

## County DSS/DHHS Email January 21, 2020

Dear County HHS/DSS Directors & County Managers,

As you know, North Carolina has not enacted a budget for SFY 2019-2020. This letter outlines how operating without a new budget will impact NC FAST and includes background on how NC FAST is funded.

### **How is NC FAST funded?**

NC FAST funding falls into two categories.

1. Development: This is non-recurring (one-time) funding for new projects. Non-recurring funding is time limited and is not expected to be needed after the fiscal year in which it is funded.
2. Operations & Maintenance. These funds are typically recurring, and cover costs associated with operating and maintaining existing systems such as system updates, defect resolutions, enhancements, training, and user support.

### **Why is a new budget needed?**

Projects begin in Development and then transition into Operations and Maintenance. Without a new budget:

- Projects slated to begin in Development in SFY 2019-20 cannot move forward.
- Funding to keep NC FAST operational is frozen at SFY 2018-19 levels, which does not include funds needed to support the operation and maintenance of projects that were developed during that fiscal year. As noted in the previous section, development funds are non-recurring and are therefore no longer available. New funds are needed to support the operations and maintenance of these projects as they did not exist when the SFY 2018-19 budget was passed.

### **What is the impact on NC FAST?**

We are working hard to use the limited funds remaining for the fiscal year to best support our county partners. We have prioritized mitigating the impacts on clients and county staff as much as possible. The following is a summary of NC FAST budget impacts by program area:

#### ***Food & Nutrition Services, Medicaid & Health Choice, Work First/Cash Assistance, Special Assistance, Subsidized Child Care Assistance, Energy Assistance, and Program Integrity***

- Functionalities currently in use by counties will continue to be supported by NC FAST.
- Response times from the helpdesk and development teams will be slower. Many of the subject matter experts who staffed these efforts were contractors, and there will be significant reductions in contracted staff.
- There will be fewer system releases (uploads of code changes and new code)
- Most vacant NC FAST state positions will be subject to a hiring freeze, which further limits the resources available for O&M support
- There will be limited system improvements and defect resolutions.

#### ***Child Welfare (P4)***

- The development and implementation Child Welfare (P4) will be put on hold.
- Functionalities currently in use by pilot and intake & assessment counties will continue to be supported by NC FAST.

- Response times from the helpdesk, training team, readiness team, and development teams will be slower. Many of the subject matter experts who staffed these efforts were contractors, and there will be significant reductions in contracted staff.
- Resources will not be available to offer after hours helpdesk support.
- There will be a reduced number of system releases.
- Most vacant NC FAST state positions will be subject to a hiring freeze, which further limits the resources available for O&M support
- There will be limited system improvements and defect resolutions.
- Deployment of the following larger-scale enhancements/changes will be delayed indefinitely:
  - Extended Access During Release Weekends
  - Family Search and Match changes/enhancements
  - Adoption changes/enhancements

#### ***Document Management (P12)***

- Document attachments (FileNet) and taxonomy will continue to be supported by NC FAST.
- There will be significant reductions in contracted staff
- The Document Management pilot support efforts will be delayed indefinitely.

#### ***Improved Beneficiary Experience (P14.2)***

- This project will continue, but with a slower implementation schedule.

#### ***Medicaid Transformation, Including Efforts Related to Tribal Option (P14-4.0)***

- These efforts will continue, and project staff will work with the Operational and Maintenance team to develop an implementation timeline based on a new Managed Care Go-Live date (once set by NCDHHS).

#### ***Infrastructure Modernization (P15) (Cloud Migration and 24/7 Support for the NC FAST System)***

- This effort will be delayed indefinitely.

We will continue to work diligently to support you through this period of uncertainty. If you have questions or would like to share concerns and/or feedback, please contact Susan Osborne, DHHS Director of County Operations at [Susan.Osborne@dhhs.nc.gov](mailto:Susan.Osborne@dhhs.nc.gov)