

**N00A01**  
**Administration**  
**Department of Human Services**

***Executive Summary***

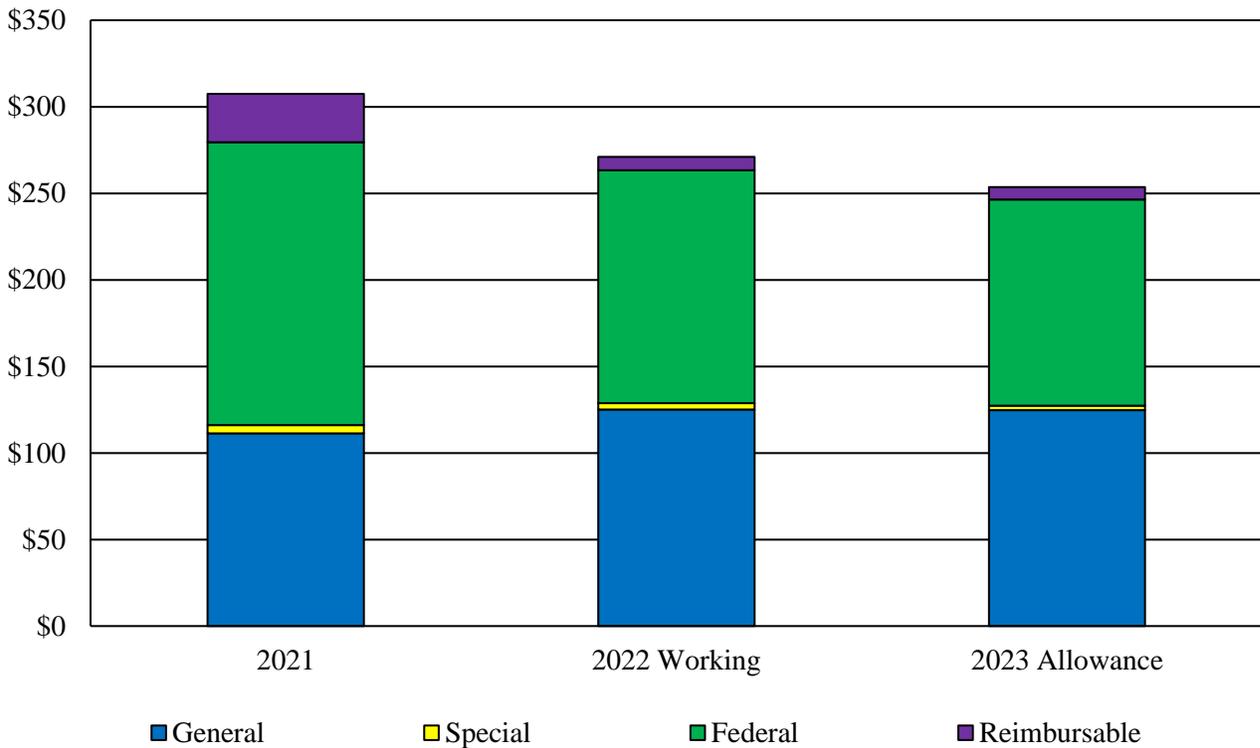
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The Department of Human Services (DHS) Administration provides direction, coordination, financial services, information technology (IT) management, and overall operational support for all DHS programs and activities.

***Operating Budget Summary***

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**Fiscal 2023 Budget Decreases \$17.4 Million, or 6.4%, to \$253.5 Million  
(\$ in Millions)**



Note: Numbers may not sum due to rounding. The fiscal 2022 working appropriation includes deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

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- The fiscal 2023 allowance decreases by a total of \$17.4 million compared to the fiscal 2022 working appropriation after accounting for a proposed deficiency appropriation. The decrease is primarily due to IT expenditures reflecting the conclusion of the Maryland Total Human-services Integrated Network (MD THINK) Major Information Technology Development Project (MITDP) and other one-time enhancements to the department’s systems.
- Since fiscal 2017, the Maryland Legal Services Program (MLSP) has been entirely supported with general funds. The fiscal 2023 allowance swaps \$722,410 in general funds for federal funds available through federal Title IV-E reimbursement, the source of federal funds for the program prior to fiscal 2017.

### ***Key Observations***

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- ***Departmentwide Vacancies:*** The departmentwide vacancy rate as of January 2022 (14.7%) was at the highest level over at least the prior decade when comparing vacancy rates in each January.
- ***MD THINK MITDP Concludes in Fiscal 2022:*** Development activities will end in the last quarter of the current fiscal year. As a result, the fiscal 2023 allowance assumes the component systems are only in operations and maintenance.

### **Operating Budget Recommended Actions**

1. Add language restricting the general fund appropriation for the Maryland Legal Services Program to that purpose.
2. Adopt committee narrative requesting a departmentwide recruitment plan.
3. Adopt committee narrative requesting a catalog of available data reports.

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## ***Operating Budget Analysis***

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### **Program Description**

DHS administers programs through a State-supervised and locally administered system. DHS Administration provides direction through four major units:

- Office of the Secretary;
- Operations Office;
- Office of Technology for Human Services (OTHS); and
- local general administration.

The key goal of DHS Administration is to be recognized as a national leader among human services agencies.

### **Office of the Secretary**

The Office of the Secretary provides overall direction and coordination for all DHS programs and activities. The Office of the Secretary includes the offices of the Attorney General; the chief of staff and the deputy secretaries; communications; the employment and program equity; the inspector general; planning and performance; and government, corporate, and community affairs. Other programs contained within the Office of the Secretary are:

- the Citizen's Review Board for Children;
- the Maryland Commission for Women; and
- MLSP.

### **Operations Office**

The Operations Office consists of two divisions. The Division of Budget, Finance, and Personnel supports the programs of other units in the department through the management and control of fiscal and personnel systems. The Division of Administrative Services provides key administrative services, including fleet management, records management, and risk management to DHS, as well as disaster relief and emergency response throughout the State.

## **OTHS**

OTHS is responsible for the overall management and direction of DHS information systems. This includes responsibility for computer applications and systems, computer and communication equipment, computer peripheral equipment, ancillary facility and support equipment, and supplies. OTHS is responsible for the development and administration of DHS IT systems, including:

- MD THINK;
- the Child Support Management System (CSMS);
- Child Juvenile and Adult Management System (CJAMS), the replacement of the Maryland Children’s Electronic Social Services Information Exchange;
- the Eligibility and Enrollment System (E&E), the replacement of the Client Automated Resource and Eligibility System;
- the Office of Home Energy Programs data system; and
- WORKS, the computer system for the Work Opportunities Program.

## **Local General Administration**

Local departments of social services (LDSS) are situated in each county and Baltimore City. The administrative budgets of each LDSS are combined into the Local General Administrative (LGA) unit for the purposes of the State budget. The LGA unit provides essential support services and staff to operate the 24 LDSS, including the management of staff, finance, statistical reporting, general services, central records, fleet operations, buildings and grounds, equipment, supplies, procurement, and inventory.

