

Department 325 - Department of Health and Human Services - Human Services Divisions
Senate Bill No. 2012

First Chamber Comparison to Base Level

	General Fund	Other Funds	Total
2023-25 First Chamber Version	\$1,967,126,807	\$3,494,606,556	\$5,461,733,363
2023-25 Base Level	1,554,787,654	2,895,308,348	4,450,096,002
Increase (Decrease)	\$412,339,153	\$599,298,208	\$1,011,637,361

First Chamber Changes

A summary of the first chamber's changes to the agency's base level appropriations and the executive budget is attached as an appendix.

Selected Bill Sections Included in the First Chamber Version

Transfers - Sections 3 and 4 authorize the Department of Health and Human Services (DHHS) to transfer appropriation authority between line items in Senate Bill No. 2012 and House Bill No. 1004 and to combine all appropriation authority for DHHS in one budget.

Strategic investment and improvements fund transfer - Section 5 transfers \$21.6 million from the strategic investment and improvements fund (SIIF) to the human service finance fund.

Human service finance fund - Section 6 identifies \$221.6 million of funding in the budget is from the human service finance fund for the county social and human service finance project.

Community health trust fund - Section 7 identifies \$20.4 million of funding in the budget is from the community health trust fund for the child support case management system replacement project.

Legacy earnings fund - Section 8 identifies \$7 million of funding in the budget is from the legacy earnings fund for defraying the expenses of various child care programs.

Strategic investment and improvements fund projects - Section 9 identifies \$17,735,154 from SIIF for a new procurement and grants system (\$11 million), the design of a new State Hospital (\$5 million), pregnant and parenting women residential facility (\$1 million), and capital projects at the Southeast Human Service Center (\$735,154).

Special assessments - Section 10 authorizes DHHS to pay special assessments at the State Hospital and Life Skills and Transition Center.

Capital projects - Section 11 authorizes DHHS to proceed with capital projects at the State Hospital.

Child care financial assistance - Section 12 identifies \$1 million in the budget is for financial assistance and direct payments for child care services.

Permanent supportive housing grants - Section 13 identifies \$4,672,536 in the budget is from the general fund for permanent supportive housing grants.

State Hospital project - Section 14 identifies \$5 million for the design of a new State Hospital and the development of a statewide acute psychiatric needs plan.

Medicaid Expansion - Section 15 provides DHHS may not spend more for the Medicaid Expansion program than the amount appropriated in the bill with certain exceptions.

Substance use disorder voucher program providers - Section 16 removes the moratorium on new substance use disorder voucher program providers.

Medicaid autism waiver - Section 17 increases the eligible age for the Medicaid autism waiver from 16 to 18 years of age.

Children's health insurance program - Section 18 provides the statutory changes needed to increase the eligibility level of the children's health insurance program from 175 to 210 percent of the federal poverty level.

Autism spectrum disorder voucher program - Section 19 repeals the statutory provisions related to the autism spectrum disorder voucher program.

Building leases - Section 20 authorizes DHHS to enter agreements for the lease of facilities for human service centers.

State Hospital land lease - Section 21 authorizes DHHS to lease land at the State Hospital to the Adjutant General to construct a training and storage facility.

Provider outcomes - Section 22 requires providers to submit process and outcome measures as requested by DHHS.

Certified community behavioral health clinics - Section 23 requires DHHS to develop a process to allow three human service centers to become certified behavioral health clinics and authorizes 50 FTE positions to provide direct services if revenue received can support the positions.

Carryover exemptions - Section 24 authorizes DHHS to continue unexpended appropriations for various purposes into the 2023-25 biennium.

Early childhood information systems - Section 25 exempts DHHS from state procurement practices for selecting a vendor to develop early childhood information systems.

Purchase of consumables - Section 26 exempts DHHS from state procurement practices for the purchase of consumables at residential facilities during low population times.

Utilization rate adjustments - Section 27 provides intent that DHHS seek a deficiency appropriation from the 69th Legislative Assembly if utilization rates exceed estimates used in the budget.

Provider inflation increase - Section 28 identifies human service provider inflationary increases of 4 percent the 1st year and 4 percent the 2nd year of the 2023-25 biennium except for developmental disability service payments, long-term care facilities, and basic care facilities.

Federal funding appeal limitation - Section 29 provides an individual may not appeal a denial of service by DHHS due to the unavailability of federal coronavirus relief funding.

Early childhood programs study - Section 30 provides for a Legislative Management study of early childhood programs.

Early childhood program reports - Section 31 requires DHHS to provide reports to the Legislative Management regarding early childhood programs.

Continuing Appropriations

Child support collection and disbursement - North Dakota Century Code Section 14-09-25 - Allows the department to receive child support payments and provide the funds to the custodial parent or appropriate governmental entity for those custodial parents receiving governmental assistance.

Child support improvement account - Section 50-09-15.1 - Allows the department to receive federal child support incentive funds and spend the funds in accordance with its business plan to improve the child support collection process.

Child support cooperative agreements - Section 50-09-33 - Allows the department to accept federal funds and other income generated by the department under a cooperative agreement with an Indian tribe for child support enforcement services for hiring staff and payment of other expenses as necessary for carrying out the department's duties under the agreement.

Transition to independence - Section 50-06-34 - Allows the department to receive grants and other sources of funding for the development of a program for services to transition-aged youth at risk.

