

# FISCAL YEAR 2023 BUDGET HEARING



DEPARTMENT OF HEALTH & SOCIAL SERVICES

MOLLY K. MAGARIK, MS  
CABINET SECRETARY

Department of Health and Social Services  
November 12, 2021  
WebEx

Good Afternoon Director Cade, Office of Management & Budget (OMB) personnel, Victoria Brennan of the Controller General's Office, members of the public who represent our stakeholders and community partners, and the media. On behalf of the Department of Health and Social Services (DHSS), I am here today to present our Operating and Capital Budget requests for Fiscal Year (FY) 2023.

Joining me in this virtual presentation are several members of my leadership team, including Deputy Secretary Sarah Noonan-Davis and Associate Deputy Cabinet Secretary Dava Newnam. They represent this department, our personnel and, most importantly, our constituents.

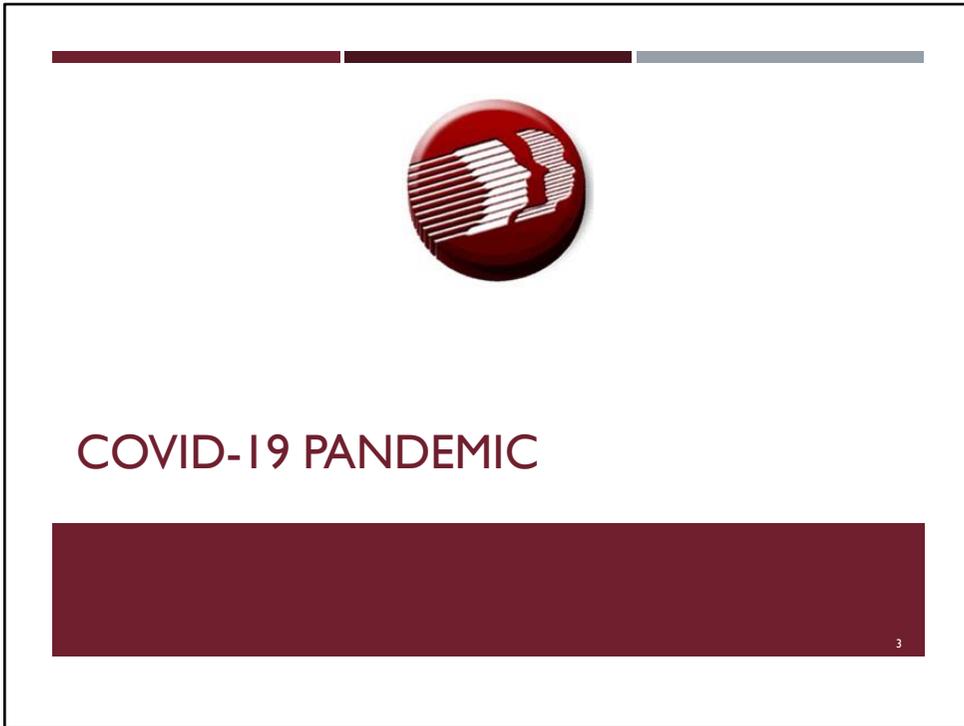


While DHSS is one of the largest agencies in state government, we never forget that the work we do has a profound and personal impact on the hundreds of thousands of people we serve each day. Through our 10 service divisions and the Office of the Secretary, we have learned during this COVID-19 pandemic just how many lives are touched by our work – from newborns born to worried parents, to families needing benefits they have never sought before, to vulnerable seniors needing vaccines or other supports in the community or in long-term care facilities.

I would like to thank all of our employees – from those in our 24/7 facilities and the Division of Public Health -- to everyone across all of our other divisions who continue to respond to this pandemic and the challenges it brings by consistently serving the people of our state.

