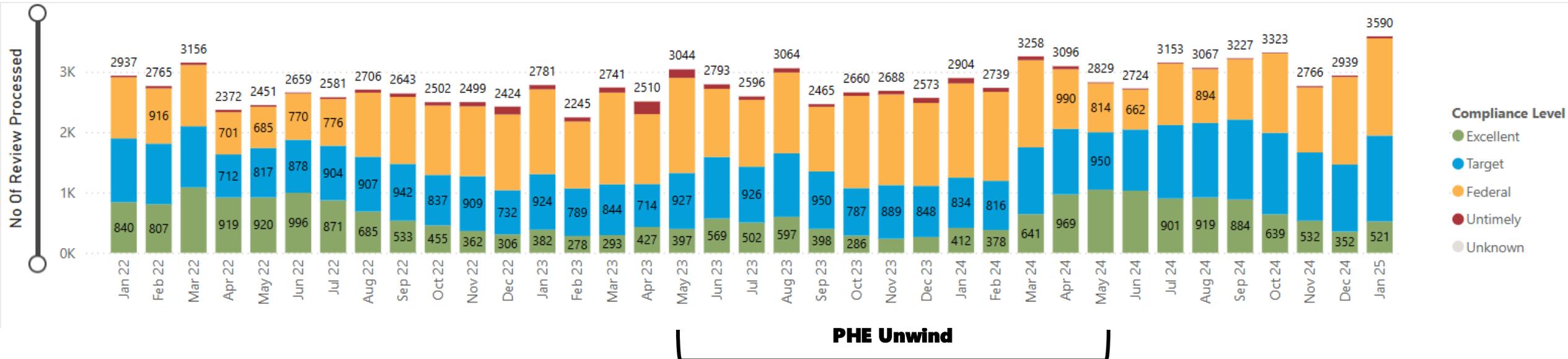
Review Processing - Medicaid

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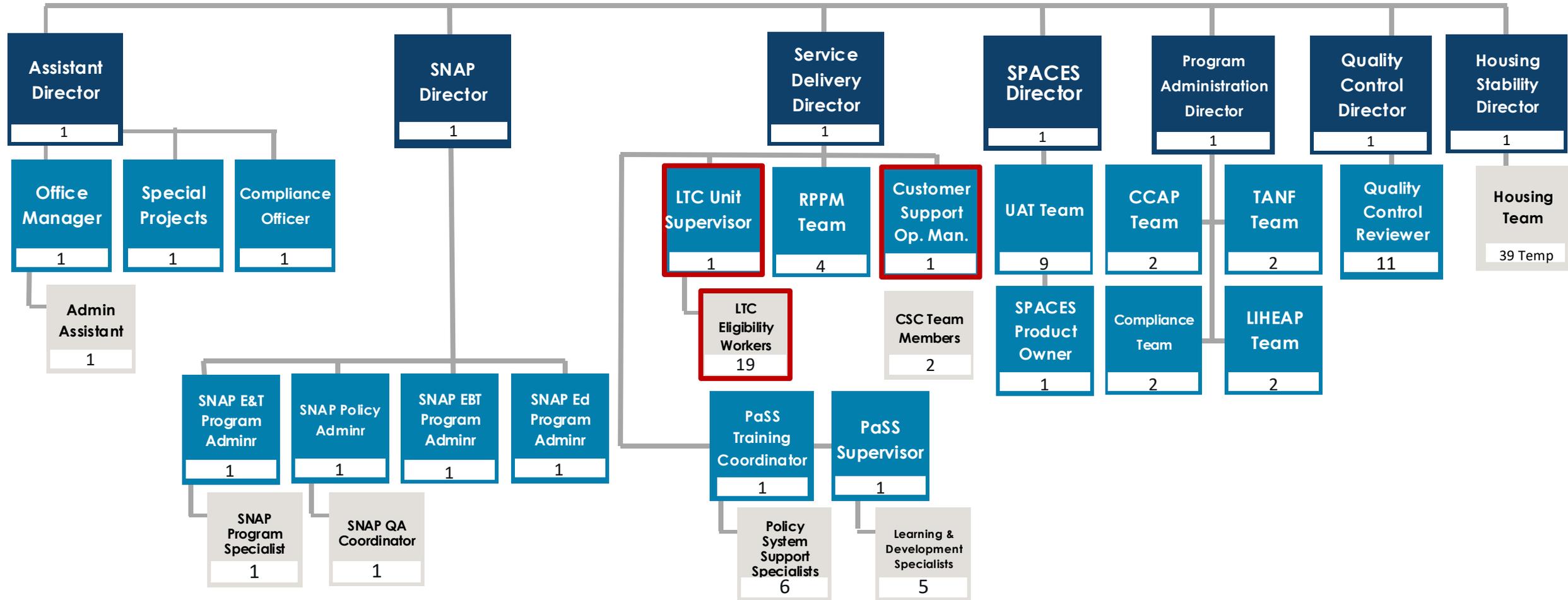
Review Processing – CCAP, SNAP & TANF

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Economic Assistance Director

Michele Gee



= funding included in HSZ Ops budget

Economic Assistance Team

| Economic Assistance | | | |
|--|------------------|----------------|----------------------|
| Position Numbers Assigned/ Funding Exists | Filled Positions | # of Vacancies | # of Temporary Staff |
| 86** | 77 | 9* | 39* |

*Numbers as of 12/1/2024

**21 FTE in HSZ budget section

| | |
|----------------------|------|
| Average Age | 47 |
| Avg Years of Service | 7.4 |
| Retirement Risk | 3.5% |
| Turnover 2021 | 2% |
| Turnover 2022 | 3% |
| Turnover 2023 | 7% |
| Turnover 2024 | 1% |

7 of 9 vacancies noted here have been filled since December 1

- 1 - LTC Elig Team Supervisor (refill)
- 1 – Compliance Officer (new position responsible for managing federal agreements with CMS, IRS, SSA, etc. Ensure compliance and proper security protocols.)
- 1 – CCAP Provider and TANF Vendor Compliance (new to comply with enhanced federal requirements).
- 1 - LIHEAP Vendor Compliance (new to comply with advanced federal requirements).
- 2 - Learning and Development Specialists (new to better support HSZ training).
- 1 SNAP Nutrition Education Administrator (compliance with FNS expectations)

2 positions offered and accepted, starting May 1, 2025

- 2 User Acceptance Testers to support SPACES maintenance and operations efforts

Supporting Service Delivery

Service Delivery Team

Learning & Development

- Developed 40 new program & system learning modules.
- SNAP, Medicaid and SPACES virtual classroom trainings held monthly.
- Continuous updates to SPACES on-line help, including job aids on complex processes.
- Partnered with HSZ Supervisors & Lead workers to develop a new eligibility worker onboarding plan.
- Meet with supervisors & lead workers monthly to review policy and system changes.

LTC Eligibility Team

- Improved average processing time for applications by 43.8% and reviews by 42.9%.
- Community Outreach and Education:
 - Presented at Statewide, along with the East & West LTC Association Conference
 - Presented at Aging Services Informational Collaboration with facilities, care providers and participants.
 - 23 facility visits over last 2 years.

Regional Policy & Process Managers

Collaboration with HSZs to continuously improve service delivery:

- Shift from regional process to statewide processing – achieving level caseloads statewide.
- Continuous monitoring and escalation of work items to ensure timeliness.
- In-person meetings and training for community partners.

CSC Operations

- Implementation of in-person on-boarding.
- Development of CSC scripting.
- Holiday coverage
- Implemented a supervisor review process.

Policy & System Support Help Desk

Provided policy and technical support to the HSZ eligibility teams.

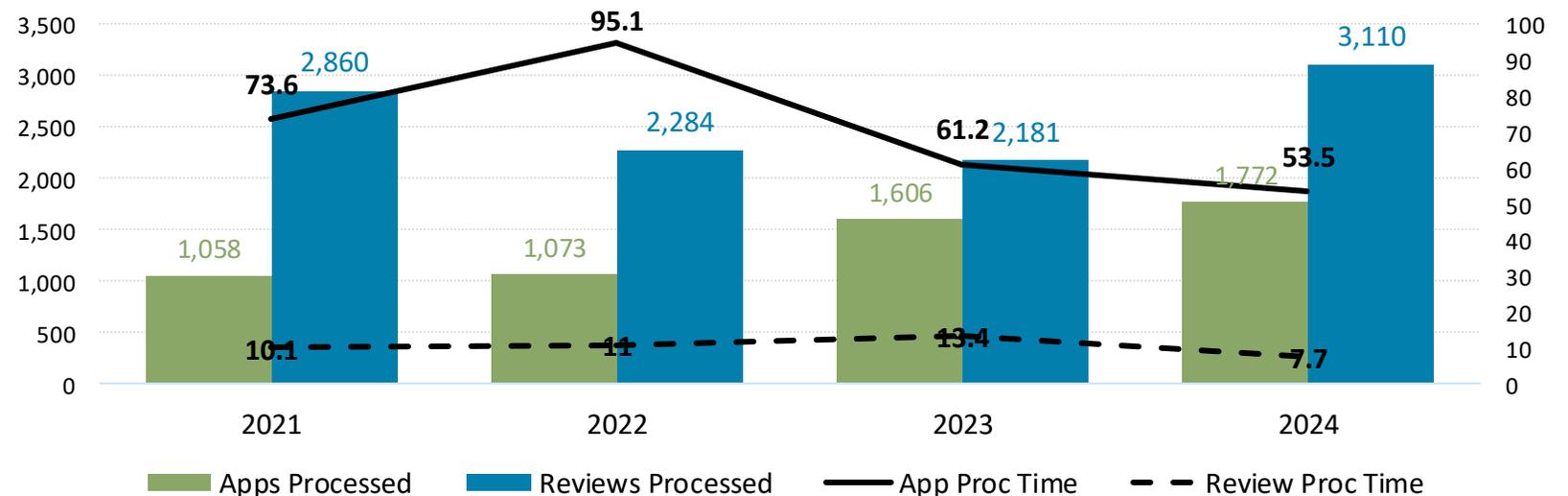
- 34,754 support tickets closed in 2023
- 24,455 support tickets closed in 2024

Supporting Service Delivery

Long-Term Care Eligibility Unit

- Formed in February 2020 as part of Social Service Redesign
- Responsible for determining Medicaid eligibility for individuals who are in:
 - Skilled nursing facilities
 - Memory care
 - Basic care
 - Swing beds, and
 - Individuals receiving home and community based waiver services
- Today, staffed by 17 eligibility workers, 2 supervisors and 1 unit supervisor (HHS)

| | 2021 | 2022 | 2023 | 2024 |
|--------------------------------------|-----------|-----------|-----------|-----------|
| Applications Processed: | 1,058 | 1,073 | 1,606 | 1,772 |
| Average Application Processing Time: | 73.6 days | 95.1 days | 61.2 days | 53.5 days |
| Reviews Processed in Year: | 2,860 | 2,284 | 2,181 | 3,110 |
| Avg Reviews Processing Time: | 10.1 days | 11.0 days | 13.4 days | 7.7 days |



Supporting Service Delivery

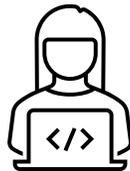
Self-Service Portal & Combined Eligibility System (SPACES)

160,000+
North Dakotans utilized SPACES to access Economic Assistance and Medicaid coverage during SFY 2024



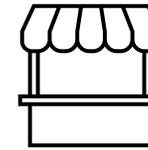
Self-Service Portal

- Screening to help individuals understand what assistance they may qualify to received.
- Dynamic application, gathers information based on the program the individual or family is applying for and their responses.
- Allows individuals to received notices electronically and to receive text messages.
- Participants can report changes, upload documents and complete reviews.
- Mobile Friendly



Worker Portal

- Used by 300 HSZ eligibility team members to determine eligibility and level of benefits for families seeking CCAP, LIHEAP, Medicaid, SNAP and TANF.
- Interfaces with 50+ systems, including MMIS, Child Support, Social Security, Vital Records, IRS, EBT/EPC Vendors, etc.
- Case narratives to support eligibility for historical and audit purposes.
- Create and send notices requesting information, informing individuals of their eligibility, referrals, etc.



