



# HUMAN SERVICES COMMITTEE

September 12, 2019

Senate Bill 2121

Chris Jones, Executive Director








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# GUIDING PRINCIPLES



- All **access points** will remain, and in some cases expand to meet clients where they are.
- **Zonal organization and funding** will lay foundation for continuous improvement by removing silos.
  - **Structure** will shift service delivery organization from 47 primarily single-county units to no more than 19 multi-county units.
  - **Funding** will be made more flexible than rate-by-case formula to promote innovation.
- **This new organization and funding in zones will promote:**
  - **Collaboration:** instead of rigid county boundaries to the delivery of service, organization in zones will enable collaboration to meet the needs of citizens and scale best practices
  - **Specialization:** new funding formula will enable specialization in areas like long-term care eligibility, subsidized adoption, or child care licensing
  - **Utilization of capacity:** shared workload will ensure that all parts of system are efficiency utilized
- When **efficiency** is achieved, money will be redirected to direct client services

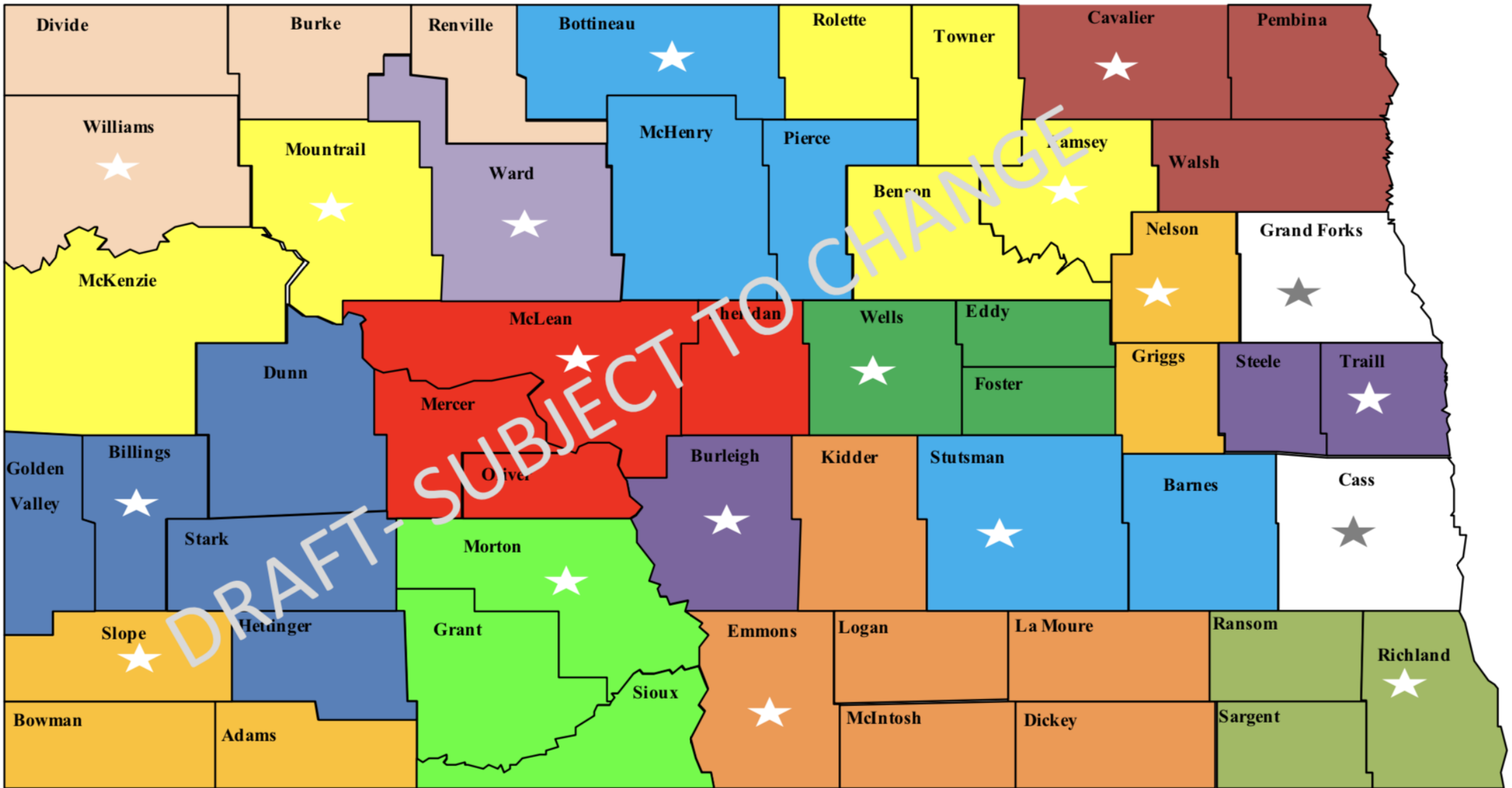
# TIMELINE FOR THE FORMATION OF HUMAN SERVICE ZONES HAS SEVERAL MILESTONES, WITH COMPLETION AT START OF 2021

