

FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Central Management and Support (CMS) Overview

Joint House and Senate Appropriations
Committees on Health and Human Services

March 2, 2023

Objectives

- Provide a high-level overview of DHHS Central Management and Support (CMS)
- Review CMS budget summary
- Provide updates to major initiatives within CMS
 - NC FAST child welfare component
 - Dix Campus relocation
 - DHHS Contract Training and Certification



CMS Overview

Provides agency-wide administrative and support services to the DHHS divisions and offices:

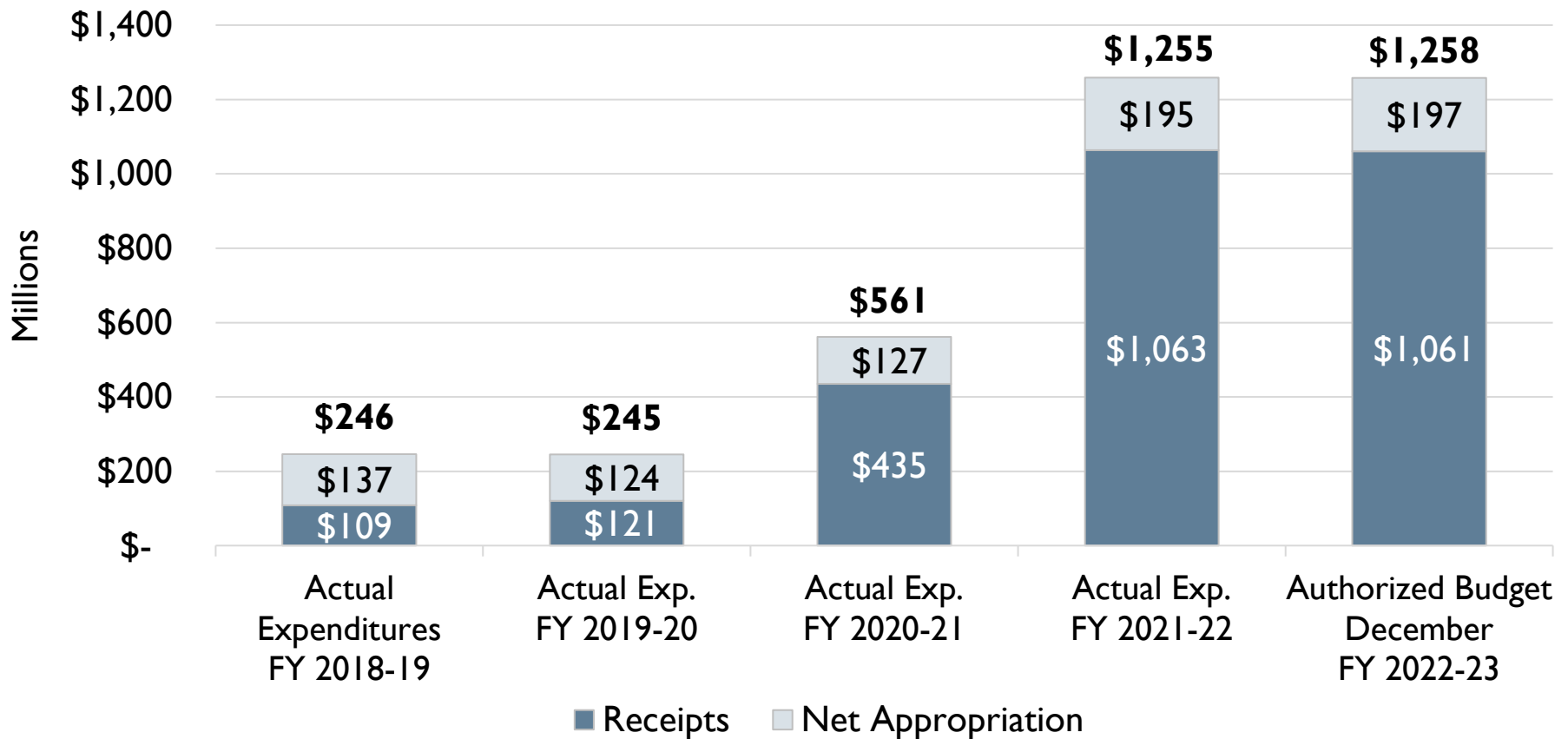
- Office of the Secretary*
- Office of General Counsel
- Office of Government Affairs
- Office of Communications
- Budget & Analysis Division
- Office of the Controller
- Property & Construction Division
- Information Technology Division
- Office of NC FAST
- Office of NCTracks
- Office of Privacy & Security
- Office of Procurement, Contracts, & Grants
- Human Resources Division
- Office of Internal Audit

*Includes the Office of Rural Health and the Office of Minority Health.