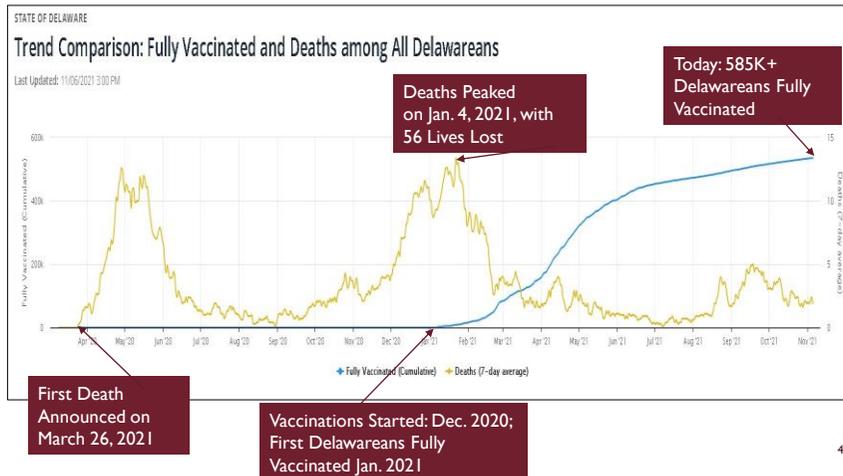
As a Department, we are committed even more to a person-centered mission:

***To improve the quality of life for Delaware’s citizens by promoting good health and well-being, fostering self-sufficiency, and protecting vulnerable populations.***



First, I want to spend a few minutes detailing the current state of the COVID-19 pandemic in Delaware, as we mark 20 months since the first case was announced in our state. I'll also share an update on how DHSS continues to respond to the largest public health crisis in our state's history.

# THE COVID-19 LANDSCAPE



On this slide, the unfortunate deaths from COVID-19 are represented by the yellow line. You can see 2 distinct peaks – in spring of 2020 and the winter of 2021, when, sadly, deaths reached their high point.

The blue line, which represents Delawareans who are fully vaccinated, starts in January 2021, climbs throughout the spring and reaches where we are today – with more than 585,000 people fully vaccinated.

While we had a slight increase in deaths in September and October of this year because of the Delta variant, the vaccines have protected countless lives in our state and across the world.

## WHERE WE STAND TODAY



### As of Nov. 5, we have reported:

- 2,119 deaths
- 145,612 positive cases
  - New Castle County: 82,779
  - Kent County: 26,502
  - Sussex County: 35,886
  - County Not Yet Known: 445
- 585,811 people who are fully vaccinated



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Last year, when I presented at this public hearing, these numbers were, obviously, much lower, and the COVID-19 vaccine was not yet approved in the United States.

Despite our mitigation measures and our ongoing vaccination push, we have lost more than 2,100 Delawareans to COVID-19 and more than 145,000 people have been infected with the virus – that’s about 1 in 7 people in our state. Unfortunately, we all know someone who has tested positive.

The most important step we have taken to mitigate deaths and cases is to vaccinate against COVID-19. Today, more than 585,000 Delawareans are fully vaccinated – or more than 60% of our state's entire population. To end the pandemic, we need to get more people vaccinated. And earlier this month, the CDC and FDA took another important step by authorizing a much smaller dose of the Pfizer vaccine for children ages 5 to 11.

## 20 MONTHS OF COVID-19: DHSS' RESPONSE

- Launched the state's biggest Public Health response in terms of COVID-19 vaccinations (1.3+M total doses)
- Continuing to respond to vulnerable communities, with testing, vaccinations and more
- Protecting residents of long-term care facilities with vaccinations (residents and staff), boosters and visiting restrictions
- Ongoing statewide COVID-19 testing (2.4M+ tests performed)
- Robust contact tracing
- Continuing to urge face-mask wearing, social distancing, avoiding crowds, washing hands, staying home when sick
- Learn more: [de.gov/coronavirus](https://de.gov/coronavirus) or [de.gov/healthycommunity](https://de.gov/healthycommunity)



- Across the board, our Division of Public Health's (DPH) response to the pandemic is comprehensive and longest-lasting. The division, along with its sister DHSS divisions and state and federal partners, has responded with widely available vaccination – more than 1.3 million doses administered so far – and robust testing options.
- In assessing vaccination coverage in vulnerable communities, DPH is applying a health equity focus with a very special lens, called a Social Vulnerability Index.
- Combining information about a community's general vulnerability to the harms of disasters — like disease outbreaks and natural events — with current COVID-19 vaccination coverage (percentage of persons vaccinated) helps support and prioritize our vaccination efforts.
- In addition, our Community Partner Support Unit (CPSU) in the Division of Social Services (DSS) has provided rides to vaccination clinics and food and other supplies to individuals and families who are isolating or quarantining.

