



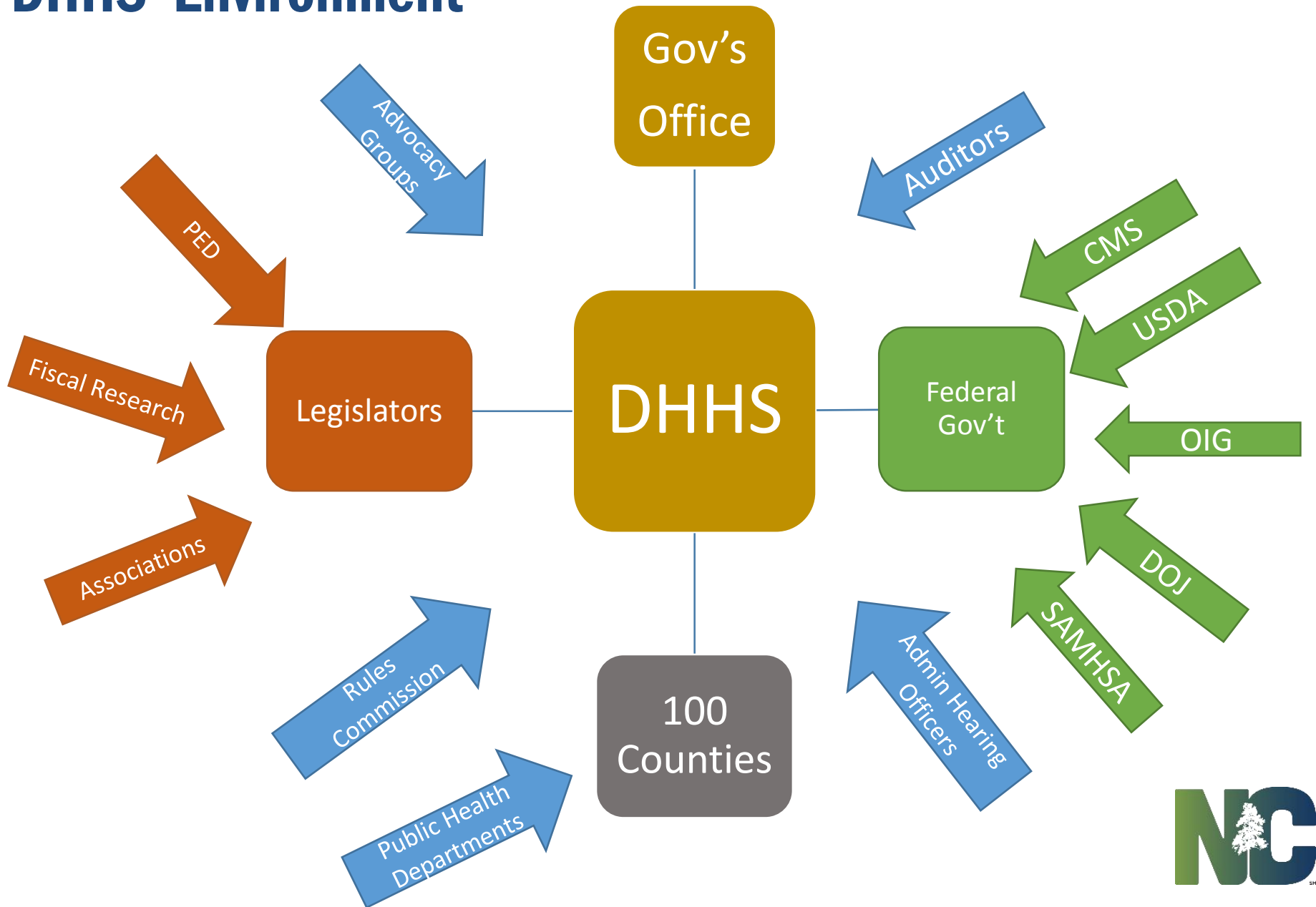
**Joint Legislative Oversight Committee
on Health and Human Services
September 27, 2016**