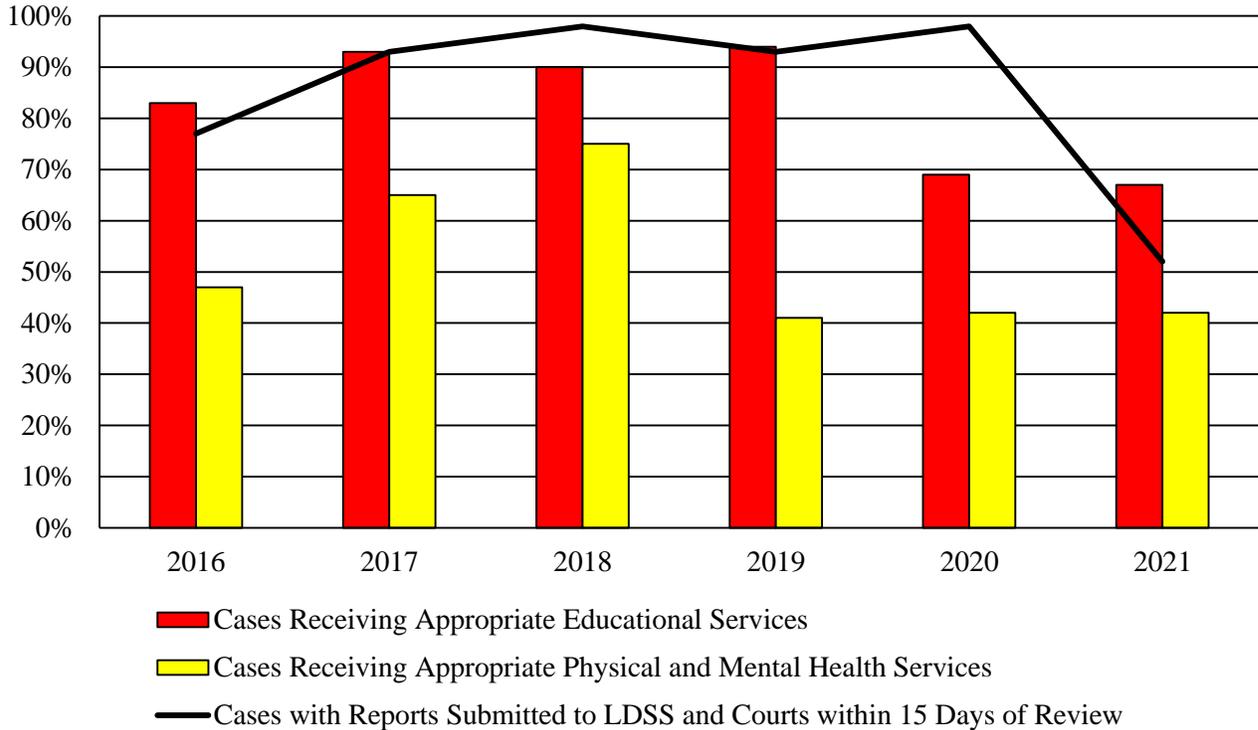
## ***Performance Analysis: Managing for Results***

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### **1. Appropriate Services Provided to Children in Out-of-home Placements**

As shown in **Exhibit 1**, in fiscal 2021, the ratio of foster care cases reviewed in which children received appropriate educational and physical and mental health services continued at fiscal 2020 rates. The ratio of cases receiving appropriate health services is typically lower than the ratio receiving appropriate educational services. Before the pandemic, DHS attributed this lower performance in providing health services to the lack of providers in some regions in the State and challenges associated with maintaining and sharing children’s health information.

**Exhibit 1  
Children in Out-of-home Placements, Appropriate Services Received,  
and Timing of Report Submissions  
Fiscal 2016-2021**



LDSS: local departments of social services

Source: Governor’s Fiscal 2023 Budget Books

In fiscal 2020, the proportion of cases receiving appropriate educational services declined from the prior year due to the challenges associated with virtual schooling. Although DHS worked with the Maryland State Department of Education to distribute devices to children and improve access, the share of cases receiving appropriate educational services did not increase in fiscal 2021. Over the prior 10 years, fiscal 2012 was the next lowest performing year with 81% of children receiving appropriate educational services, still substantially greater than the 69% and 67% attainment in fiscal 2020 and 2021, respectively.

There was also a decrease in the timely reporting of cases from fiscal 2020. After four years with over 90% of out-of-home placement cases in which reports were made to LDSS and courts within 15 days, approximately 52% of cases were reported within this timeframe in fiscal 2021. Fiscal 2014 was the last year in the prior 10 years in which the share of cases reported within 15 days was lower than fiscal 2021 performance.

**DHS should comment on the reason for the decline in timely reporting and the steps it is taking to resume pre-fiscal 2021 reporting timelines and to increase the proportion of cases receiving appropriate educational, physical, and mental health services.**

## **Fiscal 2022**

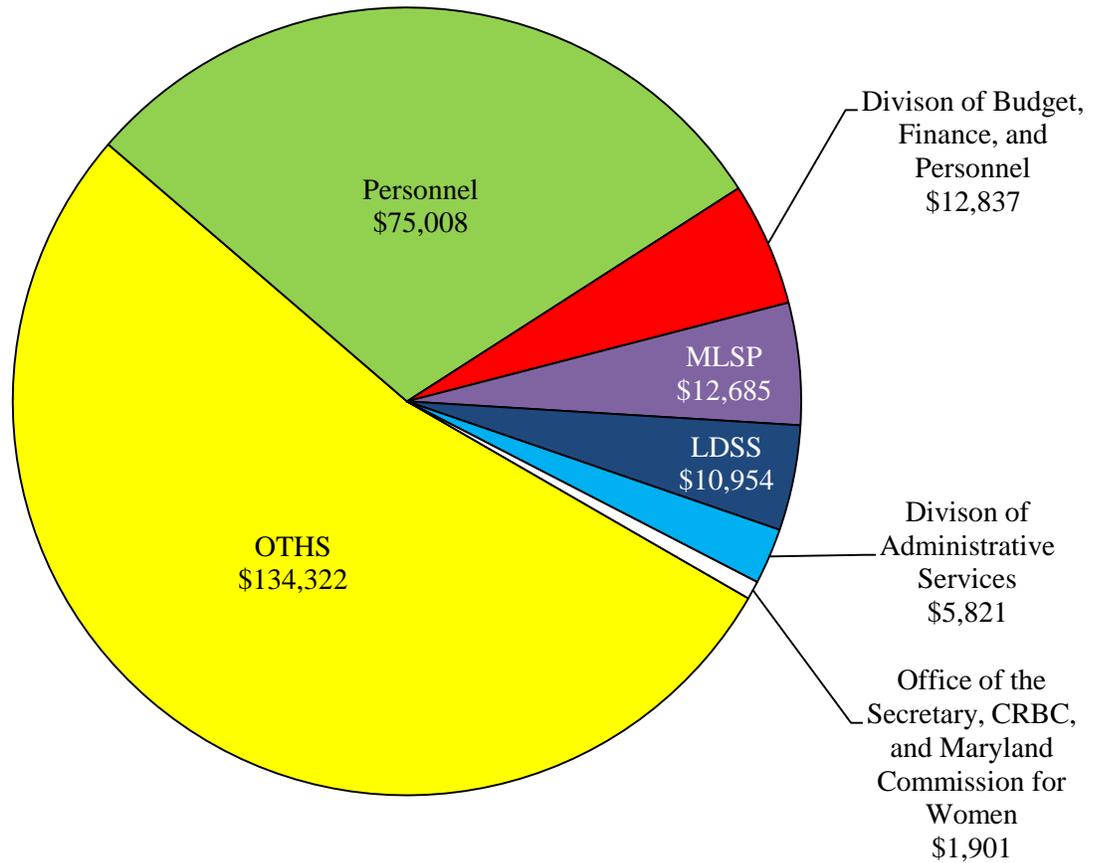
### **Proposed Deficiency**

The fiscal 2023 budget includes one proposed deficiency appropriation for DHS Administration. This proposed deficiency appropriation totaling \$5.3 million (\$4.8 million federal funds and \$532,755 reimbursable funds) is intended to support the implementation of a corrective action plan, as required by the federal Centers for Medicare and Medicaid Services (CMS). CMS requires states to provide Medicaid applicants with no wrong door service delivery. CMS reviewed the MD THINK E&E system and is requiring DHS to implement a single streamlined application capable of automatically transferring beneficiaries' information between the modified adjusted gross income (MAGI) and non-MAGI modules, depending on eligibility. To comply with this requirement, DHS is working with the Maryland Health Benefit Exchange (MHBE) and the Maryland Department of Health (MDH) and expects to implement the changes by the first quarter of fiscal 2023. DHS expects \$150,000 of the proposed deficiency appropriation will support software needed to implement the requirements, the remainder will support time and materials expenditures including project management, application development, and consultants.

