



Budget Basics

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

The Department of Human Services (DHS) merged with the State Department of Health in September 2022 to create the Department of Health and Human Services (DHHS) pursuant to the provisions of House Bill No. 1247 (2021). The Department of Health and Human Services administers several programs that aid individuals. The department provides in-person services through eight regional human service centers, the State Hospital, and the Life Skills and Transition Center (LSTC).

DEPARTMENT BUDGET Legislative Appropriations

Below is an overview of legislative appropriations for DHHS since the 2015-17 biennium.

Biennium	General Fund	Federal Funds	Special Funds	Total
(Amounts Shown in Millions)				
2015-17 ¹	\$1,281.6	\$2,142.0	\$122.5	\$3,546.1
2017-19 ¹	\$1,339.2	\$2,228.3	\$345.6	\$3,913.1
2019-21 ¹	\$1,462.6	\$2,645.4	\$368.8	\$4,476.8
2021-23 ¹	\$1,579.0	\$2,978.7	\$368.6	\$4,926.3
2023-25	\$1,998.7	\$2,982.1	\$417.1	\$5,397.9

¹Includes only the DHS portion of DHHS

Major Budget Areas

For the 2025-27 biennium, the DHHS budget is proposed to be comprised of the following five budget subdivisions:

Area	Major Programs and Purposes
Business Operations	Includes executive office, communications, finance, human resources, legal, and information technology costs
Behavioral Health	Provides leadership for the planning, development, and oversight of the state's behavioral health system. The division works with partners within DHHS and the state behavioral health system to improve access to services, address behavioral health workforce needs, develop policies, and ensure quality services are available for those with behavioral health needs. This includes the policy team, state hospital, and regional human service centers.
Human Services	<p>Provides resources that help North Dakotans avoid crisis and experience greater stability. Key priorities are:</p> <ul style="list-style-type: none"> • Deliver child protection, permanency, and family wellbeing services through the network of human service zones and private partners • Provide access to a range of resources, including direct assistance for basic household expenses, child support resources, eligibility for health insurance via Medicaid and/or financial support via supplemental security or social security disability income, and employment supports for people with disabilities • Serve as a stabilizing resource for youth and adults with intellectual and/or developmental disabilities through LSTC's facility and community-based services • Help assure young families have access to high-quality experiences for their children by supporting people and programs who provide early childhood services <p>Programs include child care assistance, adoption assistance, development disabilities assistance, services for the elderly, human service zones, and LSTC</p>
Medical Services	Administers the North Dakota Medicaid and children's health insurance program (CHIP) programs, providing health coverage to over 130,000 North Dakotans

Area	Major Programs and Purposes
Public Health	Public health's mission is to improve the length and quality of life for all North Dakotans. It includes the following five sections--disease control and forensic pathology, healthy and safe communities, health response and licensure, laboratory services, and health statistics and performance.

MEDICAID PROGRAM

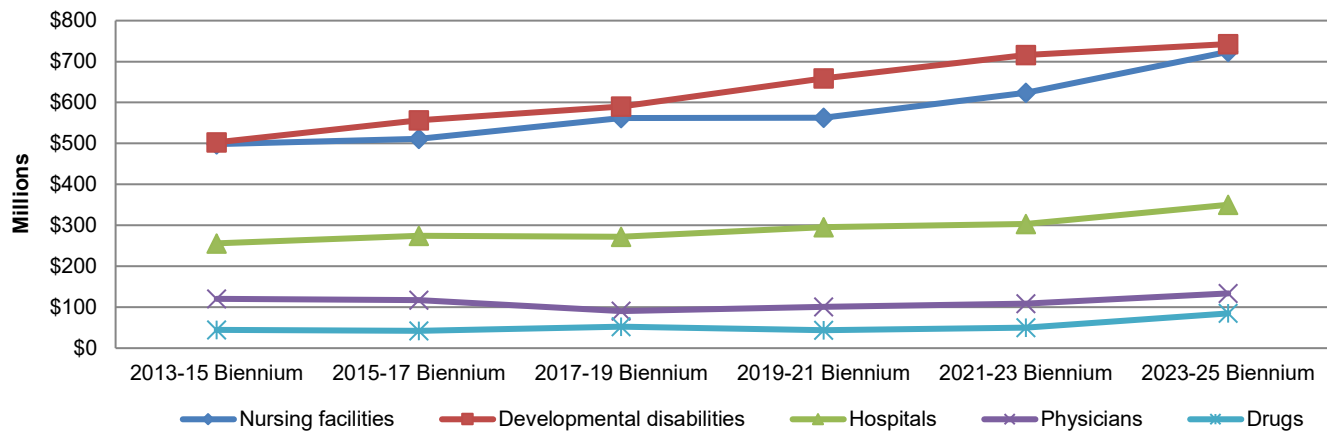
The Medicaid program provides health coverage to qualifying individuals, including families and children with low incomes, older adults, and people with disabilities. During state fiscal year 2023, over 130,000 North Dakotans received assistance through either the traditional Medicaid program, Medicaid Expansion program, or CHIP.