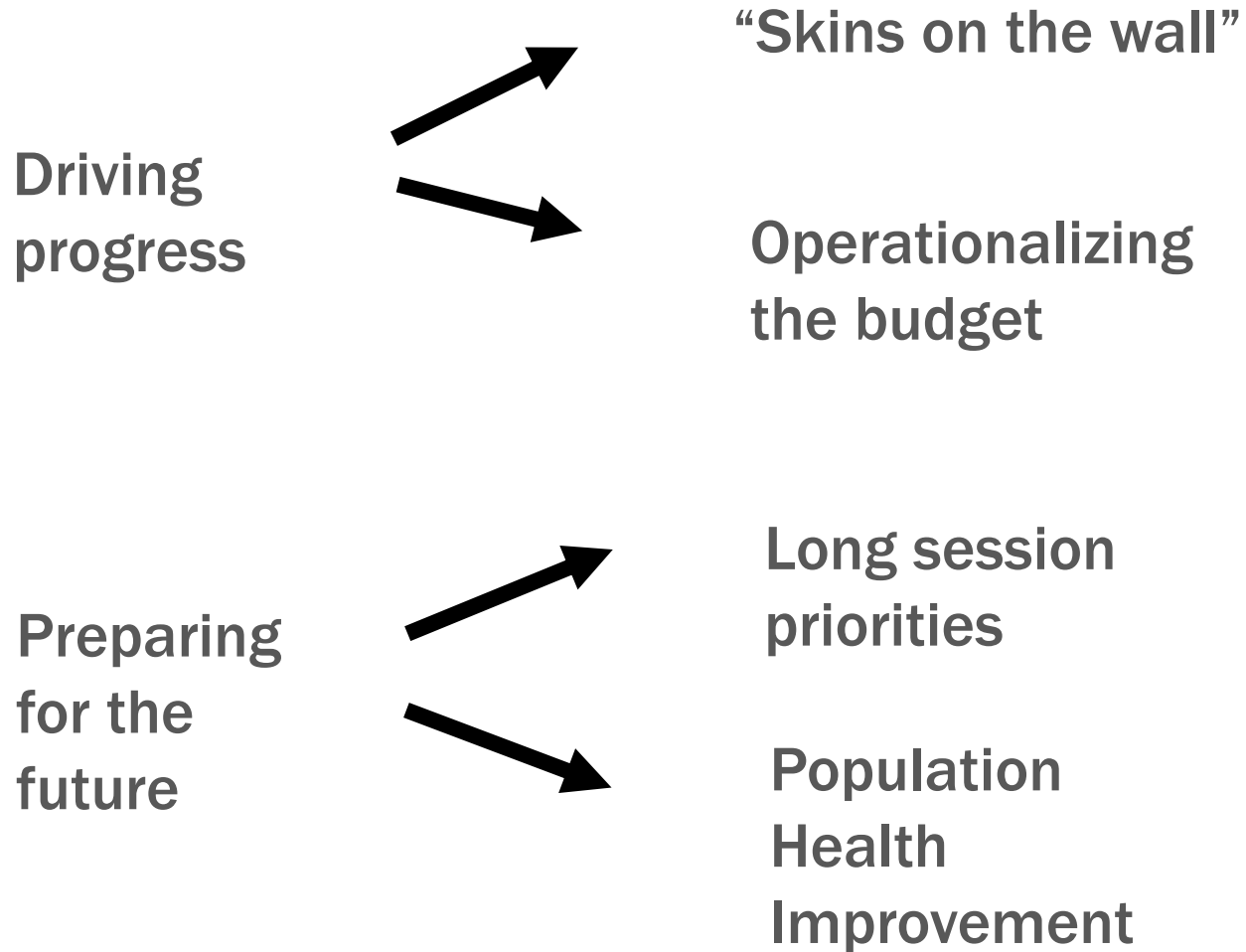
**Department of Health and Human Services
Rick Brajer, Secretary**