## **Fiscal 2023 Overview of Agency Spending**

The fiscal 2023 allowance of DHS Administration totals \$253.5 million. Consistently, the largest spending category in the DHS' Administration budget relates to nonpersonnel IT expenditures through OTHS. As shown in **Exhibit 2**, in the fiscal 2023 allowance, this category of spending totals \$134.3 million, or 53% of the allowance. OTHS oversees the Shared Human Services Platform and the rest of the department's IT needs including the systems used for each administration. The second largest category of spending within the DHS Administration budget is personnel expenditures, comprising 30% of the fiscal 2023 allowance. The personnel spending in the Administration budget unit includes, in addition to OTHS, three overarching divisions that serve DHS' other administrations, including the Office of the Secretary; the Division of Budget, Finance, and Personnel; and the Division of Administrative Services, as well as the LDSS' general administration unit.

**Exhibit 2**  
**Overview of Agency Spending**  
**Fiscal 2023 Allowance**  
**(\$ in Thousands)**



CRBC: Citizen’s Review Board for Children  
LDSS: local departments of social services  
MLSP: Maryland Legal Services Program  
OTHs: Office of Technology for Human Services

Note: The fiscal 2023 allowance does not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

Source: Governor’s Fiscal 2023 Budget Books

## Proposed Budget Change

The allowance decreases \$17.4 million from the working appropriation, most of which (\$15.4 million) is federal funds. The decrease is mostly driven by fluctuations for IT-related expenditures, as shown in **Exhibit 3**. MD THINK development work and ancillary costs associated with this IT project are expected to conclude at the end of the current fiscal year. In fiscal 2022, CSMS is the last system in development, and the only remaining system to receive an enhanced federal match for development work. While some shared platform expenditures decrease in fiscal 2023 as development costs and legacy system costs are no longer incurred, the general fund share of CSMS maintenance and hosting costs will increase in fiscal 2023. A proposed \$5.3 million fiscal 2022 deficiency appropriation supports one-time costs associated with implementing a corrective action plan to streamline the Medicaid application for users. Expenditures associated with the corrective action plan are distributed across contracts supporting Amazon Web Services, project management, application development, and consultants, accounting for a portion of the total decrease compared to fiscal 2022.

**Exhibit 3**  
**Proposed Budget**  
**DHS Administration**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
Fiscal 2021 Actual	\$111,360	\$4,772	\$163,398	\$27,959	\$307,489
Fiscal 2022 Working Appropriation	125,188	3,572	134,566	7,648	270,973
Fiscal 2023 Allowance	<u>124,747</u>	<u>2,522</u>	<u>119,145</u>	<u>7,115</u>	<u>253,529</u>
Fiscal 2022-2023 Amount Change	-\$441	-\$1,049	-\$15,422	-\$533	-\$17,445
Fiscal 2022-2023 Percent Change	-0.4%	-29.4%	-11.5%	-7.0%	-6.4%
<b>Where It Goes:</b>					<b><u>Change</u></b>
<b>Personnel Expenses</b>					
Reduce turnover rate from 7.27% to 5.43% .....					\$1,253
Employee and retiree health insurance .....					540
Workers’ compensation premium assessment .....					61
Abolished 2.23 positions .....					-227
Regular earnings adjustment due to budgeting salaries for vacant positions at lower levels, partially offset by reclassifications .....					-238
<b>Information Technology</b>					
Maintaining existing software licenses, in addition to anticipated purchase of new licenses					4,118
Project management, consultants, and technical support.....					2,762

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<b>Where It Goes:</b>	<b><u>Change</u></b>
Equipping social workers with cell phones and tablets compatible with CJAMS and the shared platform.....	1,471
Transitioning staff cell phones to Voice over Internet Protocol.....	1,272
Implementing WiFi at all LDSS.....	705
Printer maintenance.....	470
Other systems.....	352
Replacements of LDSS desktops, laptops, and servers.....	-21
MD THINK staff training.....	-66
One-time expenditures to replace LDSS phone system.....	-1,597
Conclusion of Automated Financial System Software enhancement.....	-2,088
Reduction in usage of AWS Cloud Services as MD THINK development concludes.....	-2,149
Conclusion of transition from legacy CSES to new CSMS.....	-2,813
Application hosting and maintenance, mostly driven by phase-out of legacy systems.....	-23,149
<b>Local General Administration</b>	
Montgomery County Block Grant.....	238
Local department security guards.....	108
Paper shredding and recycling.....	20
<b>Other Changes</b>	
Statewide cost allocations, mostly due to DoIT services.....	1,450
Contractual health insurance.....	-47
Other changes.....	128
<b>Total</b>	<b>-\$17,445</b>

- AWS: Amazon Web Services
- CJAMS: Child Juvenile and Adult Management System
- CSES: Child Support Enforcement System
- CSMS: Child Support Management System
- DHS: Department of Human Services
- DoIT: Department of Information Technology
- LDSS: local departments of social services
- MD THINK: Maryland Total Human-services Integrated Network

Note: Numbers may not sum to total due to rounding. The fiscal 2022 working appropriation includes deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

In addition, the fiscal 2023 allowance decreases compared to fiscal 2022 for some one-time costs including hardware and LDSS phone system replacements (\$1.6 million) and enhancements to the Automated Financial System (\$2.1 million). Yet, fiscal 2023 incurs other new one-time IT costs for hardware replacements (\$1.4 million), transitioning staff to Voice over Internet Protocol phone service (\$1.3 million), and connecting LDSS offices with WiFi (\$704,458).

