



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

SUSAN OSBORNE • Assistant Secretary for County Operations for
Human Services

September 3, 2020

Subject: County Administration Claims System

County DSS Directors:

First, we want to thank you for all that you do each and every day in providing critical services to the citizens of your counties and supporting the work of the NC Department of Health and Human Services (DHHS). We also recognize that your work has been especially critical throughout this year, in the midst of the COVID-19 pandemic and appreciate the tremendous amount of work that has been required in these efforts.

We are writing today to provide information, in advance of a significant effort we will be undertaking, one we hope will have a positive impact on local county operations. We will shortly be moving forward with evaluation and planning work to update a core part of the administrative structure that supports a significant part of your work. Specifically, we are in the early stages of a project to review and improve our processes for how we capture and determine county administrative and purchased service costs within and for your county DSS agencies. As you are likely aware, our current county reimbursement systems (NC-CoReLS/1571, Day Sheet reporting) have been in place for over 40 years, are significantly outdated, are overdue for replacement and require significant efforts to report staff time and costs.

To this end, we will begin the advance planning work to modernize these processes and systems. This advance planning work will be a significant step forward in helping to improve business practices and system operations. Our goal for this first step in the project is to identify options and plans for the replacement of the existing system.

Key outcomes for this effort will include:

1. Minimizing county resource time and reporting effort
2. Ensuring the accuracy of existing county cost submissions
3. Improving the accuracy and timeliness of administrative cost data reports
4. Ensuring that any new system is flexible and adaptable to support individual county budgets.
5. Ensuring that any proposed solution will be compatible with the new Oracle accounting system, currently being implemented statewide (replacing the existing North Carolina Accounting system (NCAS)).

DHHS understands how critical local input will be throughout this project to best inform current challenges and potential solutions. To that end, we will be seeking input from county DSS agencies

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF SOCIAL SERVICES

LOCATION: 820 S. Boylan Avenue, McBryde Building, Raleigh, NC 27603
MAILING ADDRESS: 2401 Mail Service Center, Raleigh, NC 27699-2401
www.ncdhhs.gov • TEL: 919-855-6335 • FAX: 919-334-1018

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statewide, as well as requesting participation from a representative number of counties to assist us with a deep dive in these system reviews.

To initiate this work, DHHS will soon be posting an RFP for a vendor to assist in our initial evaluation efforts. The focus of this vendor's work will be to conduct analyses of current processes, identify options for system improvements including the use of new technology and to make recommendations for a go-forward plan. It is the foundational work that will inform the next steps in this process. We recognize that for this effort to be successful, your input and participation will be critical to the success of this project. We will be sharing more information in our upcoming 100 County Calls and through other avenues. However, do not hesitate to contact us in the meantime if you have any questions regarding this effort.

Thank you again for your commitment to the citizens of North Carolina and in advance for your partnership in this work.



Susan G. Osborne
Assistant Secretary for County Operations
NC DHHS



Rob Kindsvatter
Chief Financial Officer
NC DHHS

Cc: Susan Gale Perry, Chief Deputy Secretary, DHHS
Laketha Miller, Controller, Office of the Controller, DHHS
Myra Dixon, Public Assistance Unit Manager, Office of DHHS Controller
Marjorie Donaldson, Director, Division of Budget and Analysis
Zach Wortman, Chief Operating Officer, Human Services, DHHS
Richard Stegenga, Deputy Director, Division of Social Services, DHHS
Kathy Sommese, Fiscal Officer, Division of Social Services, DHHS
Alycia Gather, Budget Officer, Division of Social Services, DHHS
Rob Morrell, Director, Human Services Business Information and Analytics
Selvarani Selvaraj, Senior Portfolio Manager, Information Technology Division, DHHS
Arun Kumar, Information Technology Division, DHHS
Alana Benefield, Project Manager, Information Technology Division, DHHS