Provider Portal

- Associate as a provider for children eligible for CCAP and for households receiving LIHEAP.
- Certify enrollment.
- Submit billings.
- View payment history.
- Submit attendance records.
- Mobile Friendly



Referral Portal

- SNAP & TANF work eligible individuals referred to employment and training partners.
- Programs focus on work readiness, training and job placement services.
- Job Service ND, Community Options, Turtle Mountain Employment and Training, receive referrals and maintain individual participation records.
- Support services for work readiness.



Supporting Service Delivery **SPACES Improvements 2023-25**

- Process alignment to support the **statewide eligibility redesign**
- Implemented enhancements in line with CMS and state-identified enrollment strategies for the 12-month unwinding period. This included **passive renewals, automating 35% of eligibility determinations.**
- **Social security interface** automation, reducing the number of work items by 80%.
- Successful and timely **implementation of legislative changes** for CCAP, TANF and Medicaid.
- **Self-Service Portal** enhancements driving **adoption rate** from 10.5% to 47.1% in one year



SPACES “Behind the Scenes” Impact

Integrated Eligibility system automation removes need for paper apps



Sun Bucks (summer EBT)

Made available by USDA, Sun Bucks provides food assistance during the summer months to families with school-age children eligible for free or reduced-price school meals, when they don't have access to meals at school.

- Summer 2024 - 38,000 children (\$4.6M, 100% fed)
- Direct certification process for Summer 2025 = 44,000 children projected to benefit
 - ✓ 24,000 children will be directly certified because they are eligible for SNAP and TANF
 - ✓ Plus 6-8,000 children will be directly certified as eligible for Medicaid-only



Direct Certification for Free/Reduced Meals

- Nov 2024 added automated data exchange to remove the need for children who are already Medicaid eligible to have to apply again for Free / Reduced Meals from their school
- DPI and HHS exchange data between technology systems to eliminate need for families to complete an additional paper application

SPACES Looking Ahead

Continuous Improvement is necessary to maintain compliance and improve customer experience

Economic Assistance operates North Dakota's Integrated Eligibility system, which is a gateway to all Medicaid services and to the core of family financial resource programs administered by the section. Together these programs represent more than 70% of the resources distributed through the HHS budget.

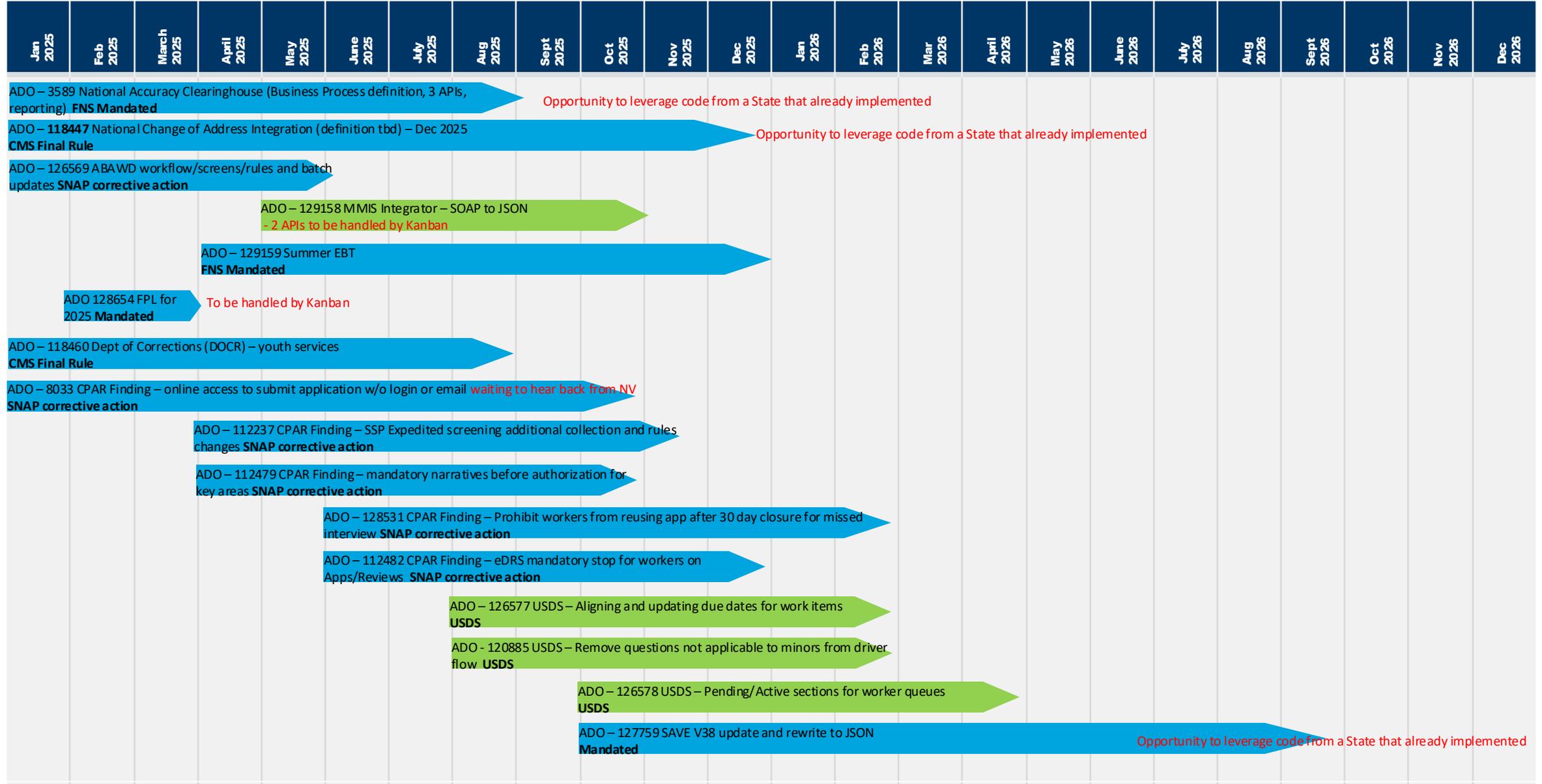


2025-26 Project Work

SPACES Maintenance and Operations (currently 2 scrum teams)

LEGEND

| | |
|--|-------------------------|
|  | Federal changes |
|  | Timebound/DHHS Priority |



Dec 2024 snapshot showing highest priority changes that are currently in SPACES backlog.

As capacity to address becomes available, operations team will triage items based on a waterfall of decision criteria.

| Title 1 | State | Created Date | Program |
|--|-------|--------------|----------|
| 7 MMIS FATAL ERROR Prevent sending duplicate data in transactions | New | 11/6/2024 | |
| 3 [ND-228636] Same individual is Eligible for Multiple COE | New | 4/24/2024 | MEDICAID |
| 9 MMIS Eligibility Determination needs correct Net Income for children | New | 11/6/2024 | |
| 8 ND-216021 - Change Reporting Changes_CWD/WWD | New | 4/19/2024 | MEDICAID |
| 6 ND-140051 - CR 1600: Wiping out of disqualification when there is no Penalty | New | 4/19/2024 | MEDICAID |
| 8 CAPP Policy change to allow Mat. Leave at App/Reviews | New | 9/30/2024 | |
| 0 [ND-214477] Mass update closing Work items | New | 8/9/2024 | |
| 6 CCAP Need ability to move to a child only case. | New | 10/28/2024 | |
| 4 ND-137463 BENDEX BEER - work item generation | New | 11/12/2024 | |
| 3 MEDICAID: Changes to SSP for ACA non-applicants. | New | 6/25/2024 | |
| 6 ND-208829 - HCC - Passive Review Automation of SSI Individuals on Categorically Needy Benefit | New | 4/19/2024 | MEDICAID |
| 2 Multi Program Driver Flow Changes | New | 8/21/2024 | |
| 0 TANF - Work Outcomes of TANF Exiters Report (Quarterly) | New | 9/3/2024 | |
| 1 TANF- Secondary School Diploma or its Recognized Equivalent Attainment Rate (Annual) | New | 9/3/2024 | |
| 7 TANF-Supplemental Work Outcomes Report (Annual) | New | 9/3/2024 | |
| 1 [ND-224516] BABY BOT Twins (More than 1 newborn) Pregnancy & SSN Newborn | New | 2/20/2024 | ALL |
| 8 Penny Bot SSP Analysis - [ND-227849] Conflict Panel - Database Mapping Modifications | New | 4/10/2024 | ALL |
| 3 Education Summary Screen Logic Enhancement | New | 8/7/2024 | |
| 9 Eligibility Override creating Cannot Change Segment due to 'Benefits Cannot be changed because of Change in COE' | New | 6/10/2024 | |
| 9 Messaging needed for SSP for August payments - Dashboard display | New | 7/19/2024 | |
| 4 ND-183795 - Single Parent Adoption is not considered deprivation for TANF | New | 5/22/2024 | |
| 2 ND-203049 - ND Verify: Store the request and response XML in the database | New | 4/19/2024 | ALL |
| 4 ND-223949 - Client Portal Case linking not available while first application in progress | New | 4/19/2024 | ALL |
| 3 SNAP EXPEDITED (ND-189135, ND-176503, ND-228647) | New | 5/21/2024 | SNAP |
| 2 ND-189135 - Income converting and using converted amount to determine expedite status | New | 5/21/2024 | SNAP |
| 1 ND-191529 - Work Program - Reevaluation of rules for when a person needs to be disenrolled from the JOBS program. | New | 5/22/2024 | |
| 6 CCAP - QRIS Bonus Payment - Update | New | 7/26/2024 | |
| 5 Global Change - SAVE should not stop the eligibility determination process while verification is pending. | New | 7/28/2024 | |
| 7 Education Details - Cancel vs Continue Button Difference Enhancement Logic | New | 8/14/2024 | |
| 5 CCAP Changes for Non-compliance issues | New | 8/22/2024 | |
| 8 SNAP - Provisions in the Consolidated Appropriations Act, 2024 | New | 8/22/2024 | |
| 2 Modifying the provider SSP to give updates on when an associated family is due for review. | New | 8/22/2024 | |
| 9 Absent Parent Update 2.0 | New | 8/5/2024 | |
| 5 Electronic Signature Language needed on SPACES forms | New | 9/24/2024 | |
| 3 ND-194539 - TANF payment issued incorrectly - \$45.00 Out of Home Allowance issued for Long Term Care Arrangement to Ineligible Caretaker as they were considered in Filing Unit | New | 5/22/2024 | |
| 7 ND-192198 - TANF - removal of selection of MHA Tribal NEW Program for JOBS referral | New | 5/22/2024 | |
| 5 ND-196188 - TANF Transition budgeting error - child care expenses are not taken into consideration when earned income eligibility for TANF Transition determined | New | 5/22/2024 | |
| 6 ND-193635 - System must allow JOBS Transportation Allowance to sanctioned individual to cure JOBS sanction in second pending month when application is pending | New | 5/22/2024 | |
| 0 ND-192135 - TANF issues with children > 16 and JOBS Requirements and school requirement | New | 5/22/2024 | |
| 0 CCAP-Providers Portal: Unable to edit Pre-Certifications in SSP | New | 10/28/2024 | |
| 3 CCAP children with a Disability | New | 10/28/2024 | |
| 2 TBQ data for Bendex | New | 11/4/2024 | |
| 6 MSP Modifications using TBQ data | New | 11/6/2024 | |
| 2 Defect / Enhancement: Unearned Income Source - Reimbursement | New | 10/26/2024 | |
| 7 Remove Option to Limit the Number of Reasonable Opportunity Periods | New | 11/14/2024 | |
| 8 ABAWD Exemptions questions for Homeless, Foster Child to be mandatory in SPACES | New | 11/19/2024 | |
| 9 SNAP Tribal Food Distributions - SPACES and SSP Changes | New | 11/19/2024 | |
| 4 Global Change - Remove References to NDVerify | New | 7/26/2024 | |
| 2 ND-222191 WORK ITEM: new medical work item/process is needed | New | 7/11/2024 | |
| 0 FNS Timeliness Technical Assistance Request - Ending 1- and 2-month certification periods to improve timeliness rates | New | 11/27/2024 | |
| 3 CHIP Coverage when Reported Change in Circumstance is Other Health Insurance | New | 12/1/2024 | |
| 5 CCAP Add SFN 433 as an option to attach to notices | New | 12/1/2024 | |
| 9 SSP All Portals Document Upload Prevent password protected documents from upload | New | 10/31/2024 | |