***Personnel Data***

	<b><u>FY 21</u></b> <b><u>Actual</u></b>	<b><u>FY 22</u></b> <b><u>Working</u></b>	<b><u>FY 23</u></b> <b><u>Allowance</u></b>	<b><u>FY 22-23</u></b> <b><u>Change</u></b>
Regular Positions	797.23	762.23	760.00	-2.23
Contractual FTEs	<u>42.30</u>	<u>3.33</u>	<u>3.33</u>	<u>0.00</u>
<b>Total Personnel</b>	<b>839.53</b>	<b>765.56</b>	<b>763.33</b>	<b>-2.23</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	41.27	5.43%
Positions and Percentage Vacant as of 12/31/21	97.50	12.79%
Vacancies Above Turnover	56.23	

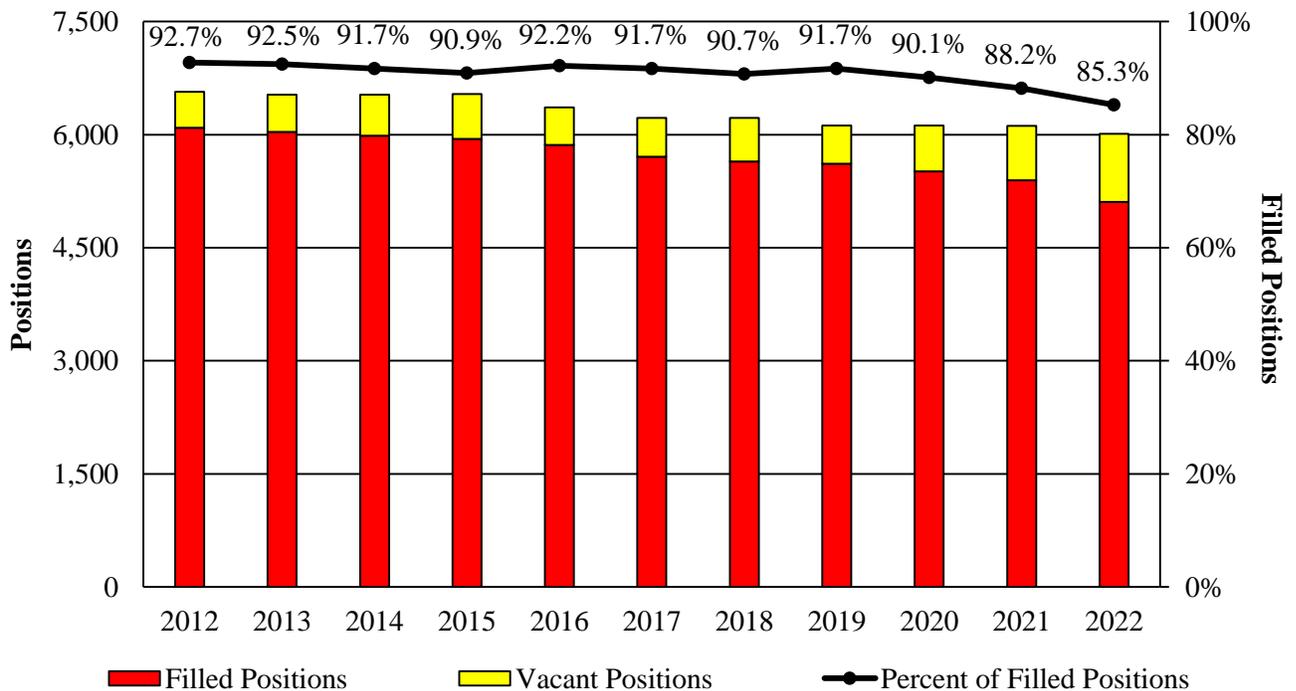
- The budgeted turnover rate is reduced from 7.27% to 5.43%. The department’s existing vacancies are more than double this new rate. As of this writing, 48.5 positions have been vacant for more than a year. Further discussion of DHS’ vacancies is included in Issue 1 of this analysis.
- A net of 2.23 positions are reduced in the fiscal 2023 allowance; 2 computer network specialists and 1 IT systems technician are abolished. These abolitions are partially offset by a slight increase in the full-time equivalent (FTE) share of 3 other regular positions, 2 of which still remain less than 1.0 regular position.

## Issues

### 1. Departmentwide Vacancies

The DHS fiscal 2023 allowance includes 5,970.68 positions and 76.83 contractual FTEs, making it the fifth largest State employee workforce after the University System of Maryland, the Department of Public Safety and Corrections, the Department of Transportation, and MDH. As of January 1, 2022, 85.3% of these regular positions were filled, a 2.9 percentage point decline from January 1, 2021. The decrease in the proportion of filled positions is notable as 127.37 long-term vacant positions were abolished in the fiscal 2022 budget, meaning the vacancy rate increased during the intervening year despite a sizable reduction in authorized positions. Looking back over the prior 10 years in **Exhibit 4**, the number of filled positions in January 2022 is 5,088.5, which is about 983 or (16.1%) fewer than in January 2012 and 287.7 (5.3%) fewer than in January 2020. It should be noted that a statewide hiring freeze was implemented during pandemic months and only in calendar 2021 did DHS receive approval to start recruiting for some of the frozen positions.

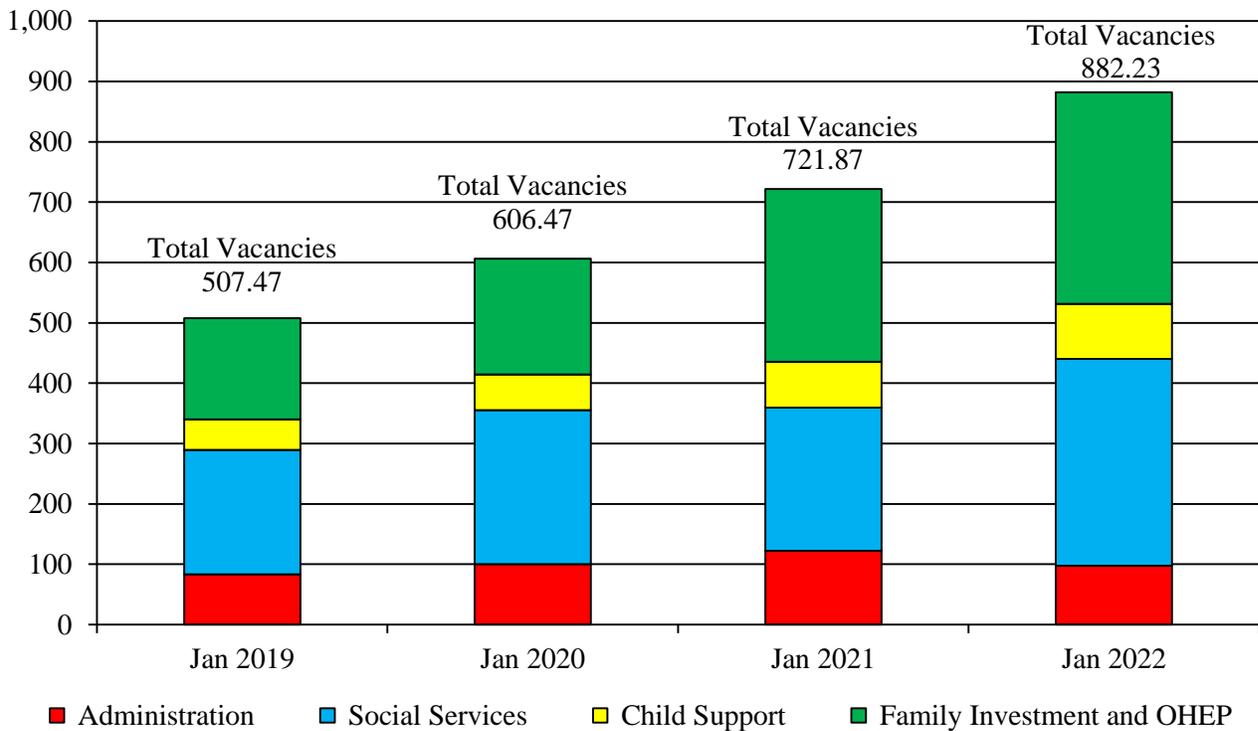
**Exhibit 4**  
**Filled Positions and Authorized Positions**  
**January 2012 to January 2022**



Source: Department of Budget and Management; Governor’s Fiscal 2012-2023 Budget Books; Department of Legislative Services

**Exhibit 5** shows the growth in the number of vacant positions in January of each year since 2019 and the distribution of vacancies among administrations. January 1, 2019, was the last year in which the proportion of positions filled increased from the previous year. Since then, both the January 1 vacancy rate and number of positions that were vacant has grown. In January 2022, the department had 882.23 vacancies, 256.23 (29%) of which have been vacant for over a year. Being the highest staffed administrations, Social Services and Family Investment consistently account for more than 70% of departmentwide vacancies.