Deficiency Appropriations

Senate Bill No. 2025 includes \$25 million from the general fund and \$285 million from other funds to maintain the current level of Medicaid enrollment during the extension of the public health emergency related to COVID-19.

Significant Audit Findings

The June 30, 2021, State Auditor's report for the Department of Human Services identified the following audit findings:

- **Not verifying income eligibility** - The department is not adequately verifying that individuals applying for the substance use disorder voucher program have income at or below 200 percent of the federal poverty level.
- **Not verifying Medicaid eligibility** - The department paid up to \$1,066,655 through the substance use disorder program for services provided to individuals that could have received services through the Medicaid program. This resulted in 293 individuals not being served through the voucher program due to a lack of funding for the program.
- **Employees not properly paid** - Employees at the Life Skills and Transition Center and State Hospital were underpaid by \$132,000 due to the department not paying the appropriate shift differential for employees working overnight on a weekend.
- **Noncompliance with performance bonus requirements** - The department paid a total of \$157,000 in performance bonuses to employees that were not eligible to receive a bonus. Bonuses were provided to 61 employees who were not employed in state government for at least 1 year before receiving the bonus and 69 bonuses were provided to ineligible temporary employees.
- **Child care correction orders not resolved (prior audit finding)** - The department is not properly monitoring corrective orders issued to child care providers.
- **Timely contact for victims of child abuse (prior audit finding)** - The department is not responding in the required time frame when reports of suspected child abuse are received.
- **Financial statement errors (prior audit finding)** - The department reported incorrect financial statement amounts totaling \$629 million to the Office of Management and Budget for the state's annual comprehensive financial report.
- **Drug Rebate and Analysis System receivables balance (prior audit finding)** - There is a lack of internal controls for the Drug Rebate and Analysis Management System which can result in an overstatement of receivables for the Medicaid drug rebate system.

Major Related Legislation

House Bill No. 1026 - Legislative Management study - Provides for a Legislative Management study regarding the implementation of behavioral health and acute psychiatric treatment recommendations.

House Bill No. 1028 - Community health worker task force - Creates a community worker health task force and provides an appropriation to allow the task force to contract with a third party to provide services to the task force.

House Bill No. 1035 - Cross-disability advisory council - Creates a cross-disability advisory council to advise DHHS regarding the implementation, planning, and design of the cross-disability children's waiver and repeals the autism spectrum disorder task force.

House Bill No. 1036 - Temporary assistance for needy families benefit level - Establishes the temporary assistance for needy families (TANF) program maximum basis standard of need benefit level to be at least 50 percent of the federal poverty level based on household size.

House Bill No. 1043 - Psychiatric residential treatment facility - Adjusts the admissions requirements for psychiatric residential treatment facilities.

House Bill No. 1044 - Medical assistance primary care provider - Repeals a statutory section that requires the medical assistance program to recognize physician assistants and advanced practice registered nurses as primary care providers.

House Bill No. 1045 - Health care facility survey - Allows the use of a third-party reviewer for health care facility surveys.

House Bill No. 1046 - Human service zone indirect costs - Adjusts the allowable indirect cost payments that may be paid to a human service zone.

House Bill No. 1047 - Health insurance information - Updates the information that needs to be provided to DHHS from health insurers.

House Bill No. 1048 - Developmental disability program administration - Adjusts the duties of DHHS relating to developmental disabilities services, including the requirement for the department to establish funding for family members and corporate guardianships.

House Bill No. 1049 - Adult foster home zoning - Requires adult foster homes to be considered a permitted use in a single-family or equivalent least-density residential zone.

House Bill No. 1050 - Substance use disorder language - Updates language regarding substance use disorder programs.

House Bill No. 1051 - Field services meals - Allows DHHS to provide meals at a fair value or without a charge to employees at the State Hospital, Life Skills and Transition Center, and continually staffed residential units at human service centers.

House Bill No. 1091 - Family foster care for children - Allows for the certification of kinship relatives to provide foster care to children.

House Bill No. 1290 - Long-term care bed moratorium - Extends the moratorium on the establishment of new beds for long-term care facilities.

House Bill No. 1375 - Child planning home study reports - Provides an appropriation to DHHS for costs associated with completing home study reports for the placement of children.

House Bill No. 1390 - Suicide fatality review commission - Provides an appropriation to DHHS to establish a suicide fatality review commission.

House Bill No. 1447 - Opioid settlement fund - Creates an opioid settlement fund and appropriates money from the fund to DHHS for opioid remediation and abatement efforts.

House Bill No. 1480 - Pay for success fund - Provides a transfer from SIIF to establish a pay for success fund to improve department programs.

House Bill No. 1481 - Brain Injury Advisory Council - Adjusts the membership of the Brain Injury Advisory Council.

House Bill No. 1530 - Medical assistance coverage - Requires the medical assistance program to cover family adaptive behavioral treatment and dental services.

Senate Bill No. 2026 - State Hospital building demolition - Appropriates funding to demolish buildings at the State Hospital.

Senate Bill No. 2030 - Value-based purchasing - Requires DHHS to participate in rebate and value-based purchasing programs.

Senate Bill No. 2034 - Children's Cabinet membership - Adjusts the legislative membership of the Children's Cabinet and adds the Executive Director of DHHS to the membership of the cabinet.