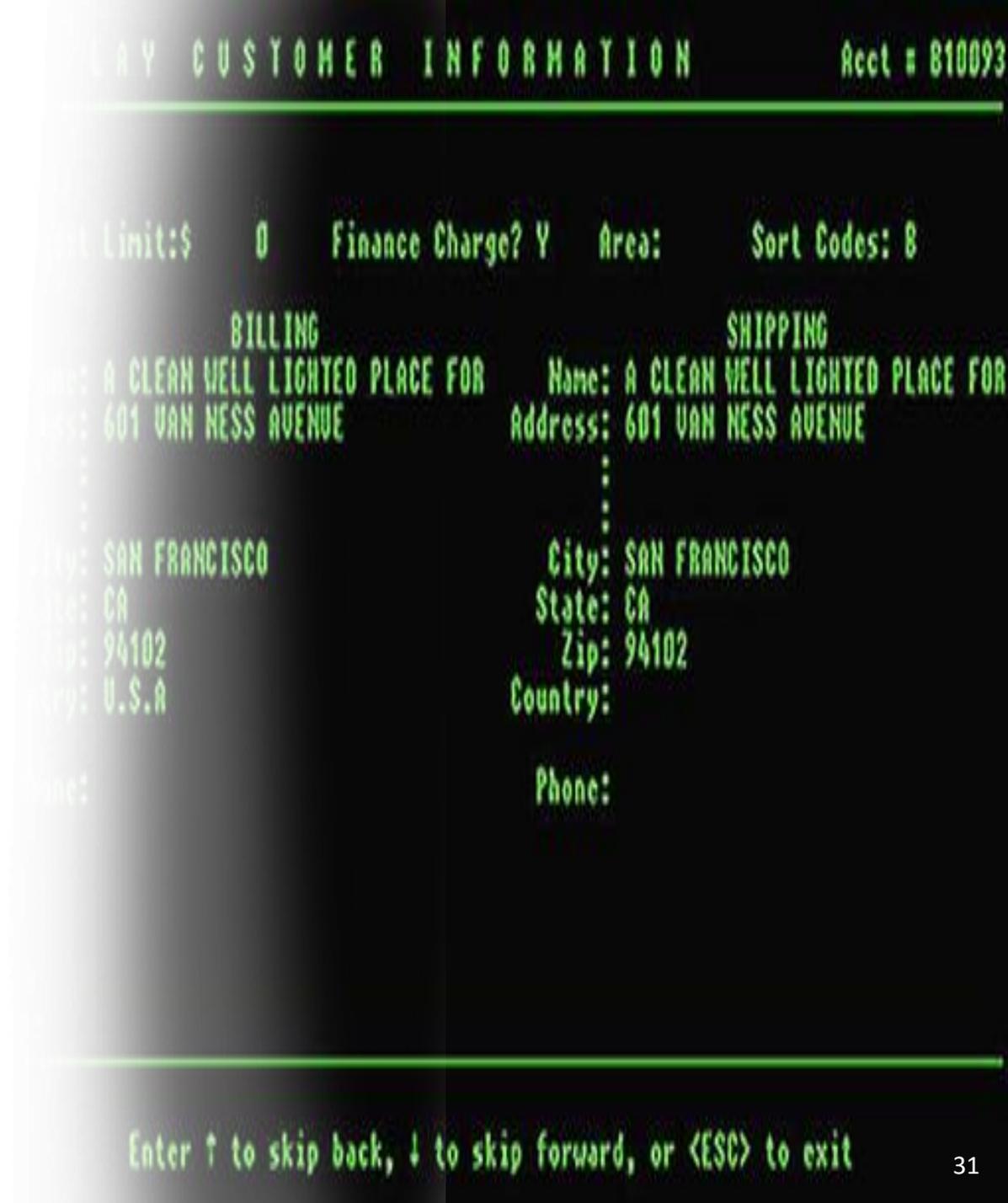
Included in Executive Budget Request

Retire Legacy Systems from Mainframe

- While the majority of the Economic Assistance transactional systems no longer operate on the mainframe, there are legacy system tails that need to be retired, including both programmatic data and process interfaces.
- The effort of retiring mainframe systems will require teams to reverse engineer old technology processes and methodically retire older solutions, transferring or purging data as necessary.

| Total | General | Federal | Other* |
|-------------|---------|-------------|-------------|
| \$2,000,000 | \$0 | \$1,000,000 | \$1,000,000 |

*This is a one-time funding request. (SIIF)



Enter ↑ to skip back, ↓ to skip forward, or <ESC> to exit

Income Eligibility Limits FFY2025

HHS Economic Assistance programs

TANF – 50% FPL
 SNAP – 200% FPL
 LIHEAP – 60% SMI
 CCAP – 75% SMI

NOTE:

30% State Median Income (SMI) is roughly equivalent to 100% of the Federal Poverty Level (FPL)

60% State Median Income (SMI) is roughly equivalent to 250% of the Federal Poverty Level (FPL)

| Household Size | TANF | | 100% FPL | | SNAP | | LIHEAP | | 75% SMI | | 85% SMI | |
|----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|----------|
| | 50% FPL | | Monthly | Hourly | 200% FPL | | 60% SMI | | Monthly | Hourly | Monthly | Hourly |
| | Monthly | Hourly | Monthly | Hourly |
| 1 | \$ 628 | \$ 3.62 | \$ 1,255 | \$ 7.24 | \$ 2,510 | \$ 14.48 | \$ 2,977 | \$ 17.18 | \$ 3,722 | \$ 21.47 | \$ 4,218 | \$ 24.33 |
| 2 | \$ 852 | \$ 4.92 | \$ 1,704 | \$ 9.83 | \$ 3,408 | \$ 19.66 | \$ 3,893 | \$ 22.46 | \$ 4,867 | \$ 28.08 | \$ 5,516 | \$ 31.82 |
| 3 | \$ 1,076 | \$ 6.21 | \$ 2,152 | \$ 12.42 | \$ 4,304 | \$ 24.83 | \$ 4,809 | \$ 27.74 | \$ 6,011 | \$ 34.68 | \$ 6,813 | \$ 39.31 |
| 4 | \$ 1,300 | \$ 7.50 | \$ 2,600 | \$ 15.00 | \$ 5,200 | \$ 30.00 | \$ 5,725 | \$ 33.03 | \$ 7,157 | \$ 41.29 | \$ 8,111 | \$ 46.79 |
| 5 | \$ 1,525 | \$ 8.80 | \$ 3,049 | \$ 17.59 | \$ 6,098 | \$ 35.18 | \$ 6,641 | \$ 38.31 | \$ 8,302 | \$ 47.90 | \$ 9,409 | \$ 54.28 |
| 6 | \$ 1,749 | \$ 10.09 | \$ 3,497 | \$ 20.18 | \$ 6,994 | \$ 40.35 | \$ 7,557 | \$ 43.60 | \$ 9,446 | \$ 54.50 | \$ 10,706 | \$ 61.77 |
| 7 | \$ 1,973 | \$ 11.38 | \$ 3,945 | \$ 22.76 | \$ 7,890 | \$ 45.52 | \$ 7,729 | \$ 44.59 | \$ 9,662 | \$ 55.74 | \$ 10,950 | \$ 63.17 |
| 8 | \$ 2,197 | \$ 12.68 | \$ 4,394 | \$ 25.35 | \$ 8,788 | \$ 50.70 | \$ 7,900 | \$ 45.58 | \$ 9,876 | \$ 56.98 | \$ 11,193 | \$ 64.58 |



\$377

Family of 3 with monthly income of \$6,011 would have a CCAP co-pay of \$377

If monthly cost of care = \$1,082 (average center / infant)

Family pays \$377; CCAP pays \$705

40% of jobs in the ND labor market pay an average wage of \$22/hour or less



| Less than \$16 / hour | \$16 - \$22 / hour | \$22 - \$30 / hour | \$30 - \$38 / hour | >\$38 / hour |
|---|--|---|---|--|
| Childcare worker Waiter/Waitress Dishwasher Bartender Fast food cooks Cashiers Hotel clerk Maid/Housecleaner Farm Worker/Laborers | Home health/PT aide Personal care aide Receptionist/secretary Restaurant cook Preschool teacher Assemblers Maintenance workers Nursing assistant Substitute teacher Stocker/order filler Landscaping/grounds Janitor Laundry/Dry cleaning Legal secretary | Carpenter Loan processor Correctional officers Auto service tech Surgical tech EMTs & paramedics Roofer Real Estate Sales Lic Practical Nurse Dental assistant Firefighter Clergy Architectural drafter Social worker Hotel manager Light Truck driver | Rotary drill operator HR specialist Accountant Electrician PR specialist Counselor Police Registered Nurse Comp network specialist Speech pathologist Production supervisor Occupational therapist | Industrial Engineer Constr mgr Gen/Op mgr Dental hygienist Loan officer Lawyer Sales mgr Software dev Veterinarian Pharmacist Physician Dentist Psychologist |
| <p>47,960 # of people employed in a job with average wage of <\$16/hour represents 12% of total jobs</p> | <p>112,430 28%</p> | <p>121,150 30%</p> | <p>64,390 16%</p> | <p>52,920 13%</p> |

Program Administration

Low Income Home Energy Assistance Program (LIHEAP)

Help households with home heating costs by paying a portion of their heating bills and assisting with home modifications to support energy efficiency.

| | General | Federal | Other | TOTAL |
|----------------|---------|--------------|-------|---------------|
| 23-25 Biennium | \$0 | \$59,158,002 | \$0 | \$59,158,002 |
| 25-27 Biennium | \$0 | \$50,975,416 | \$0 | *\$50,975,416 |

*Adjusted to reflect the \$9,000,000 reduction from the proposed amendment.

2024 LIHEAP Heating Season (October 2023 – May 2024)

14,118 - Households served

- **16.5%** - Households with a child **under age 5**
- **33%** - Households with an individual **65 or older**

\$794 - Average payment per household

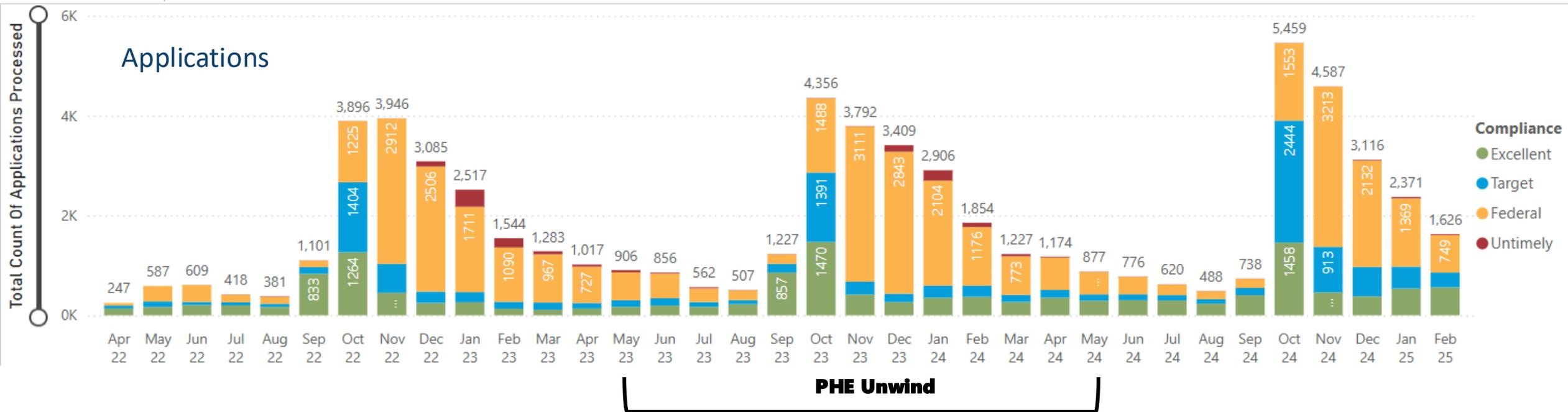
\$11.2 million – direct payments for heating/cooling



LIHEAP Processing

Average processing time from September 2024 – February 2025 was 21.6 days.

| LIHEAP Application Processing Timeliness | | |
|--|-----------|------------|
| ● | Excellent | 0-5 days |
| ● | Target | 6-10 days |
| ● | Federal | 11-45 days |
| ● | Untimely | 45+ days |





LIHEAP Looking Ahead: Changes & Improvements

- Supporting affordable housing by limiting energy burden to **6% or less of the family's total income** (*effective October 2024*)
- Converting ND LIHEAP from a partial-year (i.e., heating season) to a **year-round program** (*effective Summer 2025*)
 - Families will no longer need to reapply for LIHEAP at the beginning of every heating season.
 - Eligibility will be determined on an annual review cycle (similar to other programs).
 - Expands access to financial support for cooling costs during the summer months.