Dates / Milestones	Detail / Description of Milestones
 <p><b>June 11, 2019</b> Initial Planning Meeting</p>	<p><b>Zone agreement</b> must:</p> <ul style="list-style-type: none"> <li>▪ Identify the proposed counties of the human service zone</li> <li>▪ Identify the host county</li> <li>▪ Identify the human service zone board members</li> </ul> <p><b>Zone board</b> must:</p> <ul style="list-style-type: none"> <li>▪ Have 15 or fewer members appointed by county commissioners</li> <li>▪ Have at least one county commissioner from each county in zone</li> <li>▪ Elect a vice presiding officer and appoint secretary</li> <li>▪ Establish procedures for review and approval of claims against the human service zone human services fund</li> </ul>
 <p><b>Dec 1, 2019</b> Zone Agreements Zone Board</p>	
 <p><b>Jan 11, 2020</b> First zone payment</p>	<p><b>First zone payment</b> must:</p> <ul style="list-style-type: none"> <li>▪ Be based on the most recent data on historical cost and income</li> <li>▪ Be made to the host county</li> <li>▪ Include payment for indirect costs</li> </ul>
 <p><b>Mar 31, 2020</b> Zone Director</p>	<p><b>Zone director</b> must:</p> <ul style="list-style-type: none"> <li>▪ Be hired by the zone board by April 1, 2020</li> <li>▪ Be employed by the zone; located within the human service zone</li> <li>▪ Serve as the presiding officer of the zone board</li> </ul>
 <p><b>June 30, 2020</b> Zone Plan</p>	<p><b>Zone plan</b> must:</p> <ul style="list-style-type: none"> <li>▪ Provide funding for indirect costs and liability coverage</li> <li>▪ Specify any role transitions for team members</li> <li>▪ Describe all unique locally-provided programs that would continue to be provided under plan</li> </ul>
 <p><b>Jan 1, 2021</b> Approval &amp; Statewide Implementation</p> 	<ul style="list-style-type: none"> <li>▪ Allow for nonresidents of participating counties to access services</li> <li>▪ Specify that reductions in access points are only made with agreement of human service zone board, county commissions of affected counties, and the department</li> </ul>



# ZONE COLLABORATION MEETING – JUNE 11, 2019

- Audience: County Commissioners and County Social Service Directors
- Focus:
  - Review key elements of 2124
  - Update progress on 2124 program pilots
  - Build a DRAFT zone map



# COUNTY AUDITORS + COUNTY DIRECTORS

## Overview:

- Authority
  - Provided guidance on spending authority in 2019 and levy authority in CY 2020 and CY 2021
- CY 2020 Budget and Structure
  - Must create a fund to be known as the human service zone human services fund at the host county.
  - Fund balances must be transferred to the host county from the individual counties within the
- Indirect Costs
  - Creating consistency across the state
    - Department provided clear guidance on what is an indirect cost versus direct cost.
    - Shifted indirect costs previously direct billed to human service fund to the general fund while holding them harmless up to the 2018 actuals spent to date.
  - Provided breakdown of the indirect costs that were included in CY 2018 and CY 2019 formula payments for each county.
- Working Group
  - Created work group of county auditors to develop a standard chart of accounts for the human service zone human services fund and to determine a collaborate approach for indirect costs in the next session.
- Human Service Zone Employee Compensation
  - Provided compensation guidance to determine if a human service zone employee is eligible for a salary increase in CY 2020.
  - Identified that the department will be assessing compression issues across the state for human service zone employees within appropriations.

# INSTRUCTIONS AND PLAN FOR TECHNICAL ASSISTANCE/ CONSULTATION – JULY 31, 2019

Section 1: Instructions for Submitting Human Service Zone Agreement.