Senate Bill No. 2051 - Criminal history checks - Adjusts the requirements of DHHS to conduct criminal history records checks.

Senate Bill No. 2052 - Life Skills and Transition Center - Adjusts the duties and requirements to access services at the Life Skills and Transition Center.

Senate Bill No. 2071 - Medical assistance for pregnant women - Increases the Medicaid eligibility level for medical assistance for pregnant women from 162 to 185 percent of the federal poverty level.

Senate Bill No. 2077 - Gambling disorder prevention - Allows DHHS to administer a gambling disorder program rather than contracting for services.

Senate Bill No. 2083 - Behavioral health collaborative care - Authorizes the State Hospital and human service centers to provide behavioral health collaborative care and consultation services.

Senate Bill No. 2087 - TANF household size - Removes a provision that prevents an increase in benefits when a child is born to an individual enrolled in the TANF program.

Senate Bill No. 2128 - Community behavioral health clinic grants - Provides an appropriation to DHHS for certified community behavioral health clinic planning grants.

Senate Bill No. 2129 - Alternatives-to-abortion program - Provides an appropriation to DHHS for costs associated with the alternatives-to-abortion program.

Senate Bill No. 2139 - Indigent burial expenses - Increases the benefit level for indigent burial expenses.

Senate Bill No. 2149 - 988 crisis hotline - Provides for the establishment of a fee to fund a 988 crisis hotline services program.

Senate Bill No. 2155 - Federally qualified health center grants - Provides an appropriation to DHHS for grants to federally qualified health centers.

Senate Bill No. 2185 - Pregnant and parenting website - Provides an appropriation to DHHS to establish a pregnancy and parenting resource website.

Senate Bill No. 2190 - Child care assistance program - Requires DHHS to increase child care assistance program benefit rates by at least 5 percent per year with a maximum increase of 10 percent.

Senate Bill No. 2215 - Developmental disability recreational services - Provides an appropriation to DHHS to increase funding for programs that provide recreation services for individuals with a developmental disability.

Senate Bill No. 2230 - Adoption assistance program home study costs - Provides an appropriation to DHHS to provide assistance for adoptive families home study costs.

Senate Bill No. 2248 - Opioid settlement fund - Creates an opioid settlement fund and appropriates money from the fund to DHHS for fentanyl awareness.

Senate Bill No. 2265 - Medicare and Medicaid dual-eligible recipients - Provides an appropriation for DHHS to establish a Medicare and Medicaid dual-eligible special needs plan.

Senate Bill No. 2276 - Medicaid primary caregiver - Authorizes a new Medicaid service to allow reimbursement of an individual's primary caregiver for services provided to the waiver recipient.

Senate Bill No. 2283 - Basic care payment rates - Provides funding for the rebasement of basic care rate and provides inflationary increases.

Senate Bill No. 2291 - Study of the TANF program - Provides for a Legislative Management study of the use of funds received for the TANF program.

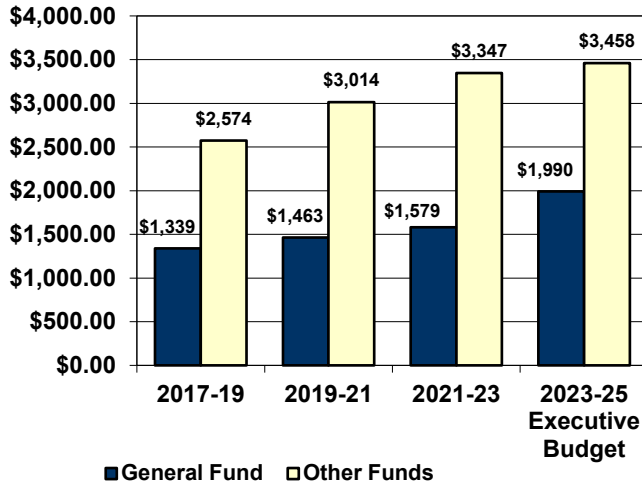
Senate Bill No. 2345 - Task force on guardianship monitoring - Provides for the establishment of a task force for guardianship monitoring and provides an appropriation to the judicial branch for costs of the task force.

Senate Concurrent Resolution No. 4001 - Public institutions terminology - Adjusts the terminology used in the constitution for public institutions, including the State Hospital and Life Skills and Transition Center.

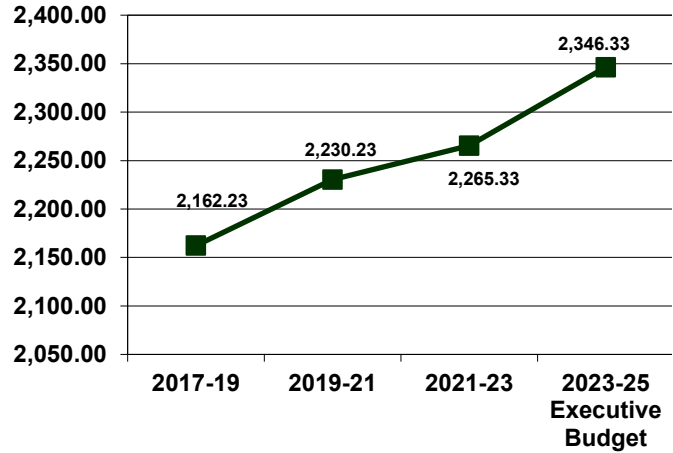
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	\$1,262,925,021	\$1,313,081,350	\$1,461,150,884	\$1,554,787,654	\$1,934,765,841
Increase (decrease) from previous biennium	N/A	\$50,156,329	\$148,069,534	\$93,616,770	\$379,978,187
Percentage increase (decrease) from previous biennium	N/A	4.0%	11.3%	6.4%	24.4%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	4.0%	15.7%	23.1%	53.2%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2017-19 Biennium