**Exhibit 5**  
**Vacant Positions by Administration**  
**2019 to 2022 (January 1 of Each Year)**

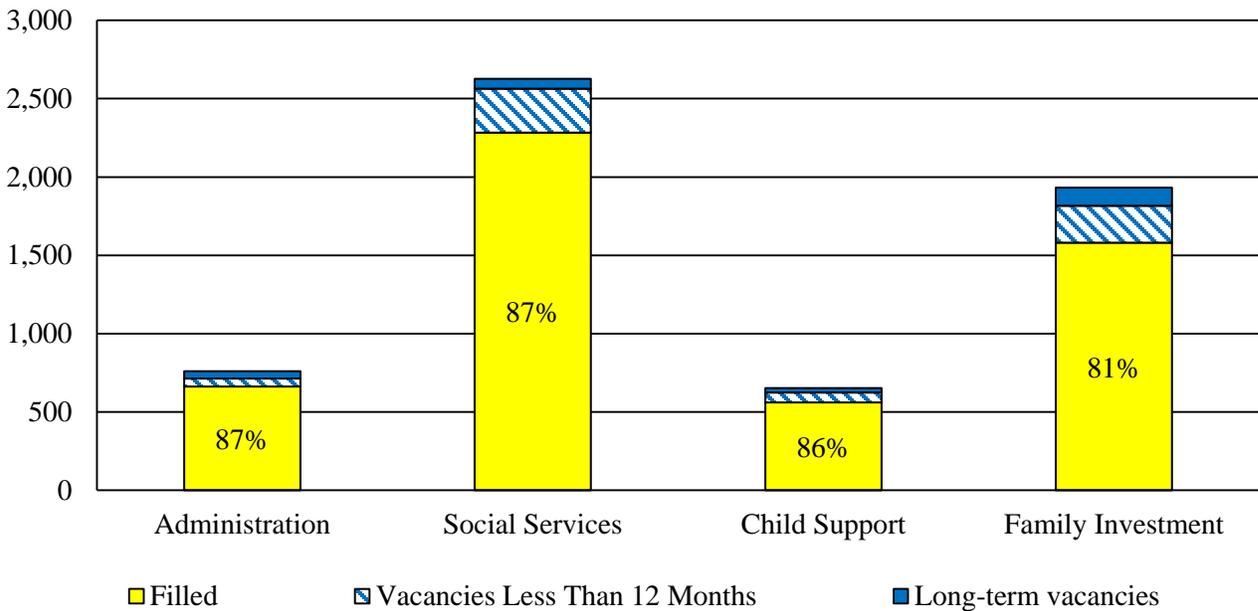


OHEP: Office of Home Energy Programs

Source: Department of Budget and Management; Governor’s Fiscal 2019-2023 Budget Books; Department of Legislative Services

**Exhibit 6** provides the ratio of January 2022 filled positions by administration. DHS’ Administration, Child Support Administration, and Social Services each had 86% or higher of authorized positions that were filled. The Family Investment Administration (FIA) saw a lower rate of authorized positions that were filled, with almost 1 in 5 positions vacant.

**Exhibit 6  
Positions Filled and Vacant by Administration  
January 2022**



Source: Department of Budget and Management; Governor’s Fiscal 2023 Budget Books; Department of Legislative Services

The pandemic has introduced temporary variables that have allowed DHS to accommodate fewer filled positions than it could in more typical circumstances. For example, as children had less access to in person services, maltreatment reports and the total child welfare caseload declined. In 2021, due to the lessened caseload, DHS was able to satisfy the Child Welfare League of America caseload ratios with 174.5 fewer filled caseworker positions and 34.9 fewer casework supervisor positions than over a similar time period ending in August 2019.

Although family investment caseloads increased during the pandemic, available program flexibilities in the administration’s largest programs, including the Supplemental Nutrition Assistance Program (SNAP), Temporary Cash Assistance (TCA), and the Temporary Disability Assistance Program, substantially alleviated the workload. For example, recertifications were largely suspended during the pandemic (with the exception of temporary reimplementations of recertifications from July through mid-October 2020). In addition, interviews have also been suspended during the pandemic. However, as of January 2022, new applicants are required to be interviewed, and recipients of benefits are again required to recertify their eligibility.

As child welfare caseloads are likely to increase with the return to in person schooling and temporary flexibilities for family investment program requirements expire, it is possible DHS' current vacancy rate could impact service delivery.

### **Compensation of Persistently Vacant Position Classes**

Budgeted turnover in the fiscal 2022 working appropriation and the fiscal 2023 allowance does not exceed 7.46% for any administration. **Exhibit 7** shows each class of positions with January 1 vacancies in excess of this turnover rate for two or more years over the prior four years. The department has several classes of positions that are persistently vacant, with social workers, caseworkers, family investment and child support specialist positions particularly difficult to keep filled. Two potential reasons for the high vacancy rate in these positions are (1) compensation and (2) burnout. More than half of these persistently vacant position classes have relatively low compensation, with a minimum salary of less than \$40,000. The notable exception are persistent social worker vacancies in the Social Services Administration. Although social worker salaries are higher than that of most other persistently vacant positions, even the lowest classification, a social worker I, requires more qualifications than the other persistently vacant positions, with a minimum of a master's degree in social work and a license. Recent studies indicate that other factors beyond compensation, such as the challenging nature of the work and experience of burnout, especially during pandemic months, could also be a factor in the higher vacancy rate of these positions.

**Exhibit 7**  
**Compensation and Vacancy Rates among Persistently Vacant Positions**  
**January 1, 2019, to January 1, 2022**

<u>Position Title</u>	<u>Salary Range, as of</u> <u>January 5, 2022</u>		<u>Vacancy Rate on January 1</u>				<u>January 1, 2022</u> <u>Positions</u>	
	<u>Minimum</u>	<u>Maximum</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Vacant</u>	<u>Filled</u>
<b>Family Investment</b>								
Family Investment Specialist Supervisor I	\$45,439	\$73,770	3%	5%	8%	10%	18	160
Family Investment Specialist IV	39,374	62,259	7%	6%	14%	17%	20	99
Family Investment Specialist III Lead	37,039	58,359	5%	12%	13%	17%	22	105
Family Investment Specialist II	34,858	54,732	3%	4%	8%	8%	56	685.3
Family Investment Specialist I	32,820	51,385	19%	22%	52%	61%	140	89.5
<b>Social Services</b>								
Social Service Administrator III	\$54,822	\$89,738	13%	12%	29%	8%	2	24
Social Work Supervisor, Family Services	54,822	89,738	8%	13%	8%	16%	37	195
Social Worker II, Family Services	50,466	80,788	7%	9%	8%	15%	96	556.5
Social Worker I, Family Services	47,407	75,675	30%	20%	30%	30%	14	33
Family Services Caseworker II	41,875	66,441	3%	5%	4%	6%	28	404.35
Casework Specialist, Family Services	41,875	66,441	11%	11%	9%	20%	49	199
Family Support Worker II	31,286	48,264	4%	10%	6%	8%	16	192
<b>Child Support</b>								
Child Support Specialist I	\$34,858	\$54,732	17%	17%	14%	39%	23	36
Child Support Specialist Trainee	32,820	51,385	31%	18%	48%	55%	18	15
<b>Used in Multiple Administrations</b>								
Human Service Program Plan Administrator	\$50,466	\$80,788	18%	20%	34%	22%	9	32
Human Service Specialist V	47,407	75,675	10%	18%	17%	11%	7	57
Human Service Specialist IV	44,543	70,896	9%	13%	17%	16%	19	98.8
Fiscal Accounts Technician II	37,039	58,359	4%	13%	13%	9%	7	70
Office Services Clerk	31,286	45,345	7%	13%	16%	20%	33	133
Office Clerk Assistant	31,286	37,692	90%	81%	92%	92%	11	1