Five-Year Budget Summary

CMS Five-Year Budget Summary (Millions USD)



Note: Figures may not add to total due to rounding.

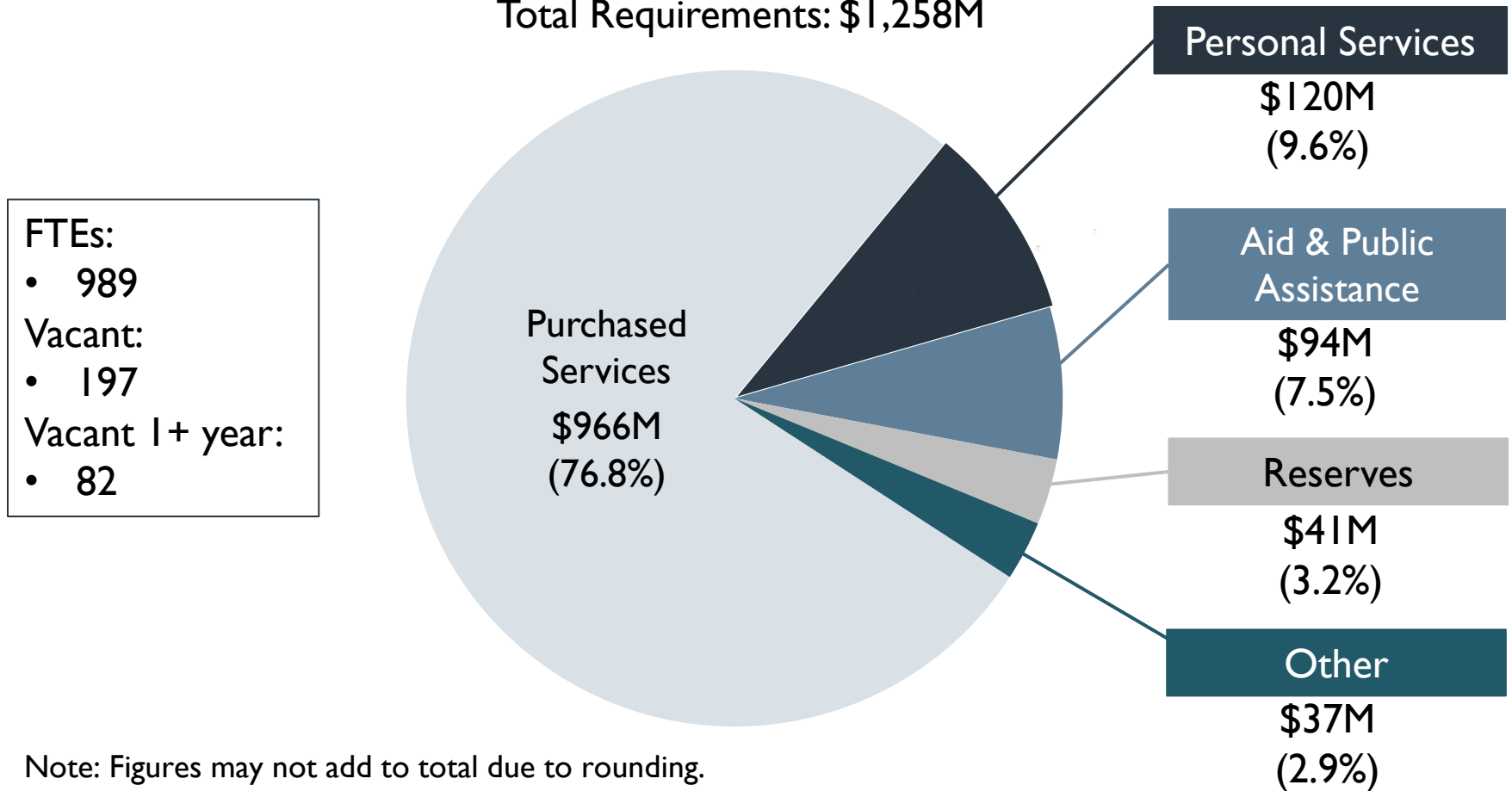
Sources: CMS BD701's



Authorized Budget Requirements

CMS FY 2022-23 December Authorized Budget Requirements

Total Requirements: \$1,258M



Note: Figures may not add to total due to rounding.