1. Removed 33 FTE positions from the department (\$3,127,902)
2. Reduced funding for staff overtime (\$1,082,857)
3. Adjusted funding for child care assistance eligibility (\$2,160,357)
4. Adjusted the professional fee schedule to 100 percent of Medicare and provided other policy changes (\$10,612,966)
5. Added funding to continue Medicaid Expansion for 19- and 20-year-olds as managed care \$1,653,008
6. Changed a portion of funding sources for various programs from the general fund to the community health trust fund (\$18,000,000) and the tobacco prevention and control trust fund (\$22,175,000) (\$40,175,000)
7. Added funding for nursing home operating margin, rebasing, and incentives \$1,783,181
8. Added funding for money follows the person grants \$527,954
9. Added funding to increase the autism waiver maximum age to 11 years old \$183,609
10. Reduced funding for vacant positions and employee turnover at institutions (\$3,250,499)

2019-21 Biennium

1. Added funding for provider inflationary increases of 2 percent the 1st year of the biennium and 2.5 percent the 2nd year of the biennium \$30,155,090
2. Adjusted funding for anticipated changes in the regular federal medical assistance percentage (FMAP) (\$25,682,840)
3. Adjusted funding for anticipated changes in the FMAP for Medicaid Expansion (\$20,254,376) and the children's health insurance program (\$6,152,757) \$26,407,133

4. Added funding for grant cost and caseload changes	\$51,128,377
5. Replaced funding provided in the 2017-19 biennium from the tobacco prevention and control trust fund	\$34,175,000
6. Replaced one-time funding provided in the 2017-19 biennium for Medicaid Expansion commercial rates	\$13,300,000
7. Adjusted funding sources to use funding from the community health trust fund rather than the general fund	(\$32,400,000)
8. Added funding for the free through recovery program to provide services to individuals outside of the corrections system	\$4,000,000
9. Added funding to expand crisis services	\$4,096,174
10. Added funding for the substance use disorder voucher program	\$3,053,523

2021-23 Biennium

1. Added funding for cost, caseload, and utilization changes, including \$156,789,851 for medical services, \$77,698,712 for long-term care, and \$41,567,021 for developmental disabilities	\$124,345,846
2. Increased funding for substance use disorder vouchers to \$15 million and added \$2 million for substance use disorder grants	\$9,000,000
3. Added funding for a new early childhood program	\$1,500,000
4. Reduced funding for long-term care estimated utilization rates	(\$9,395,558)
5. Transferred 19- and 20-year old individuals in Medicaid Expansion to fee-for-service arrangement	(\$2,413,379)
6. Adjusted funding based on estimated FMAP rates	(\$45,779,364)
7. Added provider inflation funding to provide a 2.0 percent increase the 1 st year of the biennium and a 0.25 percent increase the 2 nd year of the biennium	\$18,998,506
8. Added funding for technology contractual services and repairs	\$4,010,886

2023-25 Biennium (Executive Budget Recommendation)

1. Adjusts funding to increase general fund support for traditional Medicaid due to changes in the state's FMAP	\$21,621,657
2. Adds funding for Medicaid cost, caseload, and utilization changes, including \$344,486,119 for medical services, \$108,980,250 for long-term care, and \$50,597,755 for developmental disabilities	\$122,273,746
3. Provides for inflationary increases of 4 percent the 1 st year of the biennium and 3 percent the 2 nd year of the biennium for human service providers in the 2023-25 biennium	\$46,887,871
4. Replaces ongoing funding of \$31.5 million appropriated during the 2021-23 biennium from the community health trust fund and \$1 million of funding from the health care trust fund with funding from the general fund	\$32,500,000
5. Transfer the costs of 85 FTE positions from the human service finance fund to the general fund and other funds	\$19,816,722
6. Increases funding for crisis support services	\$11,518,430
7. Adds funding for a workforce initiative	\$54,566,998
8. Increases funding for senior nutrition services	\$12,992,44
9. Adds funding for home- and community-based services	\$9,894,731
10. Adds funding to adjust the use of federal TANF funds	\$7,496,368

One-Time General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
One-time general fund appropriations	\$18,172,167	\$26,000,000	\$1,512,603	\$24,233,216	\$55,260,313

Major One-Time General Fund Appropriations

2017-19 Biennium

1. Added one-time funding for a county social services pilot program	\$26,000,000
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2019-21 Biennium

1. Added one-time funding for a medically complex children provider funding adjustment	\$977,603
2. Added one-time funding for a hyperbaric oxygen therapy pilot project	\$335,000