Section 2: Instructions for Submitting Human Service Zone Plan.

Section 3: Plan for Technical Assistance.

Section 4: Plan for Consultation.

# ZONE AGREEMENT – DUE DECEMBER 1

- Sent on July 31, 2019
- Identifies:
  - Zone Name
  - Zone Board
  - Host County
  - Interim Zone Director
  - Local, zone specific, programming



# 2124 TRANSITION TEAM

- Four County Directors
- DHS Legal, Fiscal, PIO and HR
- DHS Executive Staff
- Weekly Meetings:
  - Review questions regarding zone plans and zone operations
  - Provide research and response to county/zone questions
  - Manage project steps to move towards full implementation

# CONSULTATION + FEEDBACK

- Providing one on one consultation for county auditors and commissions as requested
- Technical assistance to proposed zone boards and proposed zones
- Attending monthly county social service director meetings to provide Q&A

# REDESIGN PILOT PROJECTS

- CPS Expansion
- In Home Redesign
- LTC Redesign / Specialty Unit
- Central Background Check Unit Redesign
- Provider Enrollment Redesign
- Childcare Licensing Redesign
- HCBS Specialty Unit
- CQI/Onsite Case Review for CFS Specialty Team

# Q & A

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# FAMILY FIRST PREVENTION SERVICES ACT (PL 115-132)

Kelsey Bless, NDDHS Permanency Administrator

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Monumental shift of federal funding  
from deep end services to  
preventative measures,  
while strengthening  
families and protecting children.

# TITLE IV-E FUNDING IMBALANCE



**\$4.4 billion**

Amount of Title IV-E money spent to maintain children in foster care



170,100 children receive federal foster care dollars

**\$703 million**

Amount of Title IV-B money available to be invested in keeping children safely out of foster care



3,004,500 children are involved in reports of maltreatment or other issues where timely interventions are important



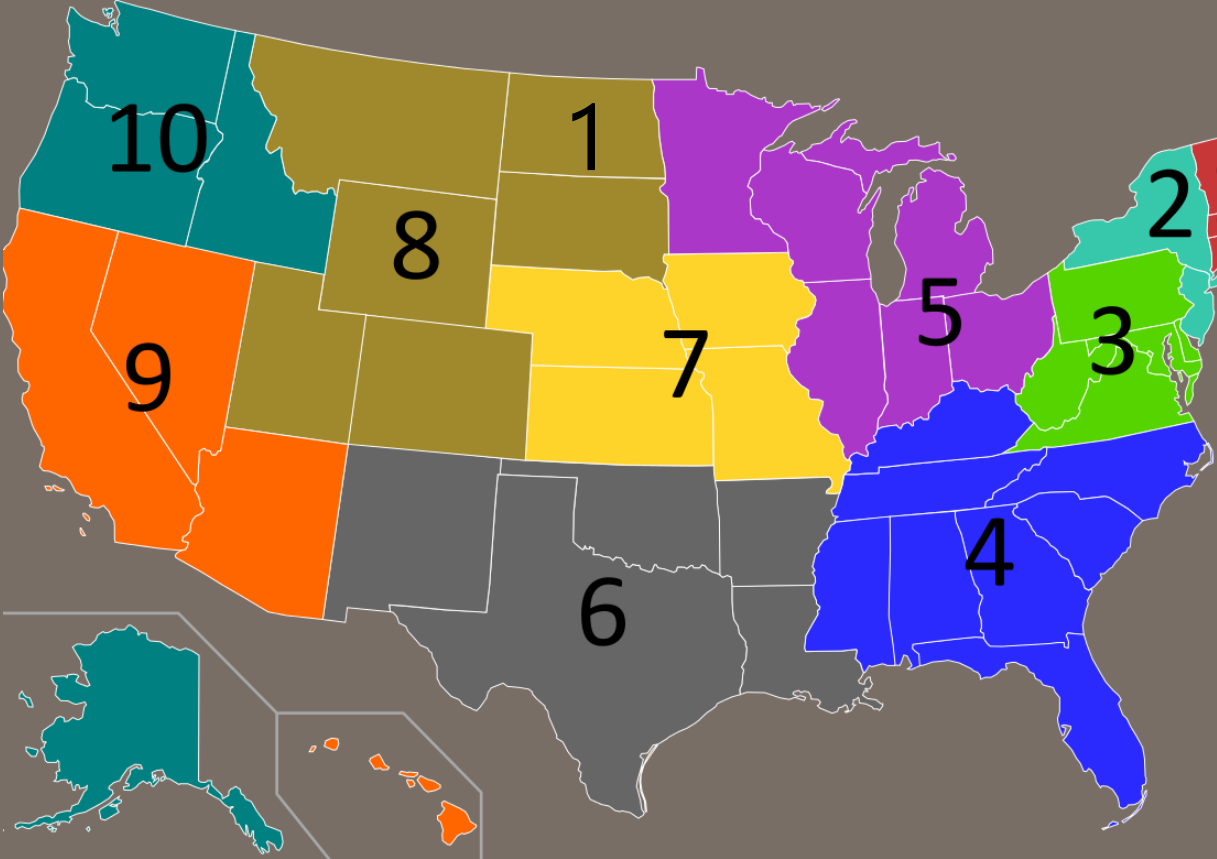
# SHIFTING RESOURCES TO SUPPORT WHAT RESEARCH INDICATES WILL WORK FOR CHILDREN AND FAMILIES