LIHEAP Budget Elements

Note: This slide is adjusted to reflect the \$9,000,000 reduction from the proposed amendment.

25-27 Budget – *Related Services*

\$10,000,000

Services:

- Purchase or repair air conditioners and other cooling devices
- Repair or replacement of unsafe furnaces or those that cannot be repaired
- Furnace & chimney cleaning
- Energy-saving improvements such as proper insulation and sealing windows and doors
- Prevent shut-offs, purchase or rental of supplemental heating devices, temporary shelter outside the home.

Provided by:

- ND Dept of Commerce / ND Community Action Agencies

25-27 Budget – *Direct Assistance*

\$34,214,767

Services:

- Heating and Cooling assistance paid to heating and utility vendors

Provided by:

- HHS Economic Assistance/ HSZ

25-27 Budget - *Administration*

\$6,760,650

- Program Administration (policy, compliance, quality assurance, technology system)
- Outreach to potentially eligible households **provided by** Community Options

Program Administration

Temporary Assistance for Needy Families (TANF)

Serving families with children who are deprived of parental support or care due to divorce, separation, death or one or both parents being aged or disabled.

| | General | Federal | Other | TOTAL |
|----------------|-------------|--------------|--------------|--------------|
| 23-25 Biennium | \$3,032,643 | \$12,645,040 | \$13,270,856 | \$28,957,269 |
| 25-27 Biennium | \$1,040,530 | \$17,510,307 | \$13,270,586 | \$31,821,422 |

June – November 2024:

695 – Average # of families served/month

\$640 - Average payment per family/month

\$63 - Average support service payment per family/month

51% of the TANF households are child-only, meaning a child is living with a relative, other than mom or dad.



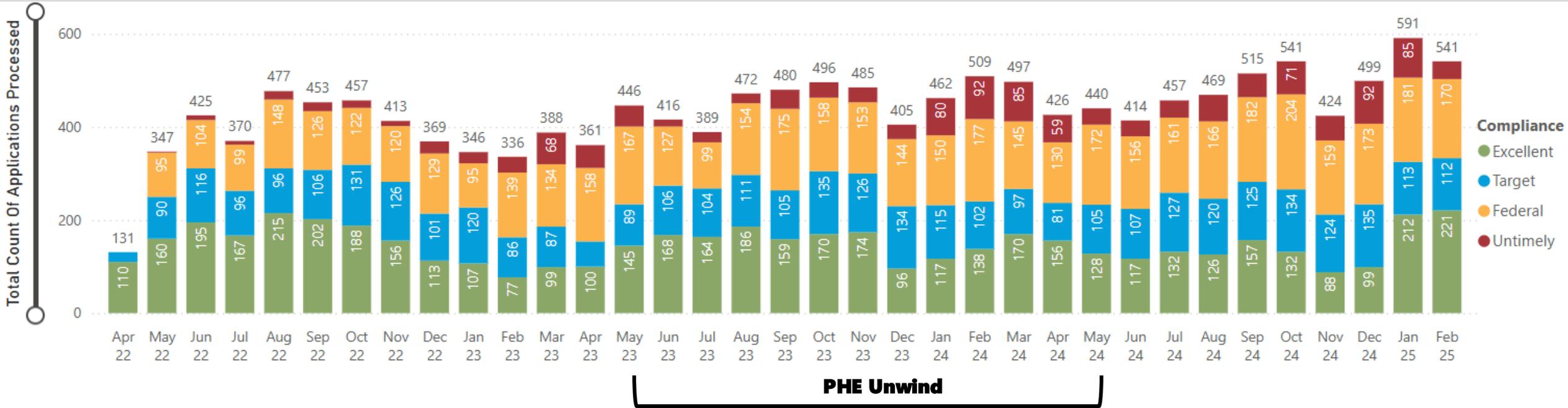
TANF Processing

Average processing time from September 2024 – February 2025 was 27.9 days.

TANF Application Processing Timeliness

- Excellent 0-10 days
- Target 11-20 days
- Federal 21-30 days
- Untimely 31+ days

Applications





TANF Program Changes as per 2023-25 Legislative Session actions

- August 2023, implemented an increase in the TANF benefit amount, essentially doubling the amount for eligible families.
 - A caretaker with 2 children, working 40 hours per at \$7.25 per hour or \$1,160 per month is eligible for a benefit amount of \$896 per month. Prior to this change, the family would have received a \$448 benefit.
- October 2023, eliminated the benefit cap provision, preventing an increase in TANF when a child is born to a household member who was receiving TANF during the probable month of conception.
- October 2023, provide eligibility for pregnant women from the start of their pregnancy.
- October 2023, allow for an additional 12 months of earned income disregard as a work incentive.

TANF Looking Ahead

Changes & Improvements

- Reduce burden on families and eligibility workers moving from monthly reporting to a 6- or 12-month review period.
- Enhance work support through motivational interviewing and expanded supportive services
- Re-evaluate state retention of child support collections involving TANF families.
- Annualized increase for benefit level to sustain progress made in last legislative session



TANF Program Budget Elements

25-27 Budget – **Direct Benefits**

\$19,063,430

Programs:

- TANF **Regular** Benefits to families with children who are deprived of parental support or care due to divorce, separation, death, or one or both parents being aged or disabled.
- TANF **Diversion** provides short-term emergency benefits & services to families during a 'specific crisis or episode of need'. Limited to four months within a 12-month period.
- TANF **Kinship** Care provides funding and services for children in the care, custody, and control of a HSZ, DJS, ND Tribal agency, or who are placed with a relative. In addition to the regular TANF benefit the family receives a \$300 TANF Kinship Care maintenance payment.

Provided by:

- HHS Economic Assistance/HSZ

25-27 Budget – **Employment & Training Services**

\$9,254,222

Services:

- Employment & Training Services for work-eligible individuals assisting with job skills training, job search and readiness, vocational training, on-the-job training, etc.
- **Supportive Services** provides TANF-eligible families with supportive payments to assist them in becoming or maintaining employment. Examples include license or certification fees, transportation, vehicle repairs, tools, employment-related clothing, etc.

Provided by:

- Job Service ND, Community Options, Inc., Turtle Mountain Employment & Training

25-27 Budget - **Administration**

\$3,503,770

- Program Administration (policy, compliance, quality assurance, technology system)



Program Administration

Supplemental Nutrition Assistance Program (SNAP)

Provide nutrition benefits to supplement the food budget of lower-income families so they can purchase healthy food and move towards self-sufficiency.

| | General | Federal | Other | TOTAL |
|----------------|-------------|---------------|-------|---------------|
| 23-25 Biennium | \$1,260,459 | \$228,581,956 | \$0 | \$229,842,525 |
| 25-27 Biennium | \$2,440,011 | \$278,368,201 | \$0 | \$280,808,211 |

June – November 2024:

26,330 – Average # of households served/month

- 36.2% include a child under age 18
- 22.4% include an individual 60+

50,733 – Average number of individuals served/month

\$376 – Average benefit per household/month

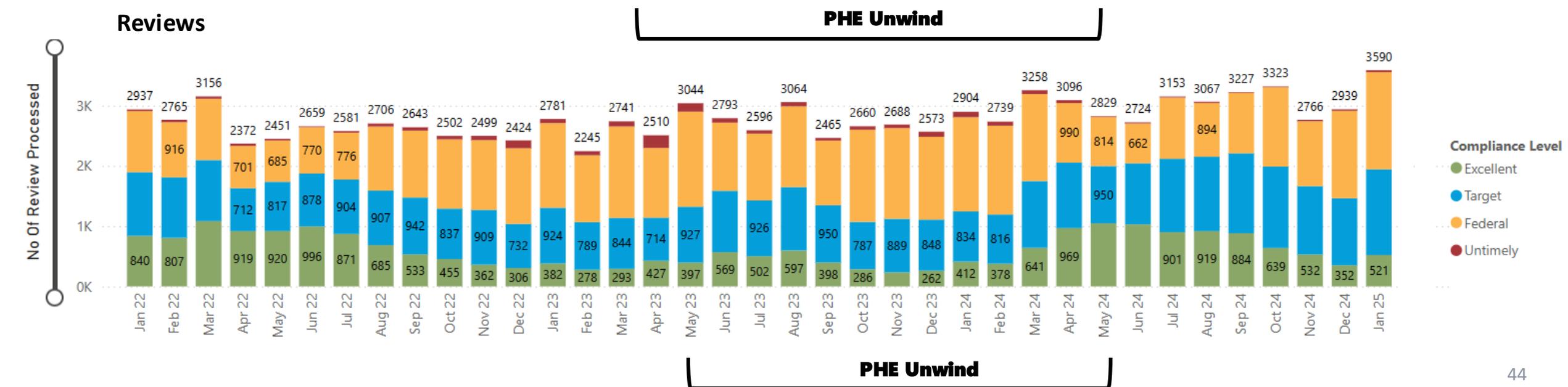
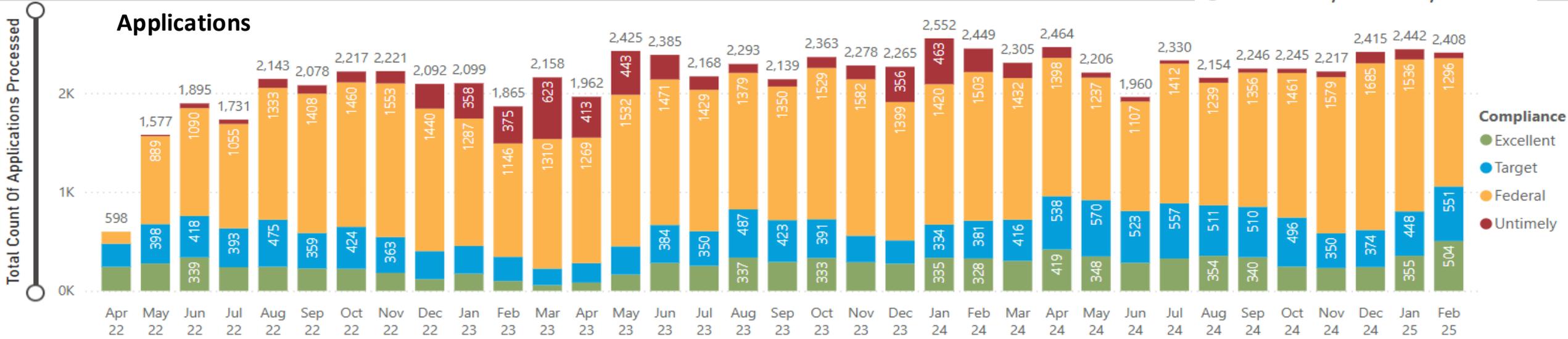
\$9.9 million – Total SNAP dollars issued/month

SNAP Processing

Average processing time from September 2024 – February 2025 was 23.9 days.

