

Department of Legislative Services
Maryland General Assembly
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FISCAL AND POLICY NOTE
First Reader

House Bill 746
Appropriations

(Delegate Rosenberg)

Human Services - No Wrong Door Pilot Program

This bill establishes a No Wrong Door Pilot Program within the Department of Human Resources (DHR). The stated purpose of this pilot program is to ensure, in a flexible and innovative manner, that low-income residents of the State have access to the services needed to sustain themselves and their families. The Governor must include in the annual budget for fiscal 2018 through 2020 an appropriation of at least \$500,000 to fund the program. The bill outlines the requirements of the program and establishes related reporting requirements.

The bill takes effect July 1, 2016, and terminates June 30, 2020.

Fiscal Summary

State Effect: General/federal fund expenditures increase by a total of \$33,800 in FY 2017, which assumes a January 1, 2017 start date for one contractual employee to manage the program. Future year expenditures through FY 2020 reflect annualization and inflation, as well as the mandated appropriation beginning in FY 2018 and termination of the program at the end of FY 2020. Potential significant general and federal fund expenditures for some impacted State agencies to handle the bill's reporting requirement. **This bill establishes a mandated appropriation beginning in FY 2018.**

(in dollars)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	16,200	266,400	267,300	268,200	0
FF Expenditure	17,600	288,600	289,600	290,600	0
GF/FF Exp.	-	-	-	-	0
Net Effect	(\$33,800)	(\$555,000)	(\$556,800)	(\$558,800)	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: The bill does not directly impact local government finances or operations. However, because the bill allows grants to be made to public entities, local government revenues may increase to the extent that grants are awarded to local agencies.

Small Business Effect: Potential meaningful impact on any small businesses that are awarded grants under the pilot program.

Analysis

Bill Summary: The goals of the pilot program are to (1) address gaps in services; (2) increase access to available services; (3) provide access to services for underserved populations; (4) foster better coordination between public and private service providers, including faith- and community-based organizations throughout the State; and (5) encourage statewide performance tracking and data sharing to inform and improve service delivery.

The program must provide grants on a competitive basis to implement strategies consistent with the purposes and goals of the program, such as (1) offering outstationed caseworkers or benefit eligibility counselors; (2) offering nonbusiness hours; (3) assisting clients with a range of services that cross departmental lines; (4) adopting technologies to assist with applications for services; (5) creating formal training programs on services available across the State; (6) targeting underserved populations; and (7) creating public-private partnerships.

DHR must (1) administer the program; (2) develop requirements for grant applications; (3) review grant applications and award grants based on specified criteria developed in consultation with stakeholders; and (4) track and assess program outcomes. DHR may award grants to private or public entities beginning July 1, 2017.

Each grantee under the program must report to DHR annually (1) the number of individuals and families screened for service needs; (2) the number of applicants assisted; (3) the number and type of programs to which referrals were made; (4) a description of outreach efforts undertaken; and (5) a description of successful strategies, difficulties encountered, and lessons learned.

The bill requires the following State agencies to annually provide DHR with information regarding the number of individuals and families connected to services through each grantee under the program: (1) the Maryland State Department of Education; (2) the Department of Health and Mental Hygiene; (3) the Maryland Department of Aging; (4) the Department of Housing and Community Development (DHCD); (5) the Department of Veterans Affairs; and (6) the Department of Labor, Licensing, and Regulation (DLLR).

DHR must annually convene program grantees for a one-day symposium to discuss the successes and challenges faced by grantees. The bill also requires DHR to annually report specified information to the Governor and the General Assembly. DHR may adopt regulations to implement the bill.

Background: The *2010 Joint Chairmen's Report* required DHR to convene a committee comprised of specified entities to investigate and recommend legislation, policies, procedures, and technologies to ensure that public assistance and in-kind assistance is delivered timely, accurately, efficiently, and in a manner that enhances customer dignity and community-based access. The report directed the committee to consider specific items, such as the utilization of a uniform application for all benefits, enhanced or new information and case management technology, partnerships with community organizations, multiple community-based service access points, and other means of service delivery consistent with its responsibility. This directive was called the "No Wrong Door Project."