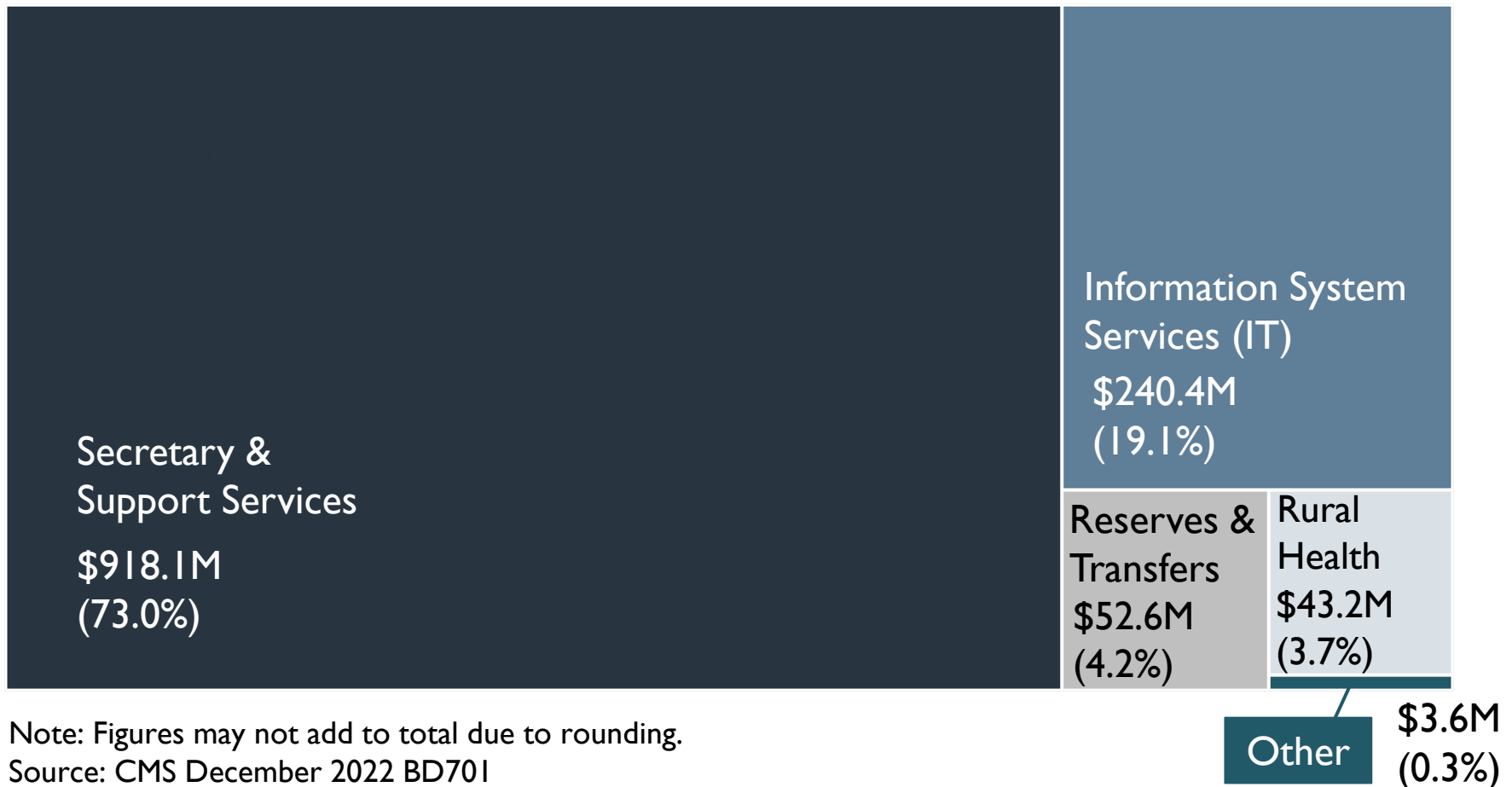
Sources: CMS December 2022 BD701, CMS BD307 FY 2022-23