Source: Department of Budget and Management; Governor’s Fiscal 2021-2023 Budget Books; Department of Legislative Services

## **Studies of Social Worker Burnout during the Pandemic**

Being the highest paid class of persistently vacant positions, social worker retention may be impacted by factors other than compensation. The pandemic presented unique challenges for social workers, affecting the ability to conduct home visits, monitor cases, interact with coworkers and supervisors, access mental health resources, and maintain personal safety while carrying out their work. There are few academic studies of social worker burnout during the pandemic. Some international studies are available but should be used with caution as each country's pandemic experience and policy response varied widely. In addition, these studies survey social workers across a variety of settings, including community health organizations or schools, which are external to DHS functions. Nevertheless, these studies present notable findings in light of DHS' high social worker vacancies.

A May 2021 article published in the *International Journal of Environmental Research and Public Health* discussed a relatively small study (N=273) of social workers in Spain. A majority of social workers in this study (70.3%) experienced high levels of emotional exhaustion during the first wave of the pandemic. A similarly high proportion of social workers (70.8%) believed they might need psychological or psychiatric treatment in the future due to COVID-19. This study concluded that employers of social workers should implement measures to improve working conditions and support social workers' psychological and psychiatric care needs.

A July 2021 article published in the *British Journal of Social Work* discussed a larger survey of social workers' experience during the pandemic in Ontario, Canada (N=2,470). Respondents indicated that while some new opportunities during the pandemic created accessibility advantages for certain clients (such as those with mental health concerns), some social workers struggled to effectively engage children and older adults (two primary populations DHS serves) with virtual visits and services. The article describes several causes of burnout that arose from difficulties with virtual service provision such as blurred boundaries between work and home life (including the impact of caregiving responsibilities as the majority of social workers in the study (83%) were women and many had caregiving responsibilities) and anxiousness and stress from providing social services to individuals with complex needs during the pandemic. This study also emphasized the importance of strengthening social workers' circle of support.

A March 2021 article published in the social science journal *International Social Work* described ways to reduce social worker burnout. In addition to maintaining proactive public health protocols during the pandemic, the article emphasized the importance of maintaining and strengthening social workers' connections to their colleagues, organization, and other methods of peer support.

## **DHS Support of Social Workers**

Social worker retention is not an issue unique to Maryland. In response to committee narrative in the 2020 *Joint Chairmen's Report* (JCR), DHS indicated that Maryland's rate of social worker retention is actually higher than some other states. Yet social worker positions frequently join classes of positions with much lower compensation in having the highest vacancy rates, indicating factors other than compensation may influence social worker vacancy rates. For example, the internal support structure for these employees in challenging roles merits consideration.

DHS indicates that it understands that the relationship between supervisors and staff has a significant impact on staff morale and retention. To ensure supervisors build and develop their subordinates, DHS developed a training program for supervisors and offers access to professional development through continuing education courses that can be used to fulfill the requirements for maintaining a social work license. As academic studies underlined the importance of social workers' feelings of emotional and physical safety to their overall experience in the role, opportunities for increased communications and peer support could also be an important factor in social worker retention, in addition to the professional development opportunities DHS has already implemented.

**The department should comment on its efforts to prioritize the well-being of social workers during the pandemic, including any efforts to facilitate supervisor-subordinate communications, the creation of peer support groups, the availability of scheduling flexibilities, access to mental health resources, and any other available supports.**

### **Family Investment Specialist Recruitment Plan**

Serving Maryland's most vulnerable families at the point of entry to assistance, family investment specialists are responsible for determining individuals' eligibility for family investment programs, explaining program requirements and options, and referring potential participants to services they may be eligible for. Family investment specialist positions alone account for 29% of departmentwide vacancies. The entry level of these positions (family specialist I) had the second highest vacancy rate of all persistently vacant position classes in January 2022, with just 39% of positions filled. Each of these family investment specialist positions requires a bachelor's degree, yet as shown in Exhibit 7, family investment specialists I through IV have salary ranges starting at less than \$40,000. DHS indicates that it is coordinating with the Department of Budget and Management (DBM) to reduce educational requirements for these positions in hopes of expanding the applicant pool and improving retention rates. **DHS should discuss any impact that these changes are expected to have on service provision or supervisory needs.**

As vacancies persist in FIA, the department indicates that it has taken steps to minimize the impact of vacancies on family investment services. DHS plans to temporarily support operations with contractual FTEs funded with a State Administrative Grant for SNAP provided in the American Rescue Plan Act. DHS also indicates that it has been able to maintain efficient service delivery through the implementation of the MD THINK E&E system that processes applications and benefit distribution for the family investment programs, including SNAP, TCA, and non-MAGI Medicaid.

**The Department of Legislative Services (DLS) recommends a report on DHS' recruitment plan and the impact of departmentwide vacancy rates on service delivery.**

## **2. MD THINK Concludes, Shared Platform Looks to Enter Maintenance Phase in Fiscal 2023**

Under the MD THINK MITDP, DHS' legacy human services IT systems were (and are in the process of being) replaced with new systems. The new systems are integrated onto a single cloud-based shared platform. Some other agencies' systems are also integrated with the platform, including MHBE, MDH's eMedicaid system, and other MDH applications. The shared platform is intended to remove silos between systems, avoid duplication of data collection, and improve the experience for program participants.

The three major MD THINK human service systems include E&E, CJAMS, and CSMS.

- The E&E system assists FIA in administering SNAP, the Temporary Assistance for Needy Families program, and non-MAGI Medicaid including the Long-term Care and waiver programs.
- CJAMS replaces legacy systems supporting the Social Services Administration and the Department of Juvenile Services (DJS). With CJAMS, caseworkers will be able to take mobile devices and tablets in the field reducing data entry and allowing case notes to be entered in real time.
- CSMS will replace the legacy Child Support Enforcement System and improve automation in case management.