Federal Medical Assistance Percentage

The federal medical assistance percentage (FMAP) is the rate used to determine matching funds required by states for the Medicaid program. The federal medical assistance percentage is determined by comparing each state's 3-year average per capita income to the national 3-year average per capita income. The minimum FMAP a state may receive is 50 percent. For federal fiscal year 2025 (October 2024 through September 2025), North Dakota's FMAP rate is 50.97 percent. Certain medical assistance programs, including the Medicaid Expansion program and CHIP, use an enhanced FMAP rate which is 90 percent for the Medicaid Expansion program and 65.68 percent for CHIP for fiscal year 2025.

Major Medicaid Costs

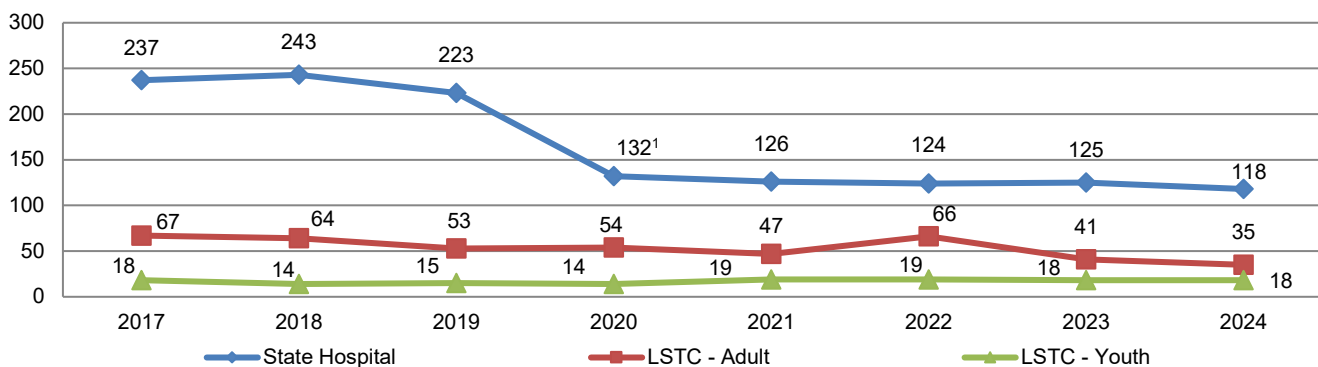
The chart below summarizes major Medicaid costs since the 2013-15 biennium.



STATE HOSPITAL AND LIFE SKILLS AND TRANSITION CENTER

The Department of Health and Human Services operates the State Hospital in Jamestown and LSTC in Grafton. The State Hospital provides inpatient mental health and addiction treatment services. The Life Skills and Transition Center provides residential and other services to individuals with an intellectual disability.

The schedule below details the average daily census of the State Hospital and LSTC.



¹Effective July 1, 2019, a total of 60 beds for the Tompkins Rehabilitation and Corrections Center were transferred to the Department of Corrections and Rehabilitation.

COUNTY SOCIAL AND HUMAN SERVICES PROJECT

Senate Bill No. 2124 (2019) provided for the delivery of social services from human service zones rather than counties. The bill authorized the transfer of 140 employees from counties to DHS. The human service zones' local offices in the counties (*formerly known as county social service offices*) assist individuals in need of services and supports under the supplemental nutrition assistance program, temporary assistance for needy families, heating assistance, Medicaid, including children's health services; 1915i home- and community-based services; basic care assistance; child care assistance; child welfare (foster care, child protection services); and other local resources and programs.

The county social and human service project provides for state funding to be distributed to human service zones for the delivery of human services programs previously paid through county property tax levies. The schedule below provides the funding for the 2023-25 biennium.

	2023-25 Biennium¹
General Fund	\$1,240,391
Other Funds ²	225,547,251
Total	\$226,787,642
Full-time equivalent (FTE) positions	159.00
¹ Includes funding and FTE positions that were transferred to the FTE block grant funding program.	
² Other funds include transfers from the social services fund (\$200 million) and the strategic investment and improvements fund (\$26.95 million).	

The next topic in the *Budget Basics* Series will review the Information Technology Department.