CMS Requirements by Service

CMS FY 2022-23 December Authorized Budget Requirements by Service

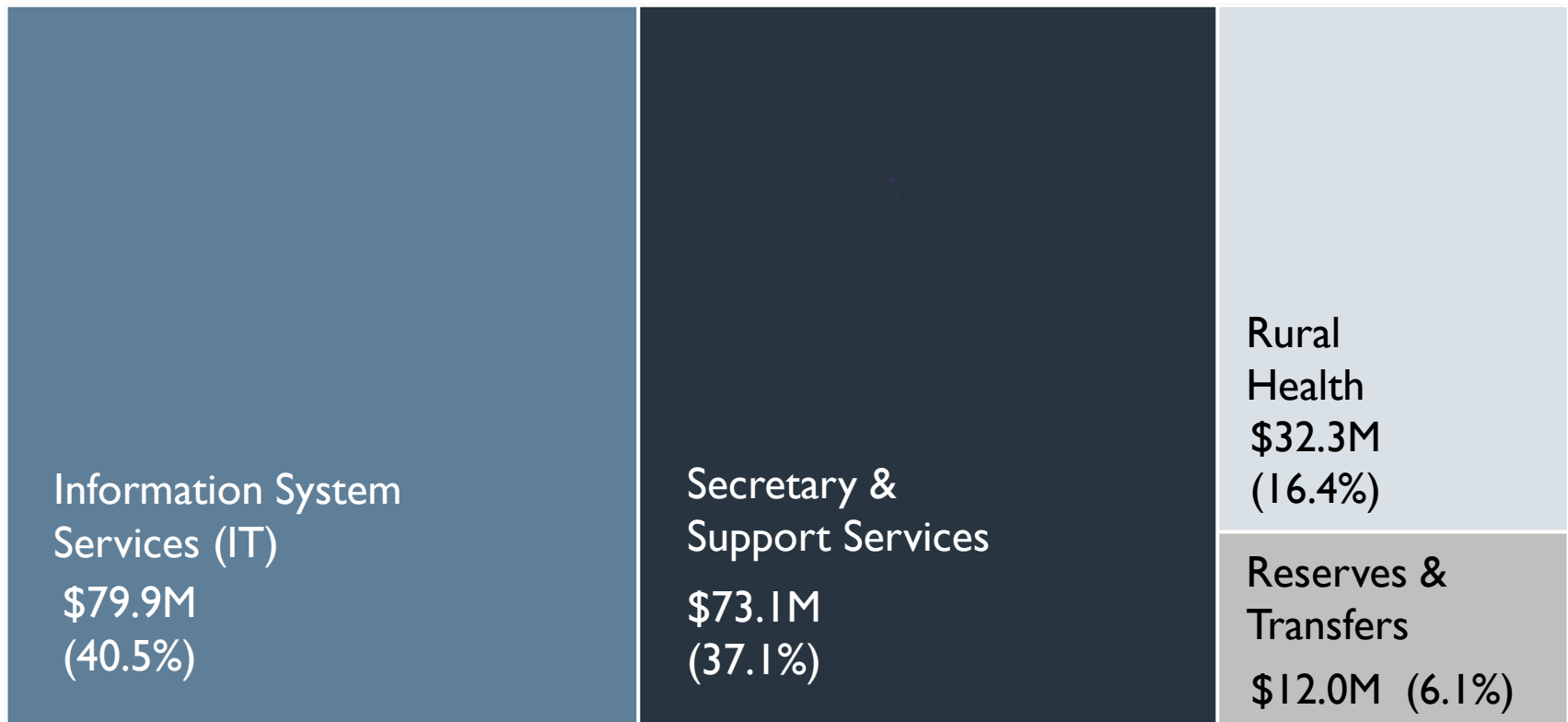
Total Requirements: \$1,257.9M



CMS Net Appropriation by Service

CMS FY 2022-23 December Authorized Budget Net Appropriation by Service

Total Net Appropriation: \$197.3M



Note: Figures may not add to total due to rounding.