**Exhibit 8** describes the status of each human service system and the approximate time of decommission for each legacy system. DHS indicates that the legacy child welfare system was decommissioned by December 2020. DHS' Adult Services and DJS' legacy system were unaffected by the decommissioning of the legacy child welfare system. Although DHS indicates that all CJAMS components have been deployed statewide, the DJS component of the system is still in testing. Prior field tests identified refinements and gaps that are planned to be addressed before the conclusion of fiscal 2022. DJS field testing is expected to continue through April 2022. Upon successful testing, the DJS component will be completed in June 2022. CSMS is the only system that remains in the development phase in fiscal 2022. As of the January 2022 quarterly report, CSMS was deployed in four counties, and DHS plans to deploy statewide by the end of fiscal 2022. DHS expects to decommission the legacy child support system before the end of the year as well. **DHS should comment on any data reporting issues that have occurred during the transition for E&E and CJAMS and how it has addressed any issues that have arisen. In addition, as the project prepares to conclude in fiscal 2022, DLS recommends committee narrative requesting information on the service delivery and data reporting advantages available with the new system.**

**Exhibit 8**  
**MD THINK DHS System Status Update**  
**January 15, 2022**

	<u>Completed</u>	<u>Planned</u>	<u>Statewide Deployment</u>	<u>Legacy System Decommission</u>
<b>E&amp;E</b>	Entire State SNAP, TCA, and non-MAGI Medicaid caseloads migrated to E&E system.	Currently developing the single streamlined Medicaid application required by CMS. Planned completion of the corrective action plan by Quarter 1 of fiscal 2023.	Quarter 2 fiscal 2022.	Quarter 3 of fiscal 2022.
<b>CJAMS</b>	All systems in maintenance and operations.	Deployment of DJS application statewide by Quarter 3 of fiscal 2022.	Child welfare module deployed by Quarter 4 fiscal 2020. Adult Services Module deployed statewide by Quarter 3 of fiscal 2021. OLM Private Provider Portal deployed statewide by Quarter 1 fiscal 2022.	Child welfare system decommissioned by Quarter 2 of fiscal 2021.
<b>CSMS</b>	By end of Quarter 2 of fiscal 2022, 8% of the total statewide caseload was migrated to the CSMS across four counties.	In addition to statewide rollout, will also seek federal certification of the system.	Planned Quarter 4 of fiscal 2022.	Planned Quarter 4 of fiscal 2022.

CJAMS: Child Juvenile and Adult Management System  
 CMS: Centers for Medicare and Medicaid Services  
 CSMS: Child Support Management System  
 DHS: Department of Human Services  
 DJS: Department of Juvenile Services  
 E&E: Eligibility and Enrollment  
 MAGI: Modified Adjusted Gross Income  
 MD THINK: Maryland Total Human Services Integrated Network  
 OLM: Office of Licensing and Monitoring  
 SNAP: Supplemental Nutrition Assistance Program  
 TCA: Temporary Cash Assistance

Source: Department of Human Services

*N00A01 – DHS – Administration*

On July 1, 2021, DHS, the Department of Information Technology (DoIT), and DBM jointly submitted a report on the MD THINK project’s funding and expenditures each year. At the time, the project was expected to cost \$453.0 million, not counting reimbursable funded expenditures for other agencies’ MD THINK applications. As published, the Governor’s Fiscal 2023 Budget Books indicate that MD THINK expenditures would total \$432.9 million without reimbursable funds. On February 4, 2022, DHS submitted updated cost estimates indicating MD THINK expenditures would total \$415.1 million at completion. The updated estimates provided by DHS are shown in **Exhibit 9**. While the project’s federal funds are only allocated once expenditures are claimed, the project’s general funds are appropriated to DoIT’s Major IT Fund at the start of each fiscal year. With these most updated estimates of general fund expenditures, the Major IT Fund is expected to have \$8.2 million more appropriation than needed for this project. Excess funds in the Major IT Fund are retained in the Fund and can be used to reduce future general fund needs for other projects.

**Exhibit 9**  
**MD THINK General Fund Balance**  
**Fiscal 2017-2022**  
**(\$ in Millions)**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Total</u>
<b>Opening Balance</b>	<b>\$0.0</b>	<b>\$13.4</b>	<b>\$13.3</b>	<b>\$11.8</b>	<b>\$11.0</b>	<b>\$8.2</b>	
General	0.0	13.4	13.3	11.8	11.0	8.2	
<b>Funding</b>	<b>\$13.8</b>	<b>\$71.6</b>	<b>\$80.4</b>	<b>\$150.6</b>	<b>\$111.8</b>	<b>\$16.0</b>	<b>\$444.0</b>
General	13.8	6.4	18.2	49.3	18.1	5.4	111.2
Federal	0.0	65.2	62.1	101.3	93.7	10.5	332.9
<b>Expenditures</b>	<b>\$4.2</b>	<b>\$57.9</b>	<b>\$84.8</b>	<b>\$150.2</b>	<b>\$97.3</b>	<b>\$20.8</b>	<b>\$415.1</b>
General	0.4	6.4	19.7	50.1	20.9	5.4	103.0
Federal	3.8	51.5	65.1	100.1	76.4	15.3	312.1
<b>Closing Balance</b>							
General	\$13.4	\$13.3	\$11.8	\$11.0	\$8.2	\$8.2	\$8.2

MD THINK: Maryland Total Human-services Integrated Network

Note: Excludes Department of Information Technology oversight and Independent Verification and Validation funding. Although federal funding available each year exceeds expenditures, a fund balance is not carried forward because the federal funds are received only when expenditures are claimed.

Source: Department of Human Services; Governor’s Fiscal 2023 Budget Books

## Operating Budget Recommended Actions

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1. Add the following language to the general fund appropriation:

, provided that this appropriation made for the purpose of the Maryland Legal Services Program may be expended only for that purpose. Funds not used for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

**Explanation:** This language restricts the general fund appropriation of the Maryland Legal Services Program (MLSP) to that purpose and, if it is not needed for that purpose, requires that the funds revert to the General Fund. During the fiscal 2013 closeout process, the Department of Human Services recorded an unprovided for payable in MLSP. That was the second consecutive year that an unprovided for payable was recorded and the fourth since fiscal 2007. Given the important functions of MLSP, it remains necessary to ensure that the program is adequately funded. Similar language has been adopted in each of the last eight fiscal years.

2. Adopt the following narrative:

**Departmentwide Recruitment Plan:** As recent vacancies within the Department of Human Services (DHS) have reached historic highs, the committees are interested in factors affecting staff retention, impacts on service delivery of the high level of vacancies, and the department’s plan to improve recruitment and staff retention. The committees request the department submit a report that provides the following:

- an assessment of factors that have contributed to DHS’ increasing vacancy rate since calendar 2019 aside from the State hiring freeze during a portion of this time;
- a description of any notable or common findings from exit surveys throughout calendar 2022;
- a plan to improve staff recruitment and retention, complete with identification of classes of positions that will be prioritized for recruitment, and steps that will be taken to improve staffing levels complete with anticipated dates of completion;
- any planned or completed efforts to adjust education or experience requirements for positions to improve staff recruitment; and
- monthly data about performance attainment against measures impacted by staffing adequacy, including maltreatment report investigation times and utilization of overtime.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Departmentwide recruitment plan	DHS	December 15, 2022

3. Adopt the following narrative:

**Catalog of Available Data Reports:** Major goals of the Maryland Total Human-services Integrated Network (MD THINK) major information technology development project (MITDP) include simplified data entry processes for caseworkers, reduced silos among human services systems, enhanced user features to improve service delivery, and additional data collection and reporting capabilities. As the MITDP prepares to conclude at the end of fiscal 2022, the committees are interested in the new data reporting advantages experienced with the new system and estimated data reporting timelines going forward. The committees request that the Department of Human Services (DHS) submit a report that includes:

- a full catalog listing each type of data reports now available through the new MD THINK shared platform systems;
- for each system, a timeline indicating when DHS expects to complete testing each data report for reliability;
- for each system, an approximation of the time lag between the time data is collected for a specific program, to the time data is expected to be ready for publication; and
- a description of any data reporting issues experienced at the time of submission and an estimated date at which each issue is expected to be resolved.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Catalog of available data reports	DHS	October 1, 2022

**Appendix 1**  
**2021 Joint Chairmen’s Report Responses from Agency**

The 2021 JCR requested that DHS Administration prepare five reports. Electronic copies of the full JCR responses can be found on the DLS Library website.