SNAP Application Processing Timeliness

- Excellent 0-3 days
- Target 4-10 days
- Federal 11-30 days
- Untimely 31+ days



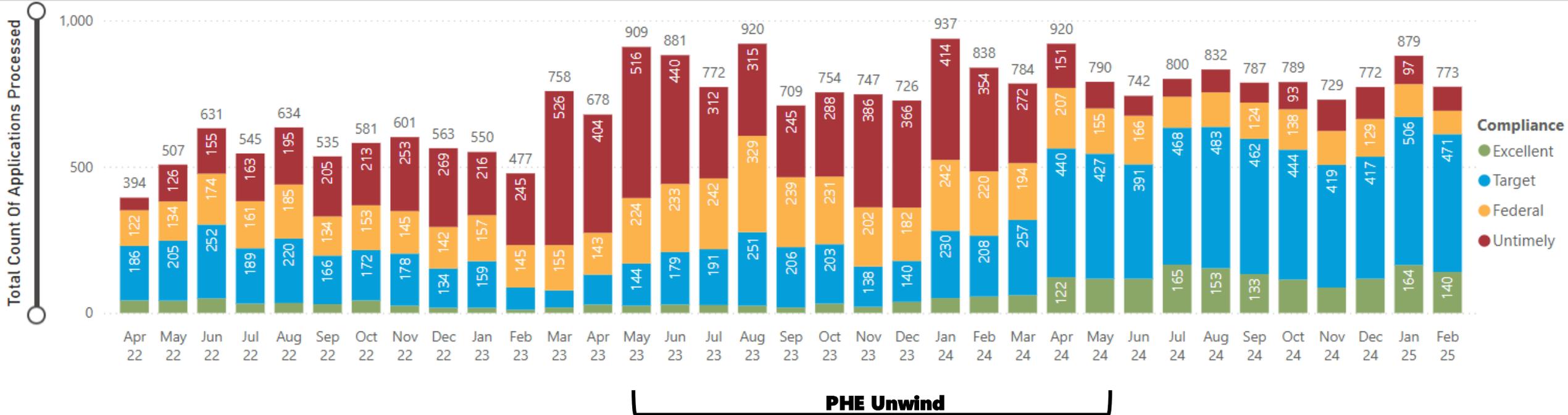
Expedited SNAP Processing

Average processing time from September 2024 – February 2025 was 5.8 days.

Expedited SNAP Processing Timeliness

- Excellent 0 days
- Target 1-3 days
- Federal 4-7 days
- Untimely 8+ days

Expedited Applications



Sun Bucks (Summer EBT)

The Summer Electronic Benefits Transfer Program, or SUN Bucks provides food assistance to households with **school-age children** who are **eligible for free or reduced-priced school meals during the summer**, when they don't have access to meals at school.

- New Program available through USDA, Food and Nutrition Services (FNS).
- Partnership with the Department of Public Instruction to develop and implement the program in ND, the first year of availability which was summer 2024.
- **38,412** children and their families received \$4.6M in benefits. FNS established a benefit level of **\$120 per child**.
- Children receiving, SNAP, TANF, Medicaid or free or reduced-price meals are directly certified for Sun Bucks.
- Children who are not directly certified who may be eligible for Sun Bucks can still apply for the Program.
- Summer 2025 – anticipating **44,000** children will benefit.



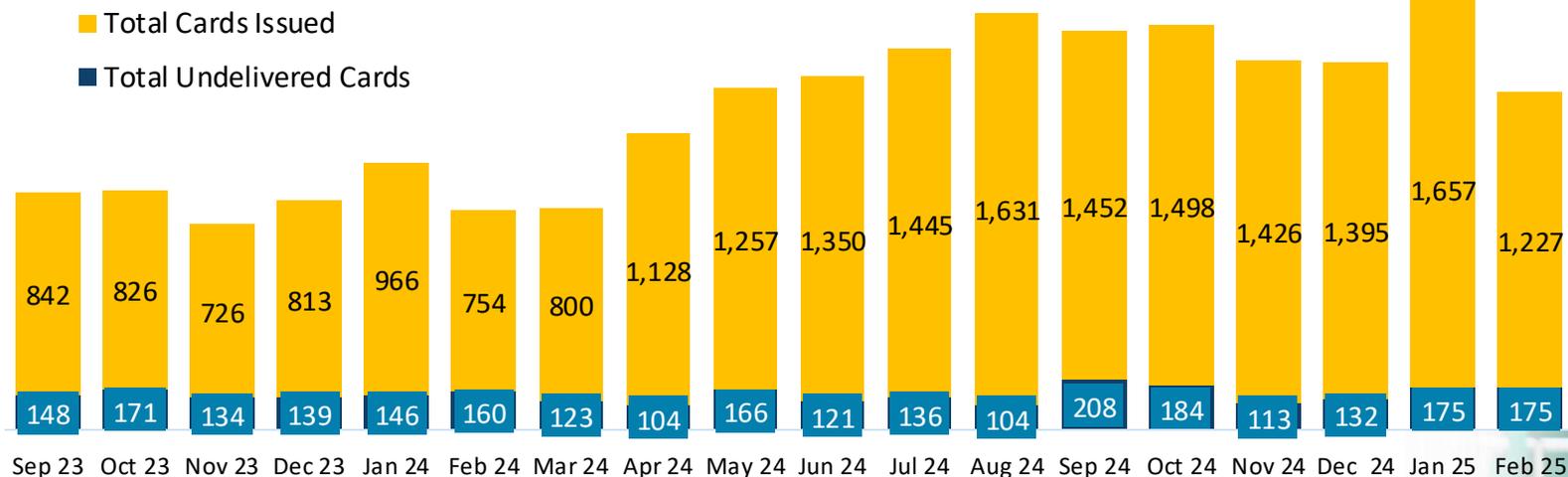
SNAP Looking Ahead

Changes & Improvement

Partnering with HSZ's to develop a **hybrid EBT issuance model**, to ensure individual can meet their family's food needs that considers:

- Elderly or Disabled
- Individuals experiencing homelessness
- Applicants who meet the federal definition of expedited, requiring a determination within 7 days:
 - Households with less than \$150 in countable income
 - Households whose shelter costs are more than their income

EBT Card Issuance



SNAP Budget Elements

25-27 Budget – *Direct Assistance*

\$262,968,145

Services:

- SNAP Benefits
- SunBucks – Summer EBT Program

Provided by:

- HHS Economic Assistance/ HSZ/ND Department of Public Instruction

25-27 Budget - *Administration*

\$12,383,563

- Program Administration (policy, compliance, quality assurance, technology system)

25-27 Budget – *Related Services*

\$5,456,504

Services:

- Employment & Training Services for work-eligible individuals, provided by: Job Service ND/Community Option, Inc
- SNAP Nutrition Education, provided by: NDSU Extension Service Family Nutrition Program
- Outreach & Application Assistance, provided by: Great Plains Food Bank



New Federal Spending Awards

SNAP infrastructure grants

- **\$55,725** to support the cost of third-party earnings verification with an expenditure date of 9/30/2025.
- **\$1.1 M** technology grant to enhance the Sun Bucks solution, reducing manual intervention with an expenditure date of 9/30/2028.
- **\$123,725** to enhance the application and verification process and improve communications, including the ability to text message individual with an expenditure date of 9/30/2025.

These new grant funds will help offset expenditures related to required SNAP infrastructure investments.

Included in Executive Budget Request

Eviction prevention and housing stabilization

Strategically targeting interventions that address household budget gaps can prevent the spread of crisis and instability.

- Eviction prevention and targeted rent assistance for people at highest risk of housing instability, in connection with participation in other HHS-funded services - \$13.5 million
- Home Renovation incentives to address accessibility modifications - \$1 million

Note: Engrossed HB 1012 reduced to \$1,000,000

| Total | General | Federal | Other* |
|--------------|---------|---------|--------------|
| \$14,500,000 | \$0 | \$0 | \$14,500,000 |

*This is a one-time funding request. (SIIF)



Program Administration

Child Care Assistance Program (CCAP)

Pays a portion of child care costs for working families and those in training or education programs, with no co-pay required for families at or below 30% of the state median income.

| | General | Federal | Other | TOTAL |
|----------------|--------------|--------------|-------------|---------------|
| 23-25 Biennium | \$60,989,759 | \$29,005,185 | \$7,034,072 | \$97,029,016 |
| 25-27 Biennium | \$76,803,066 | \$31,317,762 | \$7,034,072 | \$115,154,900 |

June 2024 – Nov 2024

6,178 – Average # children served/month

3,812 - Average # families served/month

Infants and Toddlers (ages 0-36 mo) represent **49%** of payments and **35%** of children who benefit from CCAP each month

\$32.6 million - Total CCAP dollars supporting families

\$882 - Average payment per child/month

1,032 – Providers receiving CCAP payment(s)/month

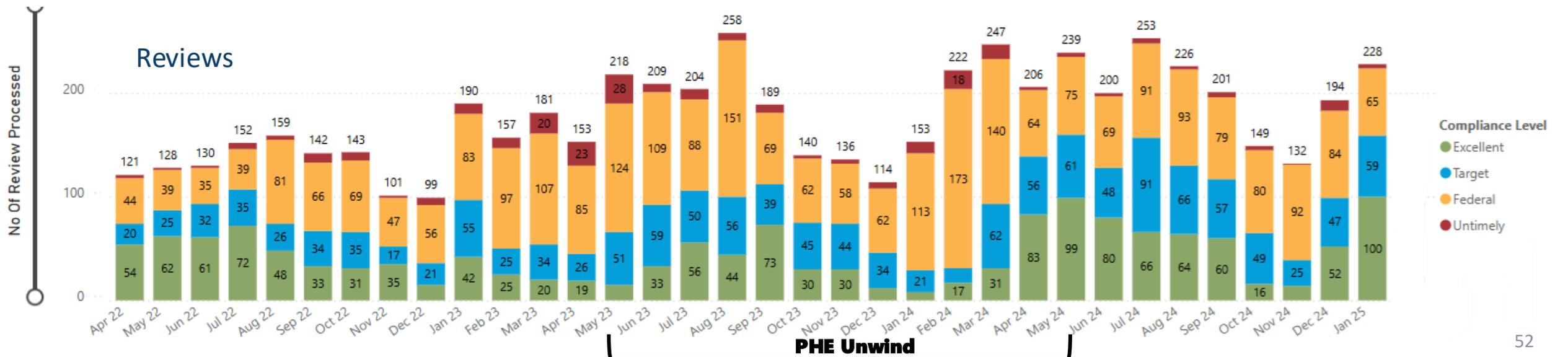
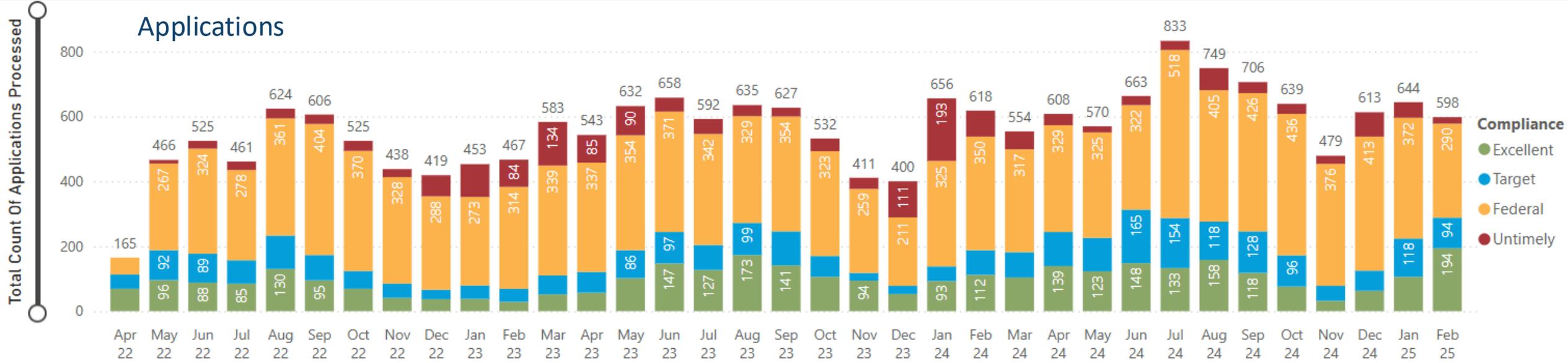