# Title IV-E agencies (States or Tribes)

## ND IMPLEMENTATION

- Strong Leadership
- Legislative Session
- No Prevention \$ without QRTP compliance





# NDDHS IMPLEMENTATION TEAM



# PARTNERS

ND Law  
Enforcement

ND Tribes

ND DHS BHD

ND Legislators

ND DHS  
Children and  
Family  
Services

Field Services

ND Division of  
Juvenile  
Services

Placement  
Providers  
(QRTP, PATH)

ND Courts

States  
Attorneys

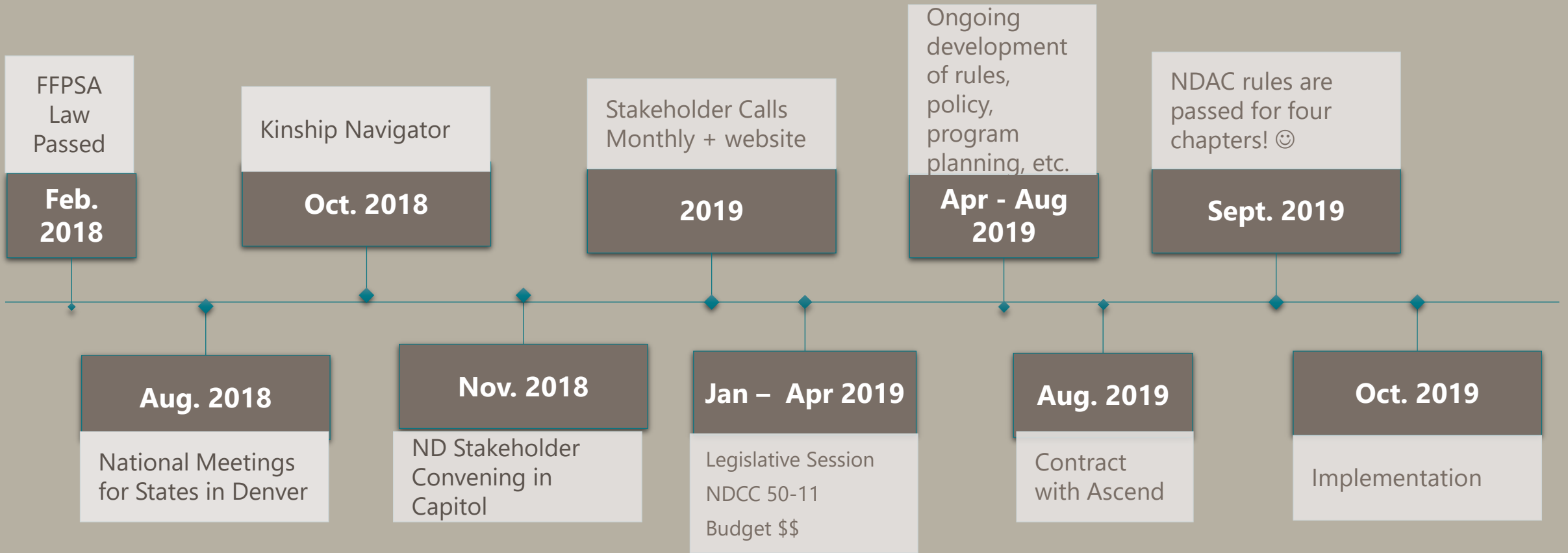
Hospitals

Schools

DHS Executive  
Office

DHS Medical  
Services

Service  
Providers



# NORTH DAKOTA OVERVIEW



Human Services



## The Court Improvement Program (CIP)

Training for judges, attorneys and other legal personnel about FFPSA and reimbursement for children placed in settings that are not foster family homes (Sec. 50741(c))