DHR submitted the required report regarding the No Wrong Door Project in 2011. The report advised that the concept of a "No Wrong Door" approach is that regardless of how individuals apply for benefits, they should receive information about all available benefits and services offered in their communities and be able to access all the programs for which they are eligible. This approach seeks benefits and service integration and case management beyond a physical location. The report advised that numerous issues were explored by the committee such as (1) effective strategies to integrate programs and resources; (2) technology; and (3) effective communication, education, and outreach.

DHR incorporates various aspects of a No Wrong Door approach. For example, it uses a common application form in determining eligibility for many aspects of assistance, and case managers inform applicants of all programs for which they may be eligible at intake. DHR also partners with community-based organizations to provide benefits counseling. In addition, DHR coordinates with DHCD regarding energy assistance programs and works with the Department of General Services to obtain locations for offices and co-locate with other agencies when appropriate. It has also taken several actions to improve access to benefits, such as adopting simplified reporting, eliminating asset limits for Temporary Cash Assistance customers, and reducing the frequency of redetermination interviews.

As required by the *2015 Joint Chairmen's Report*, DHR submitted an update to its efforts to implement the recommendations contained in the 2011 report. The report noted additional efforts that the department has made, including (1) launching a new application for specified benefits that is accessible on smartphones, tablets, and computers; (2) linking applicants who do not speak English to applications in other languages; (3) collaborating

with DLLR to develop workforce development strategies; and (4) improving call centers and hotline numbers.

State Expenditures: General and federal fund expenditures increase by a total of \$33,756 in fiscal 2017 and by a minimum of \$554,981 annually thereafter through fiscal 2020 to implement the pilot program. The assumptions used in calculating the estimate are stated below:

- to maximize the impact of the pilot program, all of the mandated appropriation (\$500,000 annually) is used to award grants (and not for administrative costs);
- one full-time contractual employee is needed to manage the program, and any administrative support is handled with existing resources;
- although grants may not be awarded until July 1, 2017, DHR needs to begin reviewing grant applications prior to that date; therefore, the staff person is hired January 1, 2017; and
- administrative costs are supported with general and federal funds, split 48%/52%, while the mandated appropriation is supported with general funds.

State finances may be further impacted to the extent that the pilot program is successful in directing additional people to eligible benefits for which they otherwise would not have applied. Any impact cannot be reliably predicted and is therefore not included in this analysis. As indicated above, the estimate includes staffing costs only for a program manager. *For illustrative purposes only*, to the extent that the pilot program generates additional clerical work that cannot be absorbed, federal and general fund expenditures increase by approximately \$37,000 annually for each new clerical staff needed.

Also not included in the estimate above are any expenditures necessary for State agencies to meet the reporting requirements established under the bill. While some agencies indicate they are able to use existing resources to report the required information, others advise that expenditures increase for necessary information technology enhancements in order to track the source of referral. For example, DHMH estimates that programming changes of \$125,000 are needed.

The Department of Legislative Services further notes that while adopting all of the recommendations within the 2011 report (particularly those relating to technology improvements to better facilitate contact between agencies) could significantly increase expenditures for affected State agencies, this bill provides DHR with considerable

discretion in the pilot program's implementation and does not mandate fulfilling all of the recommendations within the report.

Additional Information

Prior Introductions: HB 66 of 2015 received a hearing in the House Appropriations Committee, but no further action was taken.

Cross File: None.

Information Source(s): Dorchester and Montgomery counties; Maryland Department of Aging; Maryland State Department of Education; Department of Budget and Management; Department of Health and Mental Hygiene; Department of Housing and Community Development; Department of Human Resources; Department of Labor, Licensing, and Regulation; Department of Veterans Affairs; Department of Legislative Services

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kb/jc

Analysis by: Jennifer K. Botts

Direct Inquiries to:
(410) 946-5510
(301) 970-5510