Child Care Assistance Program

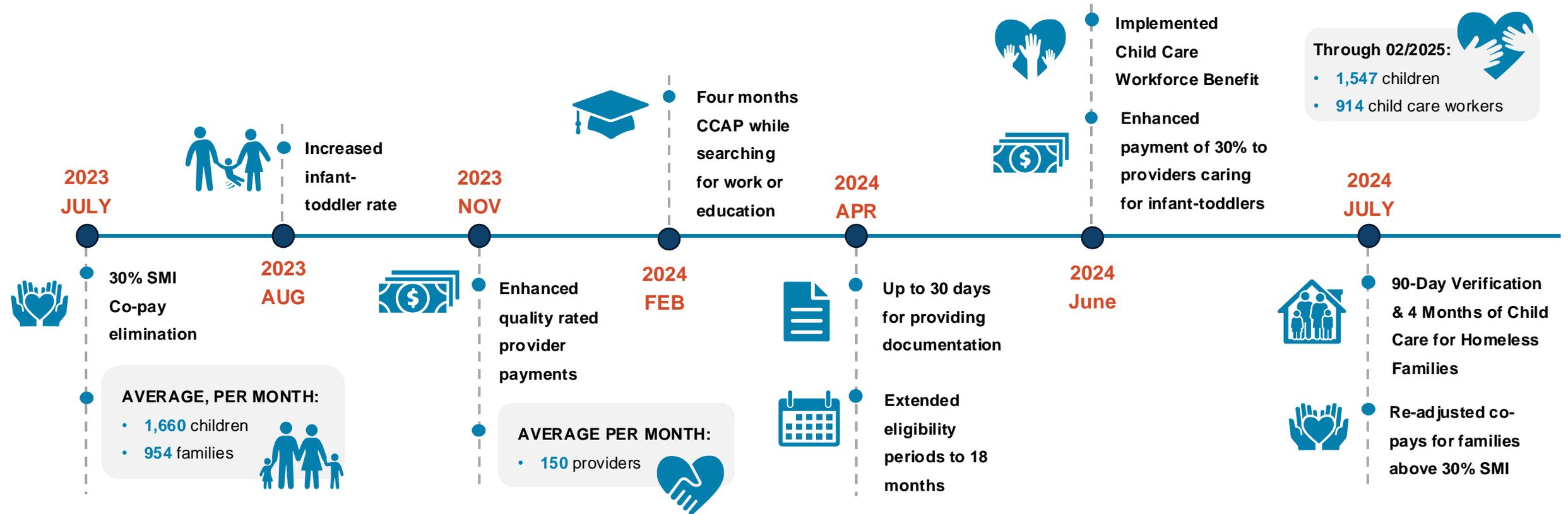
Average processing time from September 2024 – February 2025 was 26 days.

CCAP Application Processing Timeliness

- Excellent 0-5 days
- Target 6-10 days
- Federal 11-30 days
- Untimely 31+ days



HB 1540 CCAP Improvements 2023-25



Child Care Assistance (CCAP) Budget Elements

25-27 Budget – *Child Care Assistance to families*

\$91,806,528

Services:

- Monthly payment of a portion of child care costs for parents who are working, actively seeking work or pursuing education or training.
 - Amount of payment is based on household income, family size, age of children, and type of child care provider
 - Family share (aka: co-payment) varies from 2-6% of household income
- Streamlined eligibility for households experiencing homelessness, and for families already determined eligible for SNAP or Medicaid

25-27 Budget – *Infant/Toddler & Quality Bonus Payments*

\$23,400,000

Services:

- Bonus payment to child care providers caring for children ages 0 to 36 months (+30% of state max rate (SMR))
- Bonus payment to child care providers who have achieved Step 2, 3 or 4 quality rating (+5-15% of SMR)

25-27 Budget - *Administration*

\$2,253,914

- Program Administration (policy, compliance, quality assurance, technology system)
- Annual market survey of providers
- Outreach to potentially eligible households

Included in Executive Budget Request

Quality-tiers for Child Care Assistance payments (HB1540)

- Quality-based CCAP bonus available to providers that participate in Bright & Early ND
- One-Time Funding of \$3 million appropriated in 2023 Legislative Session – HB 1540
- Implemented November 2023 with expenditures through February 2025 of \$1,561,444.
- February 2025, 149 providers received payment, up from 59 providers in the initial month.

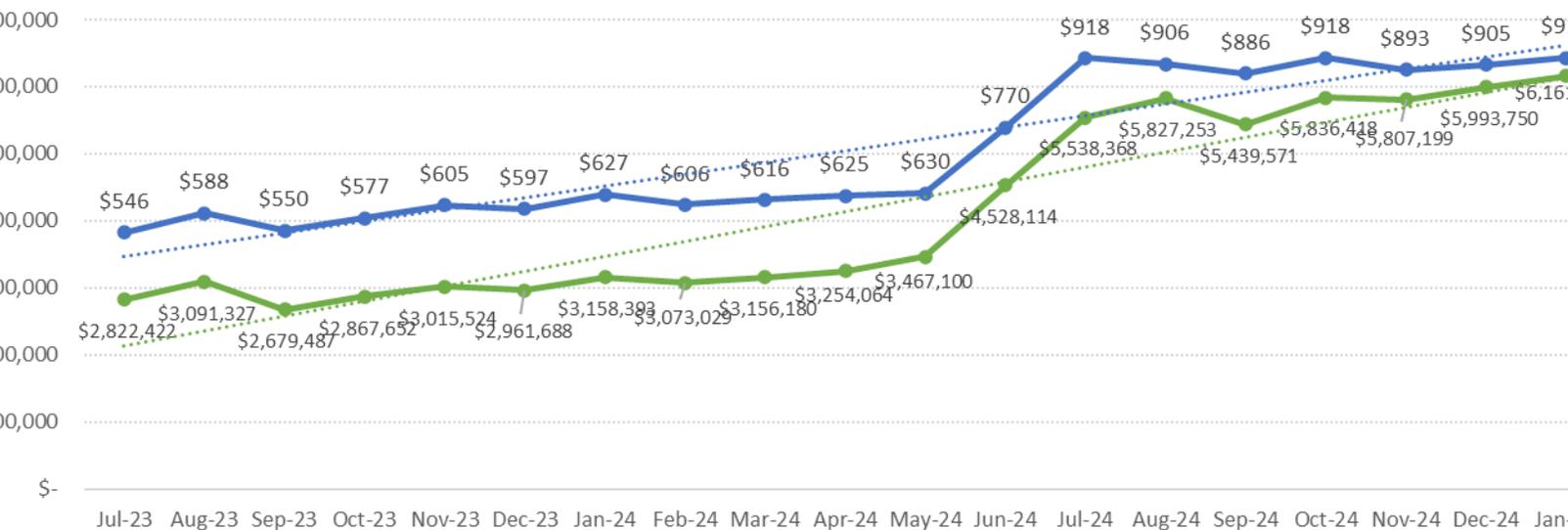
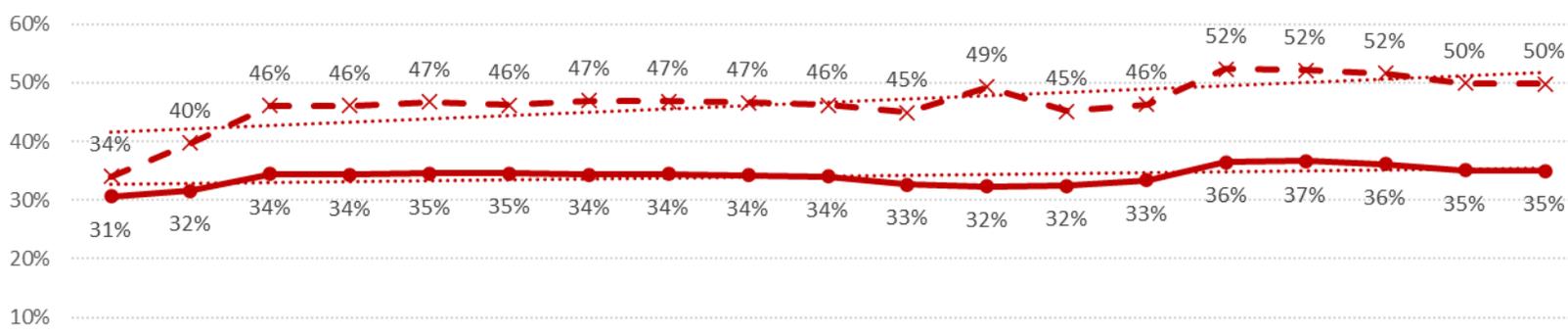
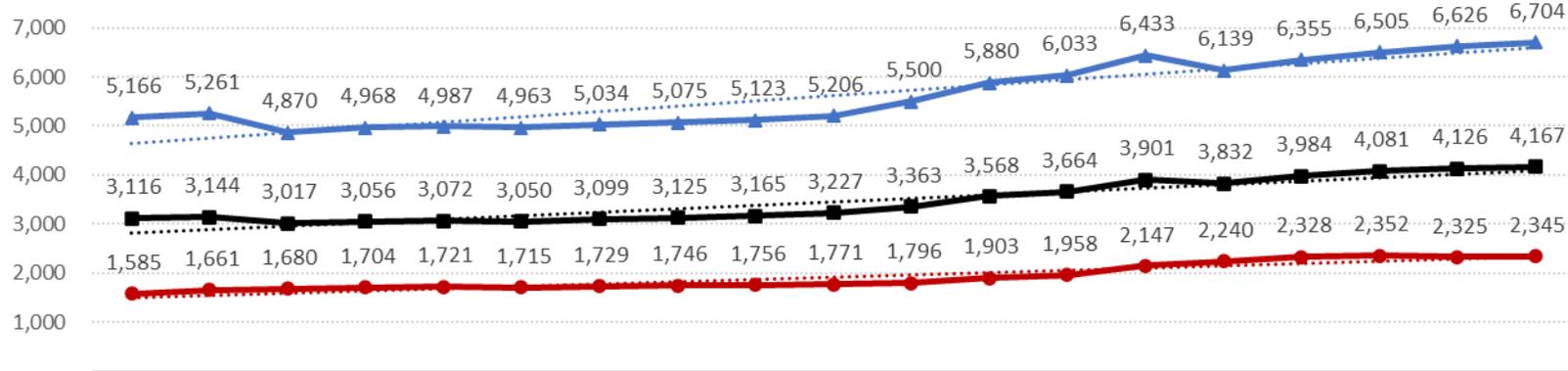
Note: Engrossed HB 1012 reduced to \$1,500,000

| Total | General | Federal | Other |
|-------------|-------------|---------|-------|
| \$3,000,000 | \$3,000,000 | \$0 | \$0 |

This is a one-time funding request.



