

**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
Friday, February 21, 2020**

**House Appropriations Committee
Health and Social Services Subcommittee
Delegate Kirill Reznik
Thursday, March 4, 2020**

Issue #1: The Department of Legislative Services (DLS) recommends deleting the duplicative funding. (Page 4)

Response to Issue

We concur with the Analyst recommendation to reducing the federal funds for the Harford County State's Attorney's cooperative reimbursement agreement.

Issue #2: To continue monitoring this new effort, DLS recommends committee narrative requesting data on TCA-related child support cases. (Page 5)

Response to Issue

The Department concurs with the Analyst's recommendation to include TCA-related performance measures in the Managing for Results fiscal 2022 submission.

Issue #3: The agency should comment on how long these provisions of the contract will be suspended and how minimum service levels will be enforced. The agency should also comment on the purpose of signing performance-based contracts if it does not enforce them. DLS recommends committee narrative requesting reports on the vendor's performance to provide additional oversight. (Page 8)

Response to Issue

The Department concurs with the Analyst's recommendation to submit reports on Veritas-HHS performance in federal fiscal year 2020 and in the first two quarters of federal fiscal year 2021.



The penalties and incentives provisions, along with the minimum service levels remain in the contract through 2022. No incentives or penalties were only applied in 2018 and 2019 due to the impact an elimination of a backlog had on overall performance. Veritas-HHS is expected to meet the contractually obligated minimum service levels. Additionally, an Operational Plan approved by DHS specifically outlines the initiatives and processes to be monitored and updated on an ongoing monthly basis to ensure performance goals are met.

The Department takes its responsibility seriously to monitor contracts to ensure compliance with performance-based criteria. The minimum service levels were initially projected in 2016 when preparing to bid the contract, which did not take into account the backlog and impact on overall performance. By clearing the backlog, Veritas-HHS now has a fair evaluation on which to measure against the minimum service levels.

**Department of Human Services
Child Support Administration
N00H00**

Response to Recommended Actions

1. Recommendation

Reduce the federal funding for the Harford County State's Attorneys cooperative reimbursement agreement. The fiscal 2021 budget includes positions and related funding to transfer duties of the State's Attorney's office from Harford County to the State but also includes funding for the cooperative reimbursement agreement. This reduction removes the duplicative funding. **(Page 9)**

Response:

We concur with the Analyst recommendation to reducing the federal funds for the Harford County State's Attorney's cooperative reimbursement agreement.

2. Recommendation

Adopt the following narrative: Baltimore City Office of Child Support Services Performance Report: Child support services in Baltimore City are administered by Veritas HHS, LLC (Veritas) through a privatization contract. In the most recent performance update submitted in response to the 2019 Joint Chairmen's Report, the Department of Human Services (DHS) reported that Veritas was not meeting two of the minimum performance measure goals. The committees request that DHS submit reports on Veritas performance in federal fiscal 2020 and in the first two quarters of federal fiscal 2021. The reports should include:

- best practices and operational procedures being used or modified by Veritas to improve performance;
- Baltimore City Office of Child Support Services (BCOCSS) performance measures set against the goals used to determine federal incentive payments;
- BCOCSS performance measures set against the goals set by DHS to determine incentives or liquidated damages;
- any incentives or liquidated damages assessed; and
- a discussion of any changes to the privatization contract and the method used to make the change. **(Page 9)**

Response:

The Department concurs with the Analyst's recommendation as set forth on page 9 of the report to submit reports on Veritas-HHS performance in federal fiscal year 2020 and in the first two quarters of federal fiscal year 2021.

3. Recommendation

Adopt the following narrative: Performance Measures for Temporary Cash Assistance-related Child Support Cases: Since fiscal 2020, the Department of Human Services (DHS) has passed through a portion of the child support payments collected on behalf of Temporary Cash Assistance (TCA) recipients. The committees request that DHS include annually, beginning with the fiscal 2022 Managing for Results submission, the average monthly collections for TCA-related cases, the number of families that received pass-through collections, the number of children that received pass-through collections, the total collections on arrears for TCA-related cases, and the percent of TCA-related cases with a support order. **(Page 10)**

Response:

The Department concurs with the Analyst's recommendation as set forth on page 10 of the report to include TCA-related performance measures in the Managing for Results fiscal 2022 submission.