Source: CMS December 2022 BD701



Major IT Systems

NCTracks

- Supports multi-payer claims payment for Medicaid; Division of Public Health; Office of Rural Health; and Division of Mental Health, Developmental Disabilities, and Substance Abuse Services

NC FAST

- NC FAST is North Carolina's statewide electronic Case Management System
- Delivers state benefits and services for the 100 county departments of social services
- Determines eligibility for social services programs (e.g., Food and Nutrition Services, Work First) and Medicaid

Source: <https://www.ncdhhs.gov/>



NC FAST Child Welfare Component

Background

In 2015, a federal review of NC's Child Welfare System highlighted the need for a statewide child welfare information system

- Counties don't have access to families' histories and can't monitor if children are safe and getting what they need in all 100 counties.
- "The lack of a statewide case management information system that allows the state to track child placement episodes across counties affects the state's ability to readily identify the status of children, including re-entry, placement history, and placement goals... and compromises the effectiveness of the state's continuous quality improvement efforts."
 - *US DHHS Child and Family Service Review, North Carolina Final Report, December 2015*

Functional Areas

- Intake (screening & response)
- Assessment
- Ongoing Case Management
- Placements / Living Arrangements
- Recruitment / Licensing
- IV-E and Financials
- Interfaces / Provider Portals

Sources: DHHS, Joint Appropriations Committee on HHS, March 2019; and DHHS February 2023



NC FAST Child Welfare Information System Timeline (Calendar Year)

- 2016 • Development began; NCGA requires the system to be operational by Dec. 31, 2017
- 2017 • Initially piloted in 5 counties, with plans to rollout across the State in Sept. 2018
- 2018 • DHHS delayed planned rollout
• Pilot expanded to 6 additional counties (11 total)
- 2019 • Intake & Assessment functionality deployed to 24 additional counties
• NCGA postponed deployment until July 2020 and allowed counties to opt-out of Intake & Assessment functionality
• NCGA directed DHHS to develop and issue an RFI* for improving/replacing the NC FAST Child Welfare Information System
- 2020 • Plans and budget halted. The General Assembly's Program Evaluation Division (PED) completed an Assessment of the system and made recommendations
• DHHS reported on RFI* status

*RFI = Request for Information

Note: This timeline is high-level and does not include all activities related to this initiative.



NC FAST Child Welfare Case Management (P4) Timeline (Calendar Year) (cont.)

- 2021
 - S.L. 2021-180 budgeted \$26.3M NR & 27.3M NR from the Medicaid Transformation Reserve to be used for the deployment of this system by 10/1/2022
 - NCGA directed DHHS to release an RFP* and enter into a contract within 150 days of releasing the RFP
- 2022
 - NCDHHS develops RFP, receives federal approval, and releases RFP in August
 - NCDHHS begins planning for a new, improved intake tool
- 2023
 - NC DHHS begins work on designing the new electronic intake tool, with the goal to begin configuration (coding) of the intake tool in March with existing resources and technology
 - Summer 2023:
 - NC DHHS plans to begin phased rollout of the new intake tool statewide
 - NC DHHS plans to onboard new contract team from the RFP to develop the remaining information system functions (and enhance existing functions) and implement them statewide in a phased rollout