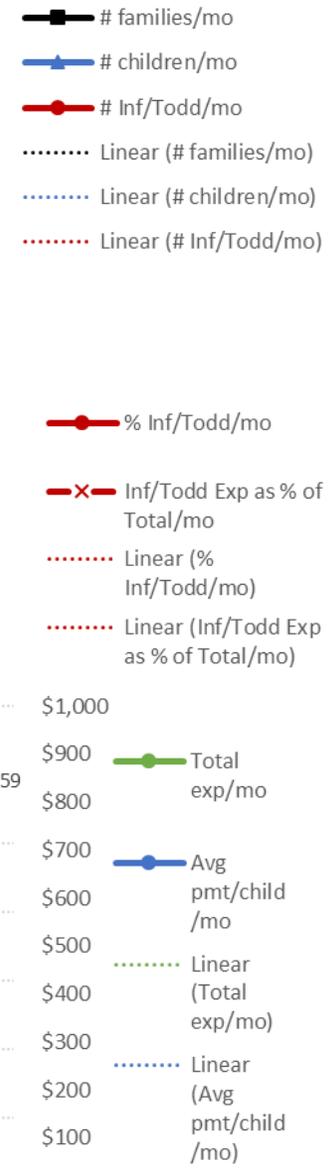
23-25 biennium CCAP Utilization and Cost Trends



Change Jul '23–Jan '25

(by month)

- +34% - # families
- +30% - # children
- +48% - # infant/toddlers
- +14% - % infant/toddler as % of children w/CCAP
- +47% - % infant/toddler as % of expenditure
- +118% - Total expend
- +68% - Avg pmt/child



Affordability

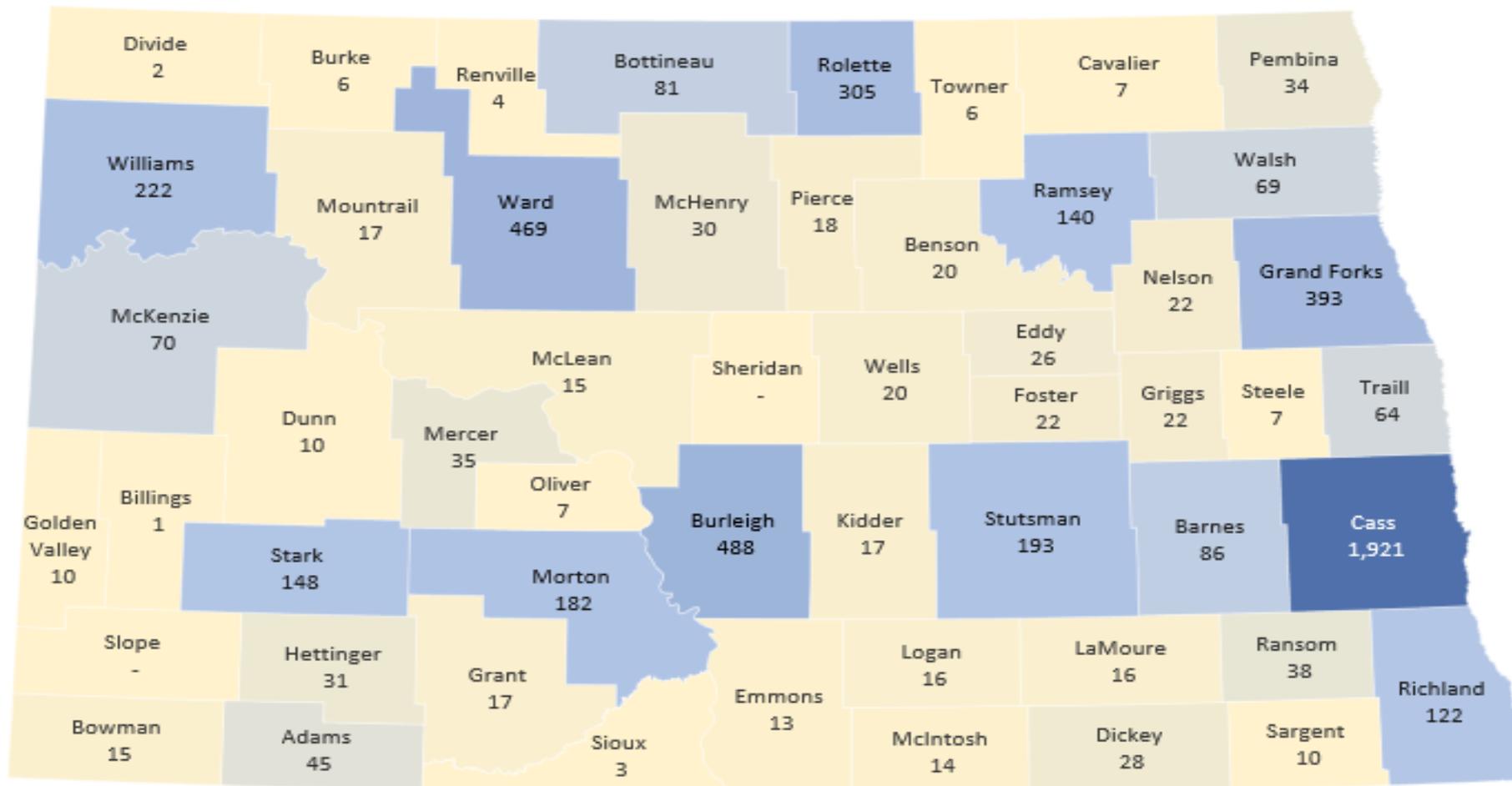
Key Indicator: Child Care Affordability | CCAP Utilization

Child Care Assistance by County

Monthly average number of children benefitting from CCAP Jan 24 – Dec 24

5,556

Average number of children benefitting from CCAP each month



Key Indicator: Child Care Affordability | CCAP Utilization

Child Care Assistance makes a difference for working parents

Jan 2025 survey of Child Care Assistance Program participants | County-level analysis of CCAP utilization as a proportion of total CCAP utilization

Q: How has child care assistance impacted your ability to manage work hours and schedules?

- Child care assistance allows parents to maintain stable employment, work full-time, and balance their schedules without the constant worry of affording child care.
- Many single parents and families with unpredictable incomes emphasized that without this support, they would struggle to work or would have to take on additional jobs, reducing time with their children.
- Some mentioned that CCAP helped them pursue education or career advancement.

- *"I honestly don't know how I would manage work without daycare assistance. Daycare costs more than my mortgage!"*
- *"The CCAP program has allowed my spouse and I to fully continue our work routines and manage to make a livable wage for our family of five."*
- *"We can afford groceries without skipping items for the adults."*

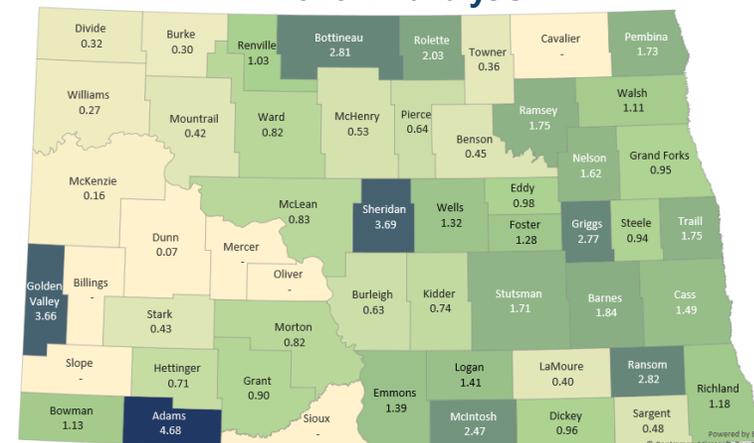
QUESTION: Is the rate of utilization what we would expect, based on total # of children age 0-13 with all parents in workforce, *adjusting for household income <80% AMI?*

1.0 (green) = yes
 <1.0 (lighter) = less than
 >1.0 (darker) = more than

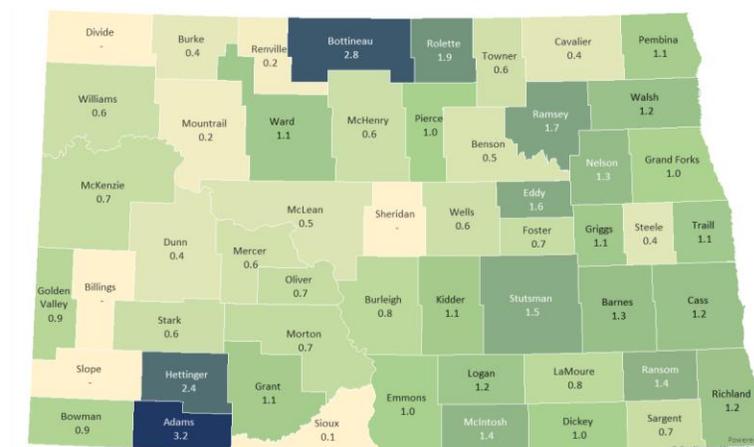


In the last 3 years, the utilization of CCAP has become more evenly distributed across ND.

2020-21 analysis



2023-24 analysis



HHS analysis: CCAP as a proportion of population (# of children benefitting from CCAP age 0-5 compared to # likely to need CC (all parents in LF), adjusting for income)

Child Care Assistance makes a difference in working parents' household budgets

Excerpts from survey of families receiving Child Care Assistance | January 2025

Q: How would you manage childcare costs without the assistance?

- Many parents stated they would not be able to afford childcare at all without CCAP, forcing them to quit their jobs, work nights, or rely on other government assistance.
- Several shared that over half of their paycheck would go toward child care, making it impossible to pay for housing, food, and other necessities.
- Others said they would have to depend on family members or unreliable care options to manage.

→ *"I honestly couldn't. I barely make bills the way it is."*

→ *"Over half of my paycheck would go to daycare costs, and I would either have to quit my job or get another job during the night."*

→ *"I wouldn't have been able to afford childcare and work."*

→ *"I would have to leave my job."*

Q: What does child care assistance mean to your household budget? How did the money help you?

- For many families, CCAP makes basic survival possible by allowing them to pay rent, utilities, and groceries while staying employed.
- Some shared that it gave them financial stability to handle unexpected expenses, medical bills, and even small quality-of-life improvements.
- Others noted the program improved their mental health by reducing financial stress and allowed them to focus on work and family.

→ *"We are able to cover unexpected expenses without having to panic and pull from savings. With young children, you never know what is going to happen—this has been a lifesaver when it comes to unexpected sickness/medical expenses."*

→ *"I got a better job. Better mental health. Higher pay. Doing better at work because I don't have to worry."*

→ *"Our budget is manageable now. The assistance we have allows us to work full-time and afford bills still."*

CCAP Co-Payments by State Median Income (SMI) and Household Size – July 2024

| | | 0% -30% SMI | | 31% - 40% SMI | | 41% - 50% SMI | | 51% - 60% SMI | | 61%- 69% SMI | | 70% -75% SMI | |
|---|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|---------------|--------------|---------------|
| HH Size | Copay | Lowest Copay | Highest Copay | Lowest Copay | Highest Copay | Lowest Copay | Highest Copay | Lowest Copay | Highest Copay | Lowest Copay | Highest Copay | Lowest Copay | Highest Copay |
| | | 2% of Income | | 2% of Income | | 2% of Income | | 4% of Income | | 6% of Income | | | |
| Average # families by SMI Jul-Dec 2024 | 1,100 | 520 | | 500 | | 434 | | 365 | | 95 | | | |
| 1 | \$0 | \$32 | \$41 | \$43 | \$51 | \$107 | \$124 | \$192 | \$215 | \$221 | \$234 | | |
| 2 | \$0 | \$42 | \$53 | \$56 | \$67 | \$140 | \$162 | \$251 | \$280 | \$289 | \$306 | | |
| 3 | \$0 | \$52 | \$66 | \$69 | \$83 | \$172 | \$200 | \$310 | \$346 | \$357 | \$377 | | |
| 4 | \$0 | \$62 | \$78 | \$82 | \$99 | \$205 | \$238 | \$369 | \$412 | \$425 | \$449 | | |
| 5 | \$0 | \$71 | \$90 | \$95 | \$114 | \$238 | \$276 | \$428 | \$478 | \$493 | \$521 | | |
| 6 | \$0 | \$81 | \$103 | \$108 | \$130 | \$271 | \$314 | \$488 | \$544 | \$561 | \$593 | | |
| 7 | \$0 | \$83 | \$105 | \$111 | \$133 | \$277 | \$321 | \$499 | \$557 | \$573 | \$607 | | |
| 8 | \$0 | \$85 | \$108 | \$113 | \$136 | \$283 | \$328 | \$510 | \$569 | \$586 | \$620 | | |

Family of 3 with monthly income of \$6,011 would have a CCAP co-pay of \$377

Child Care Workforce Benefit Experience

November 2024, Economic Assistance Child Care team hosted two listening sessions to hear from providers on their experiences, feedback and insights with the Child Care Assistance Program.

Provider quotes on the Child Care Workforce Benefit's impact on staff recruitment, retention, and operational sustainability

"This has been life-changing for our center as far as hiring and recruitment."

"The workforce benefit, has kept us open... This is life-changing for us."

"The benefit has helped me give bonuses to staff. I can't guarantee raises because it's grant funding, but bonuses have been really nice."

"It's helping providers actually be able to stay open and support their staff."

"I love the childcare workforce benefit."

"This benefit has kept us afloat. We've talked about closing in the past, but this has really made a difference"

"It makes a big difference for our employees, and it's great that income isn't a factor for them to qualify"

"It's a big help for us. This has helped us sustain operations during tough times."

"It's great to see something so supportive for staff, it's made a big difference in retaining employees"

"It would be great to have more assurance that the benefit will last long-term so we can confidently plan."