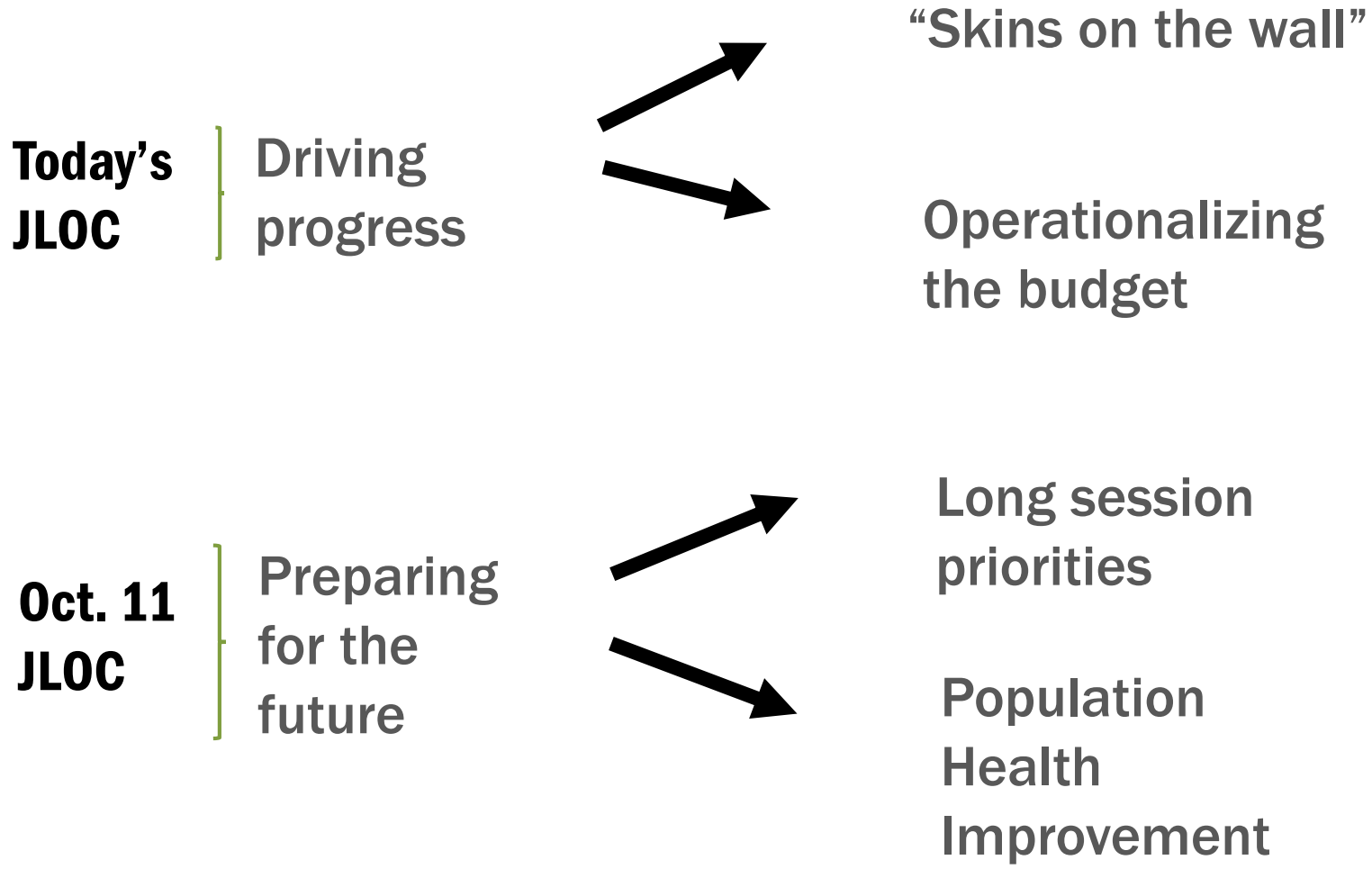
DHHS' Environment



Driving progress while preparing for the future



Driving progress while preparing for the future



FY17 YTD Progress

- **Medicaid:** Tracking to budget. Preparing for Oct. 6th meeting with CMS (re: Reform waiver)
- **Medicaid:** CAP/C Working Group Established in July. CAP/C revised waiver being finalized with strong stakeholder support
- **Division of Health Benefits:** Competitive procurement process in place. Final negotiation phase with Task Order #1 (Project Management and Budget Assistance). Interviewing phase with Task Order #2 (Program Design)
- **State Operated Healthcare Facilities:** Celebrated opening of new Cherry Hospital August 30th. Start transferring patients today. Complete by end of this week.
- **State Operated Healthcare Facilities:** FY16: Historic \$17M shortfall reduced to \$500K by end of year. YTD: Maintaining gains



FY17 YTD Progress (continued)

- **MH/DD/SAS:** RFAs for Governor's Task Force pilots (3) and rural crisis bed capacity out first week of October.
- **MH/DD/SAS:** Preparing for November 1st go live TBI waiver pilot in Alliance catchment area
- **Public Health:** Naloxone rollout (1,330 pharmacies as of September)
- **Public Health:** Vigilant Zika surveillance
- **Health Service Regulation:** Interim Audit Nuclear Regulatory Commission completed. NC's Radiation Protection Section complimented on having one of the strongest programs in the nation
- **Child Dev. and Early Education:** 238 new Pre-K slots filled
- **Social Services:** CFSR PIP. Completed extensive negotiations with Federal Government. Department has signed off
- **Social Services:** Organizational transition to support Sherry Bradsher's September 30th retirement (30 years)



Operationalizing the budget

Key Initiatives with Executional Risk

- Governor's task force pilots
- Rural crisis bed conversions
- Child family services review PIP
- TCLI operational plan
- Standing up DHB
- Medicaid budget - threading the needle
- DSOF: new construction, ADATC conversion to receipt-driven, recruitment and retention

Key Budget Challenges

- Level of detail budget is prescribed in and lack of flexibility to manage resources
- One-time costs to cover conversion to new Cherry (\$3M)
- Structural budget shortfalls:
 - State's mental health facilities (\$10M)
 - Information technology (\$10.5M)
 - Public lab (\$3.4M)
 - State/County Special Assistance Program (\$1.5M)
 - CDSAs (\$1.2M)



Summary: my current focus