*RFP = Request for Proposal

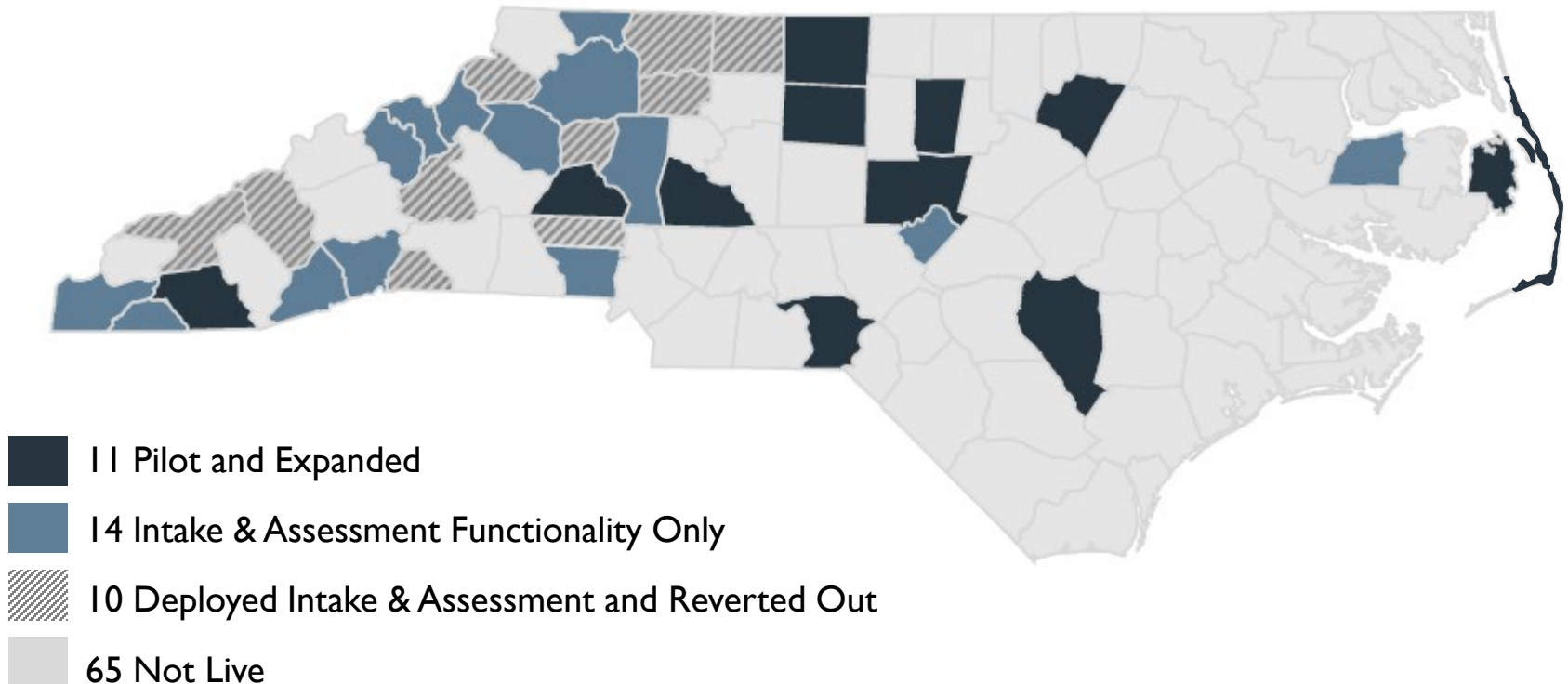
Note: This timeline is high-level and does not include all activities related to this initiative.