Key Indicator: Child Care Staffing

Child Care Worker Benefit

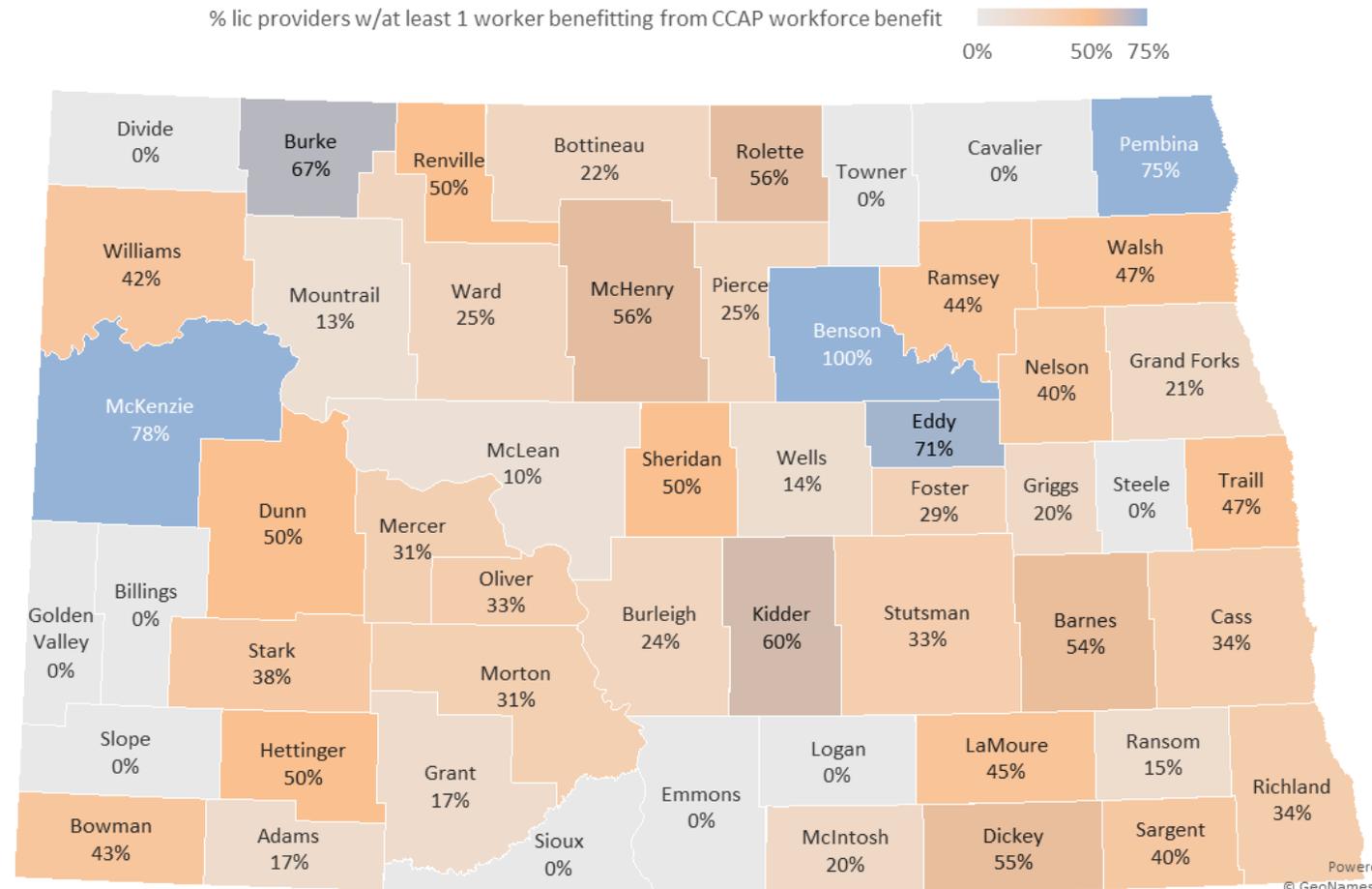
% Licensed Child Care Providers who have workers utilizing the CCAP Child Care Worker Benefit Jun '24-Feb '25

- **914 workers** employed by 342 providers
- Receiving assistance with child care costs for 1,547 children (approx. 1/3 are ages 0-3)

Average monthly assistance / worker = **\$863** which is the **equivalent** to an **\$4.98/hr wage increase** (based on full time status)



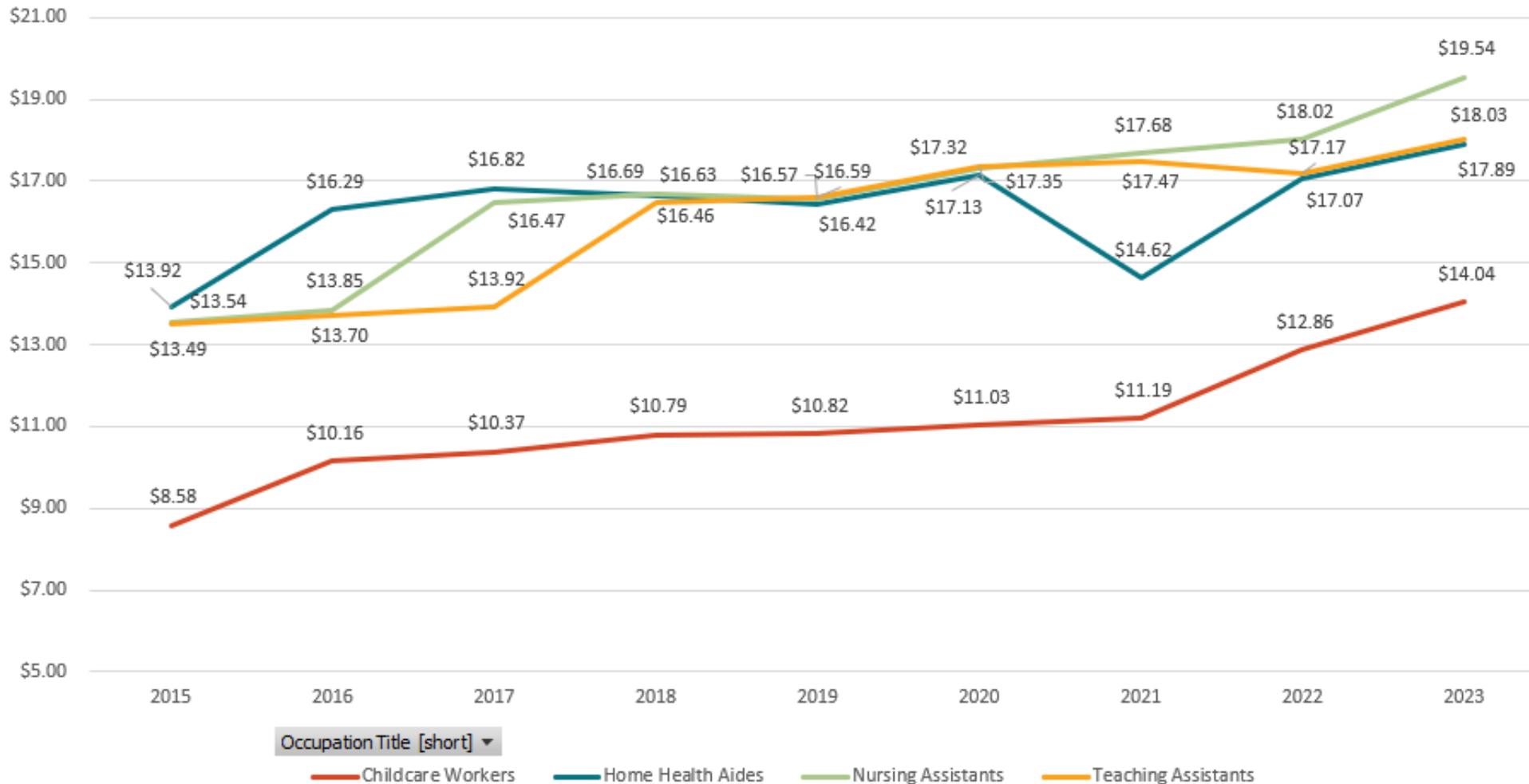
% providers w/at least 1 worker using CCAP benefit - Jun 24 to Feb 25



Key Indicator: Child Care Availability | Staffing

Child care worker wages rising but not closing the gap

ND **Median** Wage for Select Occupations | JSND Labor Market Information | Employment & Wage by Occupation **2015-23**



The average value of the CCAP Workforce Benefit (\$4.98/hr) essentially closes the wage gap between child care and other paraprofessional service occupations.

Changes to Base Budget

By Ongoing, One-Time and Funding Source

| BASE BUDGET CHANGES | DESCRIPTION | 2025-27 EXECUTIVE BUDGET | | ENGROSSED HB 1012 | |
|---------------------------|---|--------------------------|------------------------|-------------------|------------------------|
| | | GENERAL | OTHER | GENERAL | OTHER |
| Child Care | Quality based pmts in CCAP - One Time | \$3,000,000 | | \$1,500,000 | |
| IT-Existing | Retire Legacy Systems from Mainframe - One Time | | \$1,000,000 SIIF | | \$1,000,000 SIIF |
| | | | \$1,000,000 Federal | | \$1,000,000 Federal |
| Housing Initiative | Connect Renters with Modest Incomes to Existing Housing - One Time | | \$10,000,000 SIIF | | 0 |
| Housing Initiative | Eviction Prevention to Help Renters Avoid Housing Crisis - One Time | | \$3,500,000 SIIF | | 0 |
| Housing Initiative | Investing in Existing Housing to Improve Accessibility - One Time | | \$1,000,000 SIIF | | \$1,000,000 SIIF |
| FTE Block Grant Reduction | FTE Block Grant Reduction | | | -\$402,013 | |
| Operating Reduction | Operating Reduction | | | -\$32,000 | |

Comparison of budgets and funding

By Major Expense

| DESCRIPTION | 2023-25 LEGISLATIVE BASE | INCREASE / (DECREASE) | 2025-27 EXECUTIVE BUDGET RECOMMENDATION | INCREASE / (DECREASE) | ENGROSSED HB 1012 |
|----------------------|-----------------------------|--------------------------|---|--------------------------|-----------------------|
| Salaries & Benefits | \$ 10,376,918 | \$ 2,154,954 | \$ 12,531,872 | \$ (402,012) | \$ 12,129,860 |
| Operating | 9,772,250 | 3,263,873 | 13,036,123 | (32,000) | 13,004,123 |
| IT Services | 14,000 | 51,517,203 | 51,531,203 | 2,000,000 | 53,531,203 |
| Grants | 394,437,762 | 75,953,384 | 470,391,146 | (15,000,000) | 455,391,146 |
| Total | \$ 414,600,930 | \$ 132,889,414 | \$ 547,490,344 | \$ (13,434,012) | \$ 534,056,332 |
| General Fund | \$ 59,248,641 | \$ 36,195,573 | \$ 95,444,214 | \$ (1,933,965) | \$ 93,510,249 |
| Federal Funds | 334,748,232 | 80,168,878 | 414,917,110 | 999,953 | 415,917,063 |
| Other Funds | 20,604,057 | 16,524,963 | 37,129,020 | (12,500,000) | 24,629,020 |
| Total Funds | \$ 414,600,930 | \$ 132,889,414 | \$ 547,490,344 | \$ (13,434,012) | \$ 534,056,332 |

HHS PROPOSED AMENDMENT - LIHEAP GRANTS FEDERAL REDUCTION **\$ (9,000,000)**

Economic Assistance Budget as % of HHS Budget

- 8.5%

Budget by Funding Source

- 17% General
- 78% Federal
- 5% Other

Budget by Pass Through

- 2.2% Paid to private providers
- 85.3% Direct Services
- 2.5% Admin
- 10.0% IT

One Time State and Local Relief Funds

HB1012 | Section 25(6) - Carryover Request

\$18,941,847 from Chapter 549 of 2021
Special Session Laws

- Emergency Rent Assistance Program | U.S. Treasury. Grant expenditure deadline 9-30-25. \$200 million original award. Estimate 3% remaining as of 6-30-25. Anticipate 100% expenditure by end of grant period.
- Homeowner Assistance Fund | U.S. Treasury. Grant expenditure deadline 9-30-26. \$50 million original award. Estimate 20% remaining as of 6-30-25. Anticipate 100% expenditure by end of grant award period.



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Apply for Help

866-614-6005

