

**Department of Human Services
Fiscal Year 2021 Operating Budget
Response to Department of Legislative Services Budget Analysis**

**Senate Budget and Taxation Committee
Health and Human Services Subcommittee
Senator Melony Ghee Griffith
Monday, February 17, 2020**

**House Appropriations Committee
Health and Social Services Subcommittee
Delegate Kirill Reznik
Wednesday, February 12, 2020**

Response to Issues

Issue #1: The agency should comment on the low proportion of cases receiving appropriate physical and mental health services. (Page 5)

Response to Issue:

While both the CRBC (Children's Review Board for Children) and SSA's CFSR (Child and Family Services Review) processes follow fairly strict randomization rules in case selection, the reviews of actual data collection and the methodology used for the indicator of receiving appropriate services differ, in that the CRBC focuses on the actual documentation, while the CFSR relies on physician documentation, information found through documentation in case notes, interviews with providers and family members to determine if health and mental health services are received. In preparation for an upcoming legislative report prepared by SSA, there is a section of the report about the health and wellness of children in foster care. During the course of the stakeholder input for the report, SSA has gained insight on the barriers and challenges that prevent optimal service provision. That information will be used to inform our processes moving forward to ensure that foster children and youth have their physical and mental health care needs met. In addition, DHS SSA implementation of CJAMS will improve tracking and reporting about the needs of children who experience health and mental health challenges, including hospitalization discharge planning for children served in foster care by the Department.

Issue #2: The Department of Legislative Services (DLS) recommends reducing the fiscal 2021 general and federal fund allowance for the project to reflect project needs. (Page 7)



Response to Issue: The Department disagrees with the analyst's recommendation because the Department believes reducing the fund at this critical project implementation phase will adversely affect the progress we have made.

Issue #3: The agency should comment on the factors driving the project's increasing cost and its plans for keeping expenditures in fiscal 2021 within the budgeted appropriation. While DLS understands that project costs can change, the variance in several different estimates for the project's total cost published throughout the last year are concerning, especially as the most recent estimate seem to again understate the total cost. Therefore, the agency should provide its current estimate for this project's actual cost at completion. (Page 14)

Response to Issue: Department concurs with the recommendation related to actual cost at completion. Based on detailed analysis of program requirements and rollout schedule, the agency has updated the estimate at completion in the most recent Advance Planning Document update (APDu) that was submitted to the Federal agencies. The estimate reflects the activities and milestones to rollout the four major systems in the MD THINK platform. Current estimate at completion is approximately 463M.

Additionally, agency would like to provide the following comments on the factors contributed to the changes in the overall scope and budget of MD THINK.

- Migrating the Maryland Health Benefit Exchange's HBX application to MD THINK, for which the detailed scope of work was never defined initially and continued to evolve as work progressed
- Interface of MD THINK systems with Medicaid system which requires more work than was anticipated; MD THINK has provided MDH with additional resources and support
- MD THINK supplemented CJAMS application development with contractual staff to ensure the project continued to make progress and deliver the viable product that was deployed in Washington and Anne Arundel counties
- The entire application development effort for re-writing of the Child Support Application was not included in the original budget for MD THINK. It was subsequently included because of a change in direction from the Federal partners, whereby the application would now be developed by Maryland rather than a solution built by multiple states
- The above factors led to a need for in-house contractual staff that required to be housed in a Development Center. Therefore, additional space and parking was included in the lease.
- The need for MD THINK to also support post-deployment operations at the local county offices for multiple roll-outs scheduled over most of SFY 2021

Issue #4: DLS recommends restricting funds until DHS submit a report describing an anticipated project development and spending timeline for completion of the shared platform. In addition, DLS recommends requesting bimonthly reports describing expenditures, fund splits, accomplishments and delays, and progress toward the timeline submitted at the beginning of fiscal 2021. DHS should brief the committees on the likelihood that it will maintain the project schedule, requiring \$300 million in spending across fiscal 2020 and 2021, given the various delays experienced so far. (Page 14)

Response to Issue: The Department respectfully disagrees with the analyst's recommendation of restricting funds as the action has the potential to delay the progress of implementation. As to the bimonthly report, the Department concurs with the recommendation. DHS will produce bimonthly reports describing expenditures, fund splits, accomplishments and delays, and progress toward the timeline to be submitted at the beginning of fiscal 2021.

Response to Recommended Actions

Recommended Action #1: Add language restricting the appropriation for the Maryland Legal Services Program to that purpose. **(Page 2 and 15)**

Response to Issue: The Department Concur with the analyst's Recommended Action.

Recommended Action #2: Adopt narrative requesting a review of factors impacting social worker retention. **(Page 2 and 15)**

Response to Issue: The Department Concur with the analyst's Recommended Action.

Recommended Action #3: Align appropriation for Maryland Total Human Services Information Network with project needs. **(Page 2 and 15)**

Response to Issue: The Department disagrees with the analyst's Recommended Action because the Department believes reducing the fund at this critical project implementation phase will adversely affect the progress we have made.