## Health care services oversight procedures and protocols

Ensure foster children are not being inappropriately diagnosed with mental illnesses, disorders or disabilities that may result in the child not being placed with a foster family home (Sec. 50743)

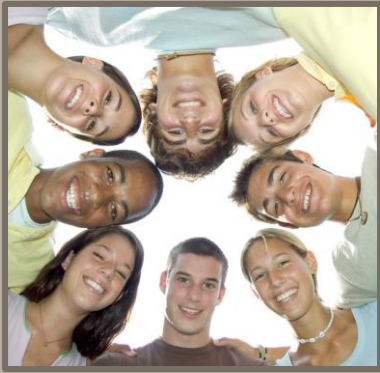


## Collect/Report data on children **not** in foster family homes (Sec 50744)



## Title IV-E Adoption Assistance income eligibility requirements for children under age 2 will be reinstated until June 30, 2024. (Sec. 50780)

✓ Reverted back to January 2018



**John H. Chafee  
Foster Care  
Independence  
Program (Sec.  
50753)**



**State plan  
requirement under  
Title IV-B to  
describe activities:**

To reduce the length of time  
to permanency for children  
under age 5 and  
Address the developmental  
needs of all vulnerable  
children under age 5 who  
receive services (Sec. 50772)



**Title IV-E Adoption  
Assistance “delink”  
and the savings and  
reinvestments (Sec.  
50782)**



**Reauthorized a  
number of Title IV-B  
programs through  
FY2021 (Sec. 50752)**

Title IV-B, Subpart 1,  
Promoting Safe and Stable  
Families Program (Title IV-B,  
Subpart 2),  
Funding reservations for  
supporting monthly caseworker  
visits, and  
Court Improvement Program  
Grants

✓ Done in February 2019





**In discussion**

Title IV-E reimbursement for a child who has been placed with a parent in a licensed residential family-based **treatment facility for substance abuse.** (Sec. 50712)



**Pending**

Reimbursement for 50% of the state's expenditures on **kinship navigator** programs (Sec. 50713)



**Done**

Title IV-B track and prevent child maltreatment **fatalities.** (Sec. 50732)



**Done**

States are required to have procedures for **criminal records child abuse and neglect index checks** on any adult working in group care settings where foster children are placed. (Sec. 50745)

**Effective October 2019**

✓ Finalizing Policy & Forms

Family Licensing will mirror the national model standards per NDAC 75-03-14 (Sec. 50731)



✓ Pending

Reimbursement for 50% of the state's expenditures on prevention program that are well supported evidence based per the prevention plan (Sec. 50711)



✓ Finalizing Application

Offer Supervised Independent Living for 18+ foster children in ND via NDAC 75-03-41 (Sec. 50741)