2021-23 Biennium

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| 1. Added one-time funding for the first phase of upgrading the Medicaid management information system | \$4,326,686 |
| 2. Added one-time funding for a child welfare technology project | \$15,000,000 |
| 3. Added one-time funding for changes associated with the implementation of a new nursing facility payment methodology | \$3,348,000 |
| 4. Added one-time funding for heat pump and carpet replacement projects at the Southeast Human Service Center | \$724,000 |

2023-25 Biennium (Executive Budget Recommendation)

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| 1. Adds one-time funding to replace federal and special fund revenue with funding from the general fund due to decreased revenues and increased operating costs at human service centers and the State Hospital | \$36,028,141 |
| 2. Adds one-time funding for child care programs associated with a workforce initiative, including funding to expand background checks, to add capacity for early childhood rating infrastructure, and to create quality tiers in the child care reimbursement program | \$7,000,000 |
| 3. Adds one-time funding for program integrity audits | \$2,250,000 |
| 4. Adds one-time funding for inflation | \$10,282,172 |

DHHS - Management - Budget No. 325
Senate Bill No. 2012
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	97.85	\$79,695,054	\$92,905,426	\$172,600,480	97.85	\$79,695,054	\$92,905,426	\$172,600,480
2023-25 Ongoing Funding Changes								
Base payroll and budget changes	14.55	\$5,995,189	\$11,524,138	\$17,519,327	14.55	\$5,995,189	\$11,524,138	\$17,519,327
Salary increase		1,147,998	374,236	1,522,234		862,063	283,496	1,145,559
Health insurance increase		433,004	141,155	574,159		436,667	139,099	575,766
Criminal background check positions	1.50	120,780	26,512	147,292	1.50	120,780	26,512	147,292
Americans with Disabilities Act coordinators		55,200		55,200		55,200		55,200
New Capitol space rent model		842,674		842,674		842,674		842,674
County social services funding shift		19,816,722		19,816,722				0
Agency operating reduction				0		(19,900,262)		(19,900,262)
Total ongoing funding changes	16.05	\$28,411,567	\$12,066,041	\$40,477,608	16.05	(\$11,587,689)	\$11,973,245	\$385,556
One-time funding items								
Criminal background check automation		\$1,000,000		\$1,000,000		\$1,000,000		\$1,000,000
Operating inflation		10,282,172	\$10,282,172	20,564,344		10,282,172	\$10,282,172	20,564,344
Procurement and grants software - SIIF			11,000,000	11,000,000			11,000,000	11,000,000
Child support computer project			60,000,000	60,000,000			60,000,000	60,000,000
Total one-time funding changes	0.00	\$11,282,172	\$81,282,172	\$92,564,344	0.00	\$11,282,172	\$81,282,172	\$92,564,344
Total Changes to Base Level Funding	16.05	\$39,693,739	\$93,348,213	\$133,041,952	16.05	(\$305,517)	\$93,255,417	\$92,949,900
2023-25 Total Funding	113.90	\$119,388,793	\$186,253,639	\$305,642,432	113.90	\$79,389,537	\$186,160,843	\$265,550,380
<i>Federal funds included in other funds</i>			\$151,779,385				\$151,687,728	
<i>Total ongoing changes as a percentage of base level</i>	16.4%	35.7%	13.0%	23.5%	16.4%	(14.5%)	12.9%	0.2%
<i>Total changes as a percentage of base level</i>	16.4%	49.8%	100.5%	77.1%	16.4%	(0.4%)	100.4%	53.9%

DHHS - Program and Policy - Budget No. 325
Senate Bill No. 2012
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	666.17	\$1,294,528,252	\$2,499,452,627	\$3,793,980,879	666.17	\$1,294,528,252	\$2,499,452,627	\$3,793,980,879
2023-25 Ongoing Funding Changes								
Base payroll and budget changes	9.15	\$11,576,010	\$9,505,488	\$21,081,498	9.15	\$11,576,010	\$9,505,488	\$21,081,498
Salary increase		3,528,965	4,743,438	8,272,403		2,661,463	3,528,496	6,189,959
Health insurance increase		1,331,062	1,789,141	3,120,203		1,338,470	1,865,110	3,203,580
Cost and caseload increases		122,273,747	381,790,377	504,064,124		122,273,747	381,790,377	504,064,124
Provider inflation		45,591,613	46,892,127	92,483,740		47,443,941	50,139,879	97,583,820
FMAP adjustments		21,621,657	(21,621,657)	0		21,621,657	(21,621,657)	0
Economic assistance								
TANF funding adjustment			7,496,368	7,496,368			7,496,368	7,496,368
Increase utilization of child care assistance		22,000,000		22,000,000		22,000,000		22,000,000
Improve access to child care		12,900,000		12,900,000		12,900,000		12,900,000
Federal funds authority				0			15,191,435	15,191,435
Medical Services								
Medicaid provider strike team	2.00	48,642	266,995	315,637	2.00	48,642	266,995	315,637
Child early intervention	1.00	86,602	86,602	173,204				0
Children's health insurance program eligibility increase		1,389,270	2,878,042	4,267,312		1,389,270	2,878,042	4,267,312
Medically needy eligibility increase		6,300,000	4,200,000	10,500,000		6,300,000	4,200,000	10,500,000
Long-Term Care								
Home- and community-based services enhancements		9,750,819	2,402,565	12,153,384		8,288,319	2,402,565	10,690,884
Autism waiver and voucher adjustments		4,168,959	4,607,797	8,776,756		4,168,959	4,607,797	8,776,756
Medically fragile waiver slots and benefits		186,400	206,022	392,422		186,400	206,022	392,422
Aging Services								
Home- and community-based services navigator and generalists	3.00	143,912	143,912	287,824	3.00	143,912	143,912	287,824
Senior meal rate increase		12,992,444		12,992,444		12,992,444		12,992,444
Guardianship fee enhancement		70,500		70,500		70,500		70,500
Compliance and quality assurance position	1.00	103,868	103,868	207,736	1.00	103,868	103,868	207,736
Federal Department of Justice lawsuit coordinator	1.00			0	1.00			0
Dementia care grant				0		305,000		305,000
Children and Family Services								
TANF funding shift		7,496,368	(7,496,368)	0		7,496,368	(7,496,368)	0
Child response and protection	4.00	938,472		938,472				0
Children's advocacy centers		1,600,000		1,600,000		2,500,000		2,500,000
Unlicensed relative caregiver assistance		960,000		960,000		960,000		960,000
Family-to-family support services				0		175,000		175,000