- ***MD THINK Project Cost Estimates:*** Further discussion of this data can be found in Issue 2 of this analysis.
- ***MD THINK Spending and Development Timeline:*** Further discussion of this data can be found in Issue 2 of this analysis.
- ***MD THINK Updates:*** Two reports have been submitted as of this writing. The final report is due on April 15, 2022. Further discussion of this data can be found in Issue 2 of this analysis.

**Appendix 2**  
**MD THINK**  
**Major Information Technology Project**  
**Department of Human Services**

Further discussion of this data can be found in Issue 2 of this analysis.

<b>Ongoing</b>								
<b>Start Date:</b> Fiscal 2017					<b>Est. Completion Date:</b> Fiscal 2023			
<b>Implementation Strategy:</b> Agile								
<b>(\$ in Millions)</b>	<b>Prior Year</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>Remainder</b>	<b>Total</b>
<b>GF</b>	\$105.757	\$5.424	\$0.100	\$0.000	\$0.000	\$0.000	\$0.000	\$111.281
<b>FF</b>	322.321	10.531	0.000	0.000	0.000	0.000	0.000	332.852
<b>Total</b>	<b>\$428.077</b>	<b>\$15.956</b>	<b>\$0.100</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$444.133</b>

- **Project Summary:** The MD THINK project replaces three major human services IT systems with new systems and uses a cloud-based hosting environment to allow a single client data record to be used across platforms.
- **Need:** MD THINK will replace inefficient legacy systems and implement no wrong door service delivery.
- **Observations and Milestones:** E&E and CJAMS are deployed statewide, and the associated legacy systems have been decommissioned. CSMS development is planned to conclude at the end of fiscal 2022.
- **Changes:** In the last two quarters of fiscal 2022, DHS hopes to complete CSMS implementation and decommission the legacy system. DHS also plans to complete successful field testing of CJAMS with DJS. In addition, DHS expects to implement a streamlined Medicaid application by quarter 1 of fiscal 2023, as required by CMS.
- **Concerns:** The project has been appropriated \$111.3 million in general funds in total, but DHS expects general funded expenditures to total \$102.9 million at conclusion, leaving the project with over \$8 million more appropriation than needed in DoIT’s Major IT Fund.

**Appendix 3**  
**Object/Fund Difference Report**  
**DHS – Administration**

<u>Object/Fund</u>	<u>FY 21</u> <u>Actual</u>	<u>FY 22</u> <u>Working</u> <u>Appropriation</u>	<u>FY 23</u> <u>Allowance</u>	<u>FY 22 - FY 23</u> <u>Amount Change</u>	<u>Percent</u> <u>Change</u>
<b>Positions</b>					
01 Regular	797.23	762.23	760.00	-2.23	-0.3%
02 Contractual	42.30	3.33	3.33	0.00	0%
<b>Total Positions</b>	<b>839.53</b>	<b>765.56</b>	<b>763.33</b>	<b>-2.23</b>	<b>-0.3%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 81,353,385	\$ 73,083,188	\$ 74,471,949	\$ 1,388,761	1.9%
02 Technical and Special Fees	2,433,294	489,527	536,509	46,982	9.6%
03 Communication	13,319,070	9,537,643	12,986,020	3,448,377	36.2%
04 Travel	38,791	353,411	353,618	207	0.1%
06 Fuel and Utilities	405,091	461,904	424,266	-37,638	-8.1%
07 Motor Vehicles	186,902	392,009	369,542	-22,467	-5.7%
08 Contractual Services	176,161,990	164,057,833	146,877,492	-17,180,341	-10.5%
09 Supplies and Materials	907,867	1,462,136	1,551,253	89,117	6.1%
10 Equipment – Replacement	407,920	1,701,000	2,924,590	1,223,590	71.9%
11 Equipment – Additional	11,101,676	1,857,796	619,192	-1,238,604	-66.7%
12 Grants, Subsidies, and Contributions	10,011,946	2,166,384	2,338,608	172,224	7.9%
13 Fixed Charges	11,160,684	10,083,007	10,075,650	-7,357	-0.1%
<b>Total Objects</b>	<b>\$ 307,488,616</b>	<b>\$ 265,645,838</b>	<b>\$ 253,528,689</b>	<b>-\$ 12,117,149</b>	<b>-4.6%</b>
<b>Funds</b>					
01 General Fund	\$ 111,359,576	\$ 125,188,057	\$ 124,747,049	-\$ 441,008	-0.4%
03 Special Fund	4,772,071	3,571,581	2,522,224	-1,049,357	-29.4%
05 Federal Fund	163,398,288	129,771,300	119,144,516	-10,626,784	-8.2%
09 Reimbursable Fund	27,958,681	7,114,900	7,114,900	0	0%
<b>Total Funds</b>	<b>\$ 307,488,616</b>	<b>\$ 265,645,838</b>	<b>\$ 253,528,689</b>	<b>-\$ 12,117,149</b>	<b>-4.6%</b>

Note: The fiscal 2022 appropriation does not include deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance does not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

**Appendix 4  
Fiscal Summary  
DHS – Administration**

<u>Program/Unit</u>	<u>FY 21 Actual</u>	<u>FY 22 Wrk Approp</u>	<u>FY 23 Allowance</u>	<u>Change</u>	<u>FY 22 - FY 23 % Change</u>
01 Office of the Secretary	\$ 24,367,789	\$ 16,013,636	\$ 15,904,120	-\$ 109,516	-0.7%
02 Citizen’s Review Board for Children	878,837	833,053	868,420	35,367	4.2%
03 Commissions	223,174	144,523	146,061	1,538	1.1%
04 Legal Services Program Management	10,193,744	13,046,781	13,051,648	4,867	0%
01 Division of Budget, Finance and Personnel	24,095,900	23,158,208	24,666,542	1,508,334	6.5%
02 Division of Administrative Services	22,315,926	10,193,114	10,264,092	70,978	0.7%
02 Major Information Technology Development	83,722,728	10,531,329	0	-10,531,329	-100.0%
04 General Administration	98,716,820	148,635,024	143,914,593	-4,720,431	-3.2%
05 General Administration	42,973,698	43,090,170	44,713,213	1,623,043	3.8%
<b>Total Expenditures</b>	<b>\$ 307,488,616</b>	<b>\$ 265,645,838</b>	<b>\$ 253,528,689</b>	<b>-\$ 12,117,149</b>	<b>-4.6%</b>
General Fund	\$ 111,359,576	\$ 125,188,057	\$ 124,747,049	-\$ 441,008	-0.4%
Special Fund	4,772,071	3,571,581	2,522,224	-1,049,357	-29.4%
Federal Fund	163,398,288	129,771,300	119,144,516	-10,626,784	-8.2%
<b>Total Appropriations</b>	<b>\$ 279,529,935</b>	<b>\$ 258,530,938</b>	<b>\$ 246,413,789</b>	<b>-\$ 12,117,149</b>	<b>-4.7%</b>
Reimbursable Fund	\$ 27,958,681	\$ 7,114,900	\$ 7,114,900	\$ 0	0%
<b>Total Funds</b>	<b>\$ 307,488,616</b>	<b>\$ 265,645,838</b>	<b>\$ 253,528,689</b>	<b>-\$ 12,117,149</b>	<b>-4.6%</b>

Note: The fiscal 2022 appropriation does not include deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance does not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.