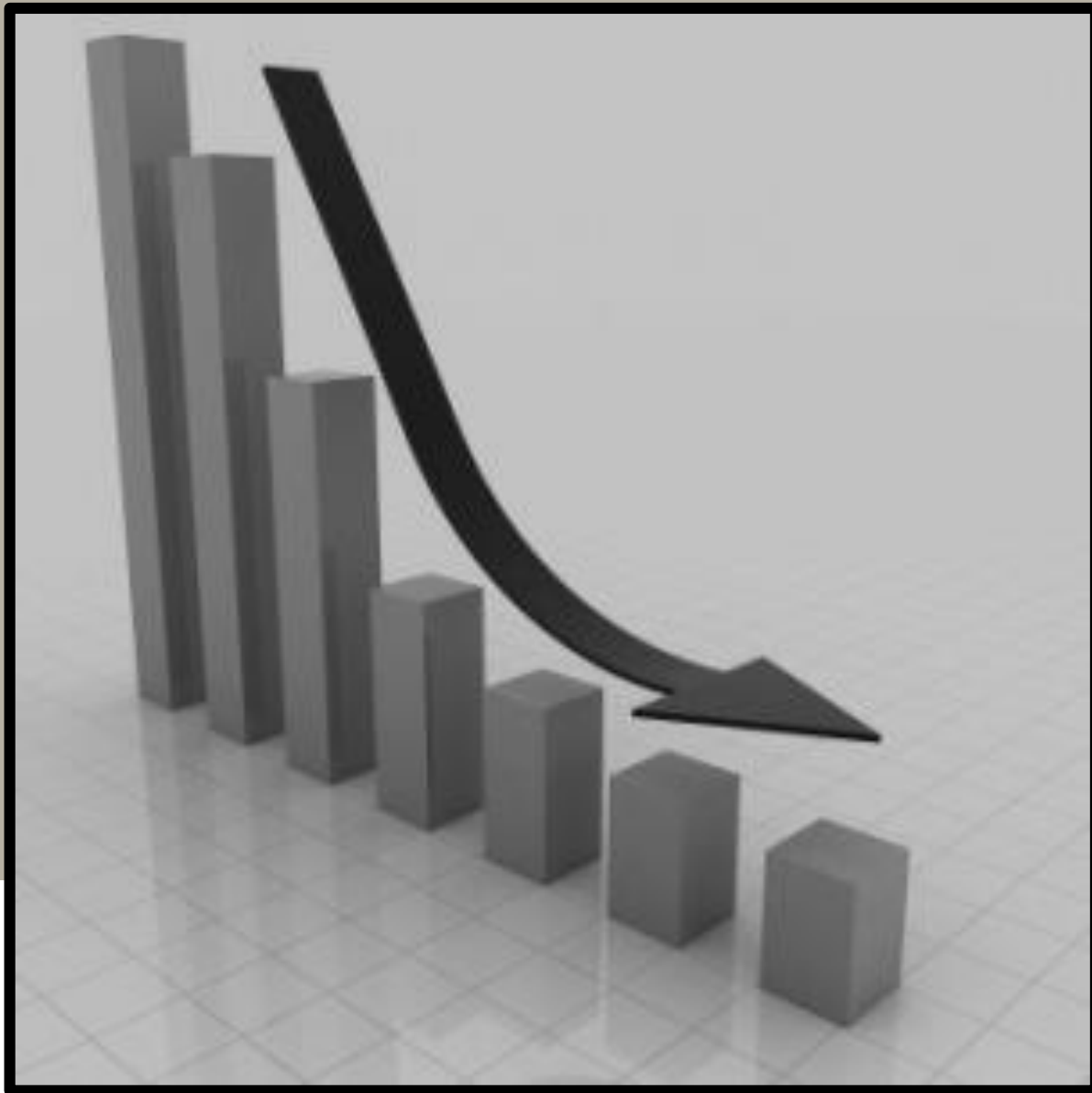


✓ Finalizing Application

Offer licensure for Qualified Residential Treatment Facility per NDAC 75-03-40 (Sec. 50745)