DHHS - County Social Services - Budget No. 325
Senate Bill No. 2012
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	159.00	\$1,240,391	\$188,676,995	\$189,917,386	159.00	\$1,240,391	\$188,676,995	\$189,917,386
2023-25 Ongoing Funding Changes								
Base payroll and budget changes	(2.00)	\$18,434	\$1,240,493	\$1,258,927	(2.00)	\$18,434	\$1,240,493	\$1,258,927
Salary increase - State employees		82,130	1,987,165	2,069,295		61,440	1,486,858	1,548,298
Health insurance increase - State employees		30,114	705,458	735,572		30,807	721,687	752,494
Zone employee salary increase			8,337,993	8,337,993			6,240,680	6,240,680
Zone employee equity				0			1,000,000	1,000,000
Funding adjustments			2,941,770	2,941,770			23,541,770	23,541,770
Home- and community-based services	10.00		2,002,688	2,002,688	7.00		1,102,031	1,102,031
Total ongoing funding changes	8.00	\$130,678	\$17,215,567	\$17,346,245	5.00	\$110,681	\$35,333,519	\$35,444,200
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	8.00	\$130,678	\$17,215,567	\$17,346,245	5.00	\$110,681	\$35,333,519	\$35,444,200
2023-25 Total Funding	167.00	\$1,371,069	\$205,892,562	\$207,263,631	164.00	\$1,351,072	\$224,010,514	\$225,361,586
<i>Federal funds included in other funds</i>			\$3,542,273				\$3,526,563	
<i>Total ongoing changes as a percentage of base level</i>	5.0%	10.5%	9.1%	9.1%	3.1%	8.9%	18.7%	18.7%
<i>Total changes as a percentage of base level</i>	5.0%	10.5%	9.1%	9.1%	3.1%	8.9%	18.7%	18.7%

Behavioral Health								
Community-based behavioral health	2.00	223,946		223,946	2.00	223,946		223,946
Free through recovery program			8,326,380	8,326,380			8,326,380	8,326,380
Community connect program		7,019,514		7,019,514		7,019,514		7,019,514
Opioid prevention			2,000,000	2,000,000			2,000,000	2,000,000
Pregnant and parenting women residential		600,000		600,000		600,000		600,000
School behavioral health grants				0		3,500,000		3,500,000
Recovery housing				0		1,300,000		1,300,000
B-Hero spending authority				0			400,000	400,000
Behavioral health practitioner reimbursement rate				0		1,362,070	1,505,446	2,867,516
Developmental Disabilities								
Program management	2.00	162,006	168,618	330,624				0
Developmental disabilities guardianship establishme		300,000		300,000		300,000		300,000
Quality assurance and compliance position	1.00	103,868	103,868	207,736	1.00	103,868	103,868	207,736
Early intervention position	1.00	86,602	86,602	173,204	1.00	86,602	86,602	173,204
Payment rate enhancement				0		10,223,681	11,403,366	21,627,047
Corporate guardianship enhancement				0		808,748		808,748
Early Childhood								
Expand best in class program		16,000,000		16,000,000		12,000,000		12,000,000
Early childhood career grants		2,000,000		2,000,000		2,000,000		2,000,000
Kindergarten readiness program		2,400,000		2,400,000				0
Program administration	2.00	473,811		473,811	1.00	236,905		236,905
Total ongoing funding changes	29.15	\$316,429,057	\$448,680,185	\$765,109,242	21.15	\$326,709,304	\$479,033,991	\$805,743,295
One-time funding items								
Program integrity audits		\$2,250,000	\$2,250,000	\$4,500,000		\$2,250,000	\$2,250,000	\$4,500,000
Autism program adjustment		(300,000)		(300,000)		(300,000)		(300,000)
Pregnant and parenting women facility - SIIF			1,000,000	1,000,000			1,000,000	1,000,000
Workforce initiative one-time funding								
Childhood rating infrastructure capacity		3,000,000		3,000,000		3,000,000		3,000,000
Child care reimbursement quality tiers		3,000,000		3,000,000		3,000,000		3,000,000
Expand public-private child care benefits (legacy earnings)			5,000,000	5,000,000			1,000,000	1,000,000
Child care business operating grants (legacy earnings)			7,000,000	7,000,000			5,000,000	5,000,000
Nontraditional child care hours (legacy earnings)			1,000,000	1,000,000			1,000,000	1,000,000
Total one-time funding changes	0.00	\$7,950,000	\$16,250,000	\$24,200,000	0.00	\$7,950,000	\$10,250,000	\$18,200,000
Total Changes to Base Level Funding	29.15	\$324,379,057	\$464,930,185	\$789,309,242	21.15	\$334,659,304	\$489,283,991	\$823,943,295
2023-25 Total Funding	695.32	\$1,618,907,309	\$2,964,382,812	\$4,583,290,121	687.32	\$1,629,187,556	\$2,988,736,618	\$4,617,924,174
<i>Federal funds included in other funds</i>			<i>\$2,843,265,320</i>				<i>\$2,873,979,152</i>	
<i>Total ongoing changes as a percentage of base level</i>	<i>4.4%</i>	<i>24.4%</i>	<i>18.0%</i>	<i>20.2%</i>	<i>3.2%</i>	<i>25.2%</i>	<i>19.2%</i>	<i>21.2%</i>
<i>Total changes as a percentage of base level</i>	<i>4.4%</i>	<i>25.1%</i>	<i>18.6%</i>	<i>20.8%</i>	<i>3.2%</i>	<i>25.9%</i>	<i>19.6%</i>	<i>21.7%</i>