Recommended Action #4: Add language requiring a report on the planned Maryland Total Human Services Information Network timeline and expenditures. **(Page 2 and 16)**

Response to Issue: The Department Concur with the Recommended Action. MD THINK shall produce a bimonthly development and expenditure report at the beginning of fiscal 2021.

Recommended Action #5: Adopt narrative requesting bimonthly reports of Maryland Total Human Services Information Network development and expenditures. **(Page 2 and 16)**

Response to Issue: The Department Concur with the analyst's Recommended Action.

Recommended Action #6: Add language restricting funds until a Memorandum of Understanding is signed to allow for inclusion of Medicaid data in the annual Life After Welfare report. **(Page 2 and 17)**

Response to Issue: The Department appreciates the importance of having Medicaid data for the Life After Welfare report. DHS is committed to ensuring the appropriate legal documents are in place before the end of this legislative session. DHS therefore respectfully disagrees with the recommendation to restrict funds.

Response to Audit Findings

REPEAT OLA AUDIT FINDINGS: Page 20

Finding 1:

The Department of Human Services Office of Inspector General (OIG) reported numerous instances in which local departments of social services (LDSS) controls over fiscal management activities were inadequate, including bank accounts, procurements, and gift cards.

Corrective Actions Taken:

In 2019, a department-wide system for Local Department bank account activity was implemented. The new system provides controls over access, supports separation of duties, and affords the Central Office of Budget and Finance the ability to better monitor and supervise Local Department fiscal operations.

In addition to monitoring working fund activity, Budget and Finance reviews Local Department returned check logs, check signatories, and gift card inventory monthly to ensure internal controls are not circumvented.

With regards to Local Department procurement, required compliance with State procurement regulations is emphasized through Department on-line training and bi-monthly Procurement Advisory Committee meetings.

Finding 2:

OIG reported numerous LDSS deficiencies related to critical Family Investment Administration policies, such as those intended to ensure the propriety of recipient eligibility for public assistance and food benefits.

Corrective Actions Taken:

The Department's Family Investment Administration (FIA) recently conducted a comprehensive analysis of LDSS findings from several types of audits including OIG reviews, United States Department of Agriculture (USDA) Management Evaluation reviews, and internal Food Supplement Management Evaluation (FSME) and Quality Control reviews. The Department used the analysis to identify recurring compliance issues and intends to use the information to more accurately target technical assistance to LDSSs. On May 1, 2020, DHS will host its first "Quarterly Connection" convening, an FIA initiative to engage front-line staff from all 24 LDSSs to create awareness regarding ongoing compliance issues and serve as an avenue for local offices to share best practices. The Department strongly believes that this initiative will be effective in addressing local audit concerns.

Finding 3:

OIG reported numerous LDSS deficiencies related to critical Social Services Administration policies, including child and adult protective services, and the out-of-home placement program.

Corrective Actions Taken:

To date SSA has cleared 35% of the 84 total findings relating to the Local Department of Social Services (LDSS) administration of services to children, youth, and families. DHS SSA has continued to support the LDSS offices with three strategies: first, SSA prepared an audit response guide that is intended to help each LDSS to understand the policy being audited, the steps to take to implement the policy correctly, and how to document it properly in the child welfare information system. Second, SSA issues milestone reports with detailed data about each case being served by the LDSS, containing information about the important milestones that the caseworker should be achieving in a timely manner with each child, youth, and family served. Finally, over the last two years, SSA has instituted a Child and Family Services Review Continuous Quality Improvement (CQI) process that focuses on both the process of providing services as well as the results of services. As a part of this process, SSA conducts a review with the LDSS of the data indicators associated with that LDSS, with a goal of ensuring that the LDSS understands the importance of reaching expected standards of achievement, and discussing with the LDSS any questions or strategies they may be considering to reach the performance standard.

Finding 4:

OIG reported numerous LDD deficiencies related to user access to critical computer systems.

Corrective Actions Taken:

Recommendations: A

Maintain a properly completed and approved authorization form for all user accesses granted, and assign access capabilities appropriate to each employee's job duties

Status - Complete - No action needed. The process is currently in place. Forms were built and uploaded on the DHS Knowledge Base for supervisors to fill out for their personnel and then submitted for signature and approval by the security monitor. The forms are then scanned by the security monitor and sent to the OTHS Security email box. Once received by OTHS, the data compliance team grants the required permissions/system access requested.

Ongoing Monitoring Procedure

OTHS Security reviews user request forms so that they align with the job duties. If there is a conflict, then the request will be rejected and sent back to the security monitor.

Recommendations: B

Perform formal, periodic monitoring of employee system access and promptly delete the access of former employees

Status - Complete - No action needed. The process is currently in place. The HRDT off-boarding process was broadened to require usage statewide to alleviate this issue. OTHS Security maintains its own spreadsheet of all off-boarding to verify that the access is removed.

Ongoing Monitoring Procedure

OTHS Security receives on a monthly basis the HRDT Separations report to verify that users were off boarded. If there are discrepancies, and the separation is verified, the user is removed from the system. The security monitor for that jurisdiction is then communicated with to fill out an off-boarding form to close the loop. This monitoring process currently gives us 99% accuracy.