Sources: S.L. 2021-180; and DHHS, February 2023



NC FAST Child Welfare Case Management (P4) Implementation

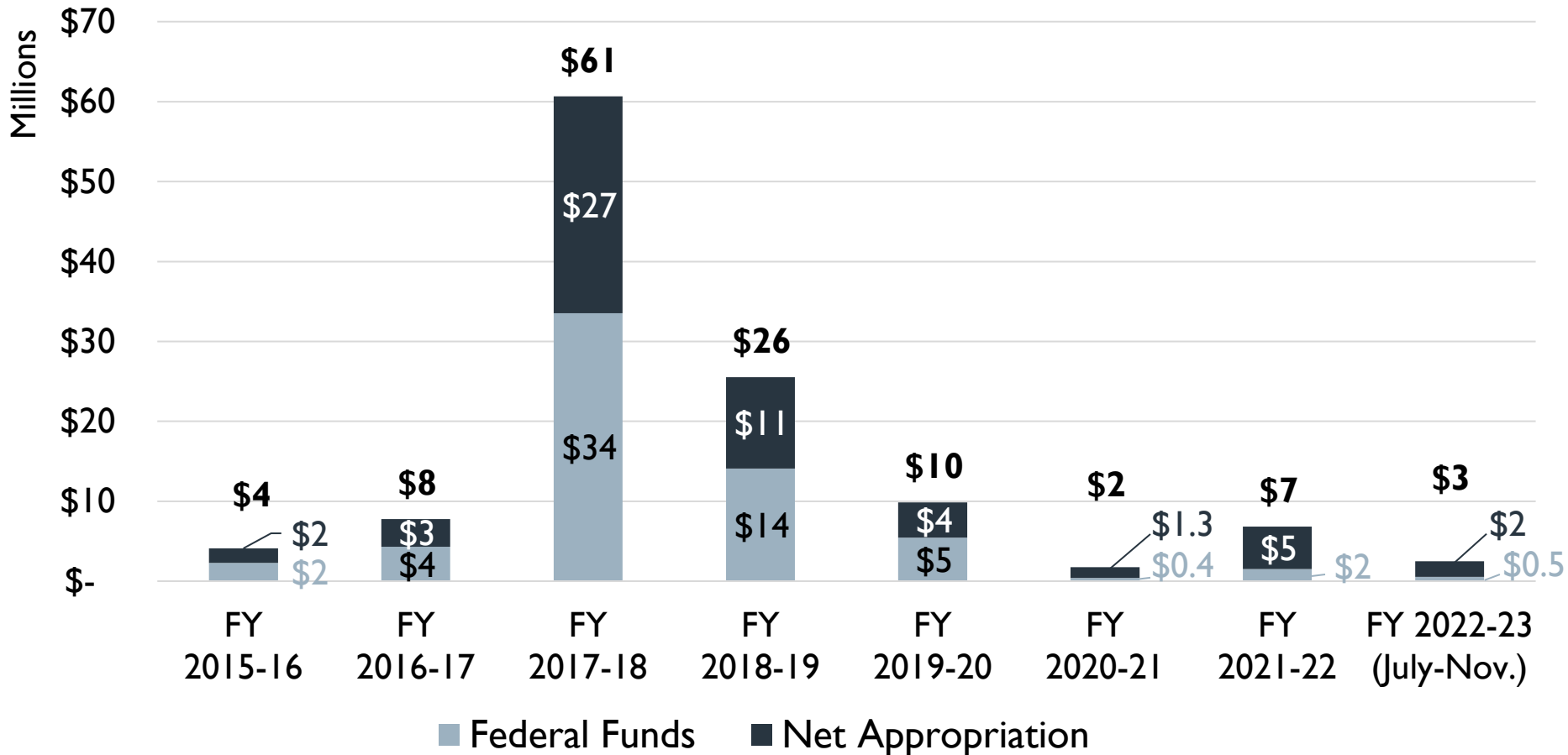
Implementation Status of NC FAST P4



Source: DHHS Child Welfare Request for Information and Child Welfare Case Management Legislative Report, September 14, 2020.



NC FAST Child Welfare Case Management (P4) Expenditures



Note: Figures may not add to total due to rounding.

Sources: NC IT Expenditures Reports, FY 2015-16 to FY 2019-20; & NC FAST Executive Advisory Committee Slides, (July 2021, July 2022, and January 2023)



NC FAST Child Welfare Information System – Federal Funding Details

- NC, along with most states, has agreed to comply with the Child Welfare Information System standards set by the federal Administration for Children and Families (ACF), and is therefore receiving a federal match for the NC FAST Child Welfare Information System expenses (development, implementation, training, maintenance, etc.)
- Currently, the ACF is reimbursing NC at a lower, non-compliant rate of about 20-25%
- If the ACF regains confidence that NC can comply with their expectations for the development and state-wide implementation of the child welfare information system, the match rate increases to ~50%
- However, the ACF can also end or reduce reimbursement and/or enforce penalties on NC if they determine that NC is not complying to their standards

Sources: 2020 PED report on NC FAST Child Welfare Information System; and DHHS, February 2023



Dix Campus Relocation – Background

Background

- DHHS operates its headquarters on the former Dorothea Dix hospital campus
- In July 2015, the State sold the Dix campus to the City of Raleigh and entered a lease that requires DHHS to vacate the property by July 2025
- SL 2020-88 appropriated \$15M NR to OSBM for relocation planning expenses & directed the Department of Administration (DOA) to select land in Wake County in collaboration with DHHS

Update

- New site will be in the intersection of Blue Ridge Rd. and Reedy Creek Rd., across from the NC Museum of Art (~34 acres)
- Construction is underway as of Summer 2022 and expected to be completed in May 2025
- Move-in will begin Summer 2025



DHHS Contract Training and Certification

Background

- SL 2018-5 directed DOA to develop & implement a contracting specialist training and certification program at DHHS
- In 2019, DOA offered a pilot Contract Training and Certification course, and 13 DHHS employees participated and received certifications
- Beginning in February and March 2021, DOA offered a second set of courses, and 10 DHHS employees participated

Update

As of February 2023:

- There are currently 29 DHHS employees that have graduated from the program
- 30 employees are currently enrolled



Takeaways

- Provides agency-wide administrative and support services to the DHHS divisions and offices
- DHHS's Central management and Support (CMS) budget is currently inflated by substantial, non-recurring federal COVID funding
 - Normally, CMS's budget is mostly composed of IT expenditures and other internal admin/support staff and services expenses
- The Child Welfare Component of NC FAST (P4) has long been an area of focus within DHHS, with current plans to onboard a new vendor team in the Summer of 2023 for the development, enhancement, and phased rollout of the system statewide



Questions?

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