DHHS - Field Services - Budget No. 325
Senate Bill No. 2012
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	1,342.31	\$179,323,957	\$114,273,300	\$293,597,257	1,342.31	\$179,323,957	\$114,273,300	\$293,597,257
2023-25 Ongoing Funding Changes								
Base payroll and budget changes	(21.70)	\$5,365,003	\$7,438,385	\$12,803,388	(21.70)	\$5,365,003	\$7,438,385	\$12,803,388
Salary increase		11,951,565	3,779,803	15,731,368		8,926,423	2,830,652	11,757,075
Health insurance increase		4,067,614	1,416,642	5,484,256		4,161,185	1,449,231	5,610,416
Community-based behavioral health	28.50	950,906		950,906	28.50	950,906		950,906
Crisis support services	21.00	11,375,536		11,375,536	21.00	11,375,536		11,375,536
Provider inflation adjustment		1,296,258		1,296,258		1,417,491		1,417,491
Certified community behavioral health clinics				0	24.00	9,650,000		9,650,000
Total ongoing funding changes	27.80	\$35,006,882	\$12,634,830	\$47,641,712	51.80	\$41,846,544	\$11,718,268	\$53,564,812
One-time funding items								
State Hospital design - SIIF			\$10,000,000	\$10,000,000			\$5,000,000	\$5,000,000
Human service center deferred maintenance - SIIF			735,154	735,154			735,154	735,154
Revenue enhancement and staffing		\$36,028,141	(36,028,141)	0		\$36,028,141	(36,028,141)	0
Total one-time funding changes	0.00	\$36,028,141	(\$25,292,987)	\$10,735,154	0.00	\$36,028,141	(\$30,292,987)	\$5,735,154
Total Changes to Base Level Funding	27.80	\$71,035,023	(\$12,658,157)	\$58,376,866	51.80	\$77,874,685	(\$18,574,719)	\$59,299,966
2023-25 Total Funding	1,370.11	\$250,358,980	\$101,615,143	\$351,974,123	1,394.11	\$257,198,642	\$95,698,581	\$352,897,223
<i>Federal funds included in other funds</i>			\$63,157,111				\$62,455,089	
<i>Total ongoing changes as a percentage of base level</i>	2.1%	19.5%	11.1%	16.2%	3.9%	23.3%	10.3%	18.2%
<i>Total changes as a percentage of base level</i>	2.1%	39.6%	(11.1%)	19.9%	3.9%	43.4%	(16.3%)	20.2%

Department of Health and Human Services - Budget No. 325
Senate Bill No. 2012
Other Sections