Effective October 2019



# Residential Bed Capacity

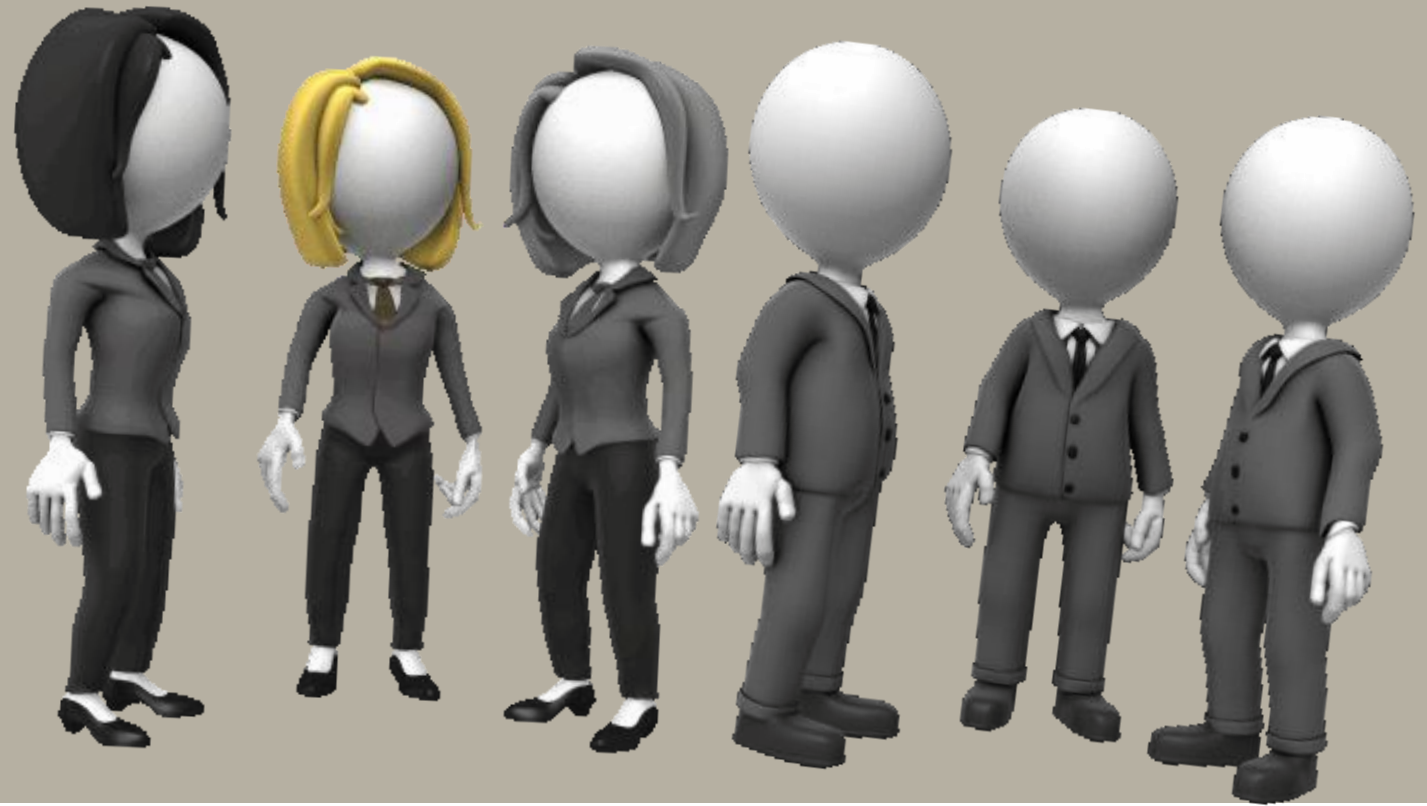
## North Dakota Residential Child Care Facility (RCCF)

capacity decreased from  
**288 beds** (2012)  
to  
**157 beds** (2019)

ND will have **122 QRTP beds**  
October 1, 2019

Line Item	Estimated Amount <sup>1</sup> , \$	Rationale / Description of Calculation
Projection of CY18 and CY19 program-related costs	159,206,697	= [CY18 actuals] <sup>2</sup> + [CY19 projection] <sup>3</sup> – Underfund = 80,213,303 + 80,993,394 – 2,000,000
Indirect Cost Obligation	5,550,522	Estimate for the indirect costs is 25% of the last available full 12 months of data plus the costs for preparing indirect cost allocation plan
<b>Sub-total: Historical Costs</b>	<b>164,757,219</b>	Sum of historical program-related costs and share of indirect costs
Revenue (MMIS Revenue Estimate)	(5,306,627)	2 times the amount distributed from MMIS in CY18. Monies distributed to the counties from the Medicaid Management Information system (MMIS) support costs for services like home & community-based services
Inflationary Increases	9,189,456	Inflationary increases for salaries, benefits other than health, and operating are the following: (1) year 1 increase of 2% (salaries w/ min of \$120 and max of \$200); (2) year 2 increase of 2.5%. Est. health benefits are inflated at 7.5% per yr.
<b>Sub-total: Total Costs minus Revenues plus inflation</b>	<b>168,640,048</b>	
Compensation Equity Adjustments	1,396,371	The same roles at various counties are paid very differently due to historical contingencies reinforced through the rate-per case formula; this amount would allow for bringing up compensation of lower-paid counties to 0.85 compa-ratio
Family First Legislation Implementation Investments	2,800,000	Funds to support preventative services and enhanced review of residential placements under Qualified Residential Treatment Provider (QRTP) provisions
Contingency & Pilot Implementation	820,894	Funds to support unforeseen county expenses (e.g., burials, overpayments), program pilots, and scaling of best practices from pilots
<b>Total</b>	<b>173,687,313</b>	

# BUDGET for FFPSA Fiscal Note SB 2124



EFFORT & PARTNERSHIP

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