	<u>Executive Budget Recommendation</u>	<u>Senate Version</u>
Transfers	Sections 3, 4, and 5 would allow DHHS to transfer appropriation authority between line items in Senate Bill No. 2012 and House Bill No. 1004 and to combine all appropriation authority for DHHS in one budget.	Sections 3 and 4 authorize DHHS to transfer appropriation authority between line items in Senate Bill No. 2012 and House Bill No. 1004 and to combine all appropriation authority for DHHS in one budget.
Strategic investment and improvements fund transfer		Section 5 transfers \$21.6 million from SIIF to the human service finance fund.
Contingent FTE positions	Section 6 would authorize DHHS to increase direct care FTE positions for field services subject to the availability of funds.	See certified community behavioral health section.
Human service finance fund	Section 8 would identify \$200 million of funding in the budget is from the human service finance fund for the county social and human service finance project.	Section 6 identifies \$221.6 million of funding in the budget is from the human service finance fund for the county social and human service finance project.
Community health trust fund	Section 7 would identify \$20.4 million of funding in the budget is from the community health trust fund for the child support case management system replacement project.	Section 7 identifies \$20.4 million of funding in the budget is from the community health trust fund for the child support case management system replacement project.
Legacy earnings fund	Section 9 would identify \$13 million of funding in the budget is from the legacy earnings fund for defraying the expenses of various child care programs.	Section 8 identifies \$7 million of funding in the budget is from the legacy earnings fund for defraying the expenses of various child care programs.
Strategic investment and improvements fund projects		Section 9 identifies \$22,735,154 from SIIF for a new procurement and grants system (\$11 million), the design of a new State Hospital (\$10 million), pregnant and parenting women residential facility (\$1 million), and capital projects at the Southeast Human Service Center (\$735,154).
Special assessments	Section 10 would authorize DHHS to pay special assessments at the State Hospital and Life Skills and Transition Center.	Section 10 authorizes DHHS to pay special assessments at the State Hospital and Life Skills and Transition Center.
Capital projects	Section 11 would authorize DHHS to proceed with capital projects at the State Hospital.	Section 11 authorizes DHHS to proceed with capital projects at the State Hospital.
Child care financial assistance	Section 13 would identify \$5 million in the budget is for financial assistance and direct payments for child care services.	Section 12 identifies \$1 million in the budget is for financial assistance and direct payments for child care services.
Permanent supportive housing grants	Section 12 would identify \$4,672,536 in the budget is from the general fund for permanent supportive housing grants.	Section 13 identifies \$4,672,536 in the budget is from the general fund for permanent supportive housing grants.
State Hospital project		Section 14 identifies \$5 million for the design of a new State Hospital and the development of a statewide acute psychiatric needs plan.
Medicaid Expansion	Section 14 would provide DHHS may not spend more for the Medicaid Expansion program than the amount appropriated in the bill with certain exceptions.	Section 15 provides DHHS may not spend more for the Medicaid Expansion program than the amount appropriated in the bill with certain exceptions.
Substance use disorder voucher program moratorium		Section 16 removes the moratorium on new substance use disorder voucher program providers.
Medicaid autism waiver age		Section 17 increases the eligible age for the Medicaid autism waiver from 16 to 18 years of age.

Children's health insurance program	Section 15 would provide the statutory changes needed to increase the eligibility level of the children's health insurance program from 175 to 210 percent of the federal poverty level.	Section 18 provides the statutory changes needed to increase the eligibility level of the children's health insurance program from 175 to 210 percent of the federal poverty level.
Autism spectrum disorder voucher program	Section 16 would repeal the statutory provisions related to the autism spectrum disorder voucher program.	Section 19 repeals the statutory provisions related to the autism spectrum disorder voucher program.
Building leases	Section 17 would authorize DHHS to enter agreements for the lease of facilities for human service centers.	Section 20 authorizes DHHS to enter agreements for the lease of facilities for human service centers.
State Hospital land lease	Section 18 would authorize DHHS to lease land at the State Hospital to the Adjutant General to construct a training and storage facility.	Section 21 authorizes DHHS to lease land at the State Hospital to the Adjutant General to construct a training and storage facility.
Provider outcomes	Section 19 would provide that DHHS require providers to submit process and outcome measures as requested by the department.	Section 22 requires providers to submit process and outcome measures as requested by DHHS.
Community behavioral health program	Section 20 would authorize DHHS to transfer funds between line items for the community behavioral health program.	Authority to transfer funds included in Section 3.
Certified community behavioral health clinic		Section 23 requires DHHS to develop a process to allow three human service centers to become certified behavioral health clinics and authorizes 50 FTE positions to provide direct services if revenue received can support the positions.
Carryover exemptions	Sections 22 through 34 would authorize DHHS to continue unexpended appropriations for various purposes into the 2023-25 biennium.	Section 24 authorizes DHHS to continue unexpended appropriations for various purposes into the 2023-25 biennium.
Early childhood information systems	Section 21 would exempt DHHS from state procurement practices for selecting a vendor to develop early childhood information systems.	Section 25 exempts DHHS from state procurement practices for selecting a vendor to develop early childhood information systems.
Purchase of consumables		Section 26 exempts DHHS from state procurement practices for the purchase of consumables at residential facilities during low population times.
Utilization rate adjustments	Section 35 would provide intent that DHHS seek a deficiency appropriation from the 69 th Legislative Assembly if utilization rates exceed estimates used in the budget.	Section 27 provides intent that DHHS seek a deficiency appropriation from the 69 th Legislative Assembly if utilization rates exceed estimates used in the budget.
Provider inflation increases	Section 36 would provide for providers to receive an inflationary increase of 4 percent the 1 st year and 3 percent the 2 nd year of the 2023-25 biennium.	Section 28 provides for providers to receive an inflationary increase of 4 percent the 1 st year and 4 percent the 2 nd year of the 2023-25 biennium except for developmental disability service payments, long-term care facilities, and basic care facilities.
Basic care facility rate rebasing	Section 37 would provide for DHHS to rebase basic care facility rates.	Included in Senate Bill No. 2283.
Federal funding appeal limitation	Section 38 would provide an individual may not appeal a denial of service by DHHS due to the unavailability of federal coronavirus relief funding.	Section 29 provides an individual may not appeal a denial of service by DHHS due to the unavailability of federal coronavirus relief funding.
Legislative Management study		Section 30 provides for a Legislative Management study of early childhood programs.
Early childhood program reports	Section 39 would require DHHS to provide reports to the Legislative Management regarding early childhood programs.	Section 31 requires DHHS to provide reports to the Legislative Management regarding early childhood programs.