## DHSS RESPONSE BEYOND PUBLIC HEALTH



Our divisions have changed the way they work and responded to an increasing need for services - including online, virtual and in-person appointments – while keeping Delawareans safe. A few examples:

- **Testing and vaccination support for direct support professionals (DSPs)** who serve recipients with intellectual/developmental disabilities.
- **Vaccination outreach to people with disabilities**, including homebound services, community clinics, and an upcoming targeted marketing campaign.
- **Reopening of adult day cares** – with restrictions – for seniors and people with intellectual/development disabilities.
- **Staff of DHSS' 24/7 facilities** provided – and continue to provide – **dedicated care** to some of the most vulnerable people in our state.
- **Reopening of indoor visitation at long-term care facilities** – with restrictions – for family and other loved ones.
- **Health Care Relief Funds** distributed to health care, Intellectual and Developmental Disabilities (I/DD) providers, behavioral health and nursing home providers.
- **Continued outreach to people who are homeless** through Divisions of State Service Centers and Substance Abuse and Mental Health.
- **Emergency food benefits and Pandemic Electronic Benefit Transfer (EBT) benefits.**
- **Community Partner Support Unit in DSS** has delivered **996,245 meals statewide** since the start of the pandemic.



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Like other state agencies, we've also had to alter the way we deliver services across all of our divisions. DHSS employees – from our 24/7 facilities, to our community-based services – are doing an extraordinary job of meeting the increased demand from the people we serve.

On this slide, I've detailed a few examples:

- Our Division of Developmental Disabilities Services (DDDS) has **rapid COVID-19 testing for direct support professionals (DSPs)** and has **hosted drive-through vaccination clinics** for service recipients and their families.
- Our Division of Services for Aging and Adults with Physical Disabilities (DSAAPD) took the lead in organizing a series of **pop-up vaccination clinics for DSPs, seniors and people with disabilities**. And with DDDS and DPH, is organizing our continuing **homebound vaccination effort**.
- We have reopened **adult day care and indoor visitation at long-term care facilities** with restrictions to keep everyone healthy and safe.
- With the support of the Governor's Office and the Congressional Delegation, **we distributed more than \$80 million in Health Care Relief Funds** to providers across the spectrum – health care, home care, hospitals, nursing homes, behavioral health and intellectual/developmental disabilities.
- **We continue to provide outreach to people who are homeless** through the Divisions of State Service Centers and Substance Abuse and Mental Health.
- Our Division of Social Services is managing **emergency food benefits and Pandemic Electronic Benefit Transfer (EBT) benefits** for individuals and families.
- And CPSU in DSS has now **delivered more than 996,000 meals statewide to families in need** since the pandemic began.

## DHSS RESPONSE BEYOND PUBLIC HEALTH



- **Behavioral health supports** increased, including:
- Division of Substance Abuse and Mental Health's (DSAMH's) Bridge Clinics, which offer in-person psychiatric and substance use disorder supports, are expanding. New Castle County clinic now open 24/7; exploring 24/7 expansion in Kent and Sussex counties.
- Opened second Bridge Clinic at New Castle County Hope Center.
- Ongoing community services through Mobile Bridge Clinic, mobile food pantries and naloxone distribution events.
- Increased calls to Delaware Hope Line at 1-833-9-HOPEDE.



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- Our Division of Substance Abuse and Mental Health (DSAMH) is stepping up outreach to some of the most vulnerable people in our state. The pandemic has been difficult for all of us – physically, mentally and emotionally. To support people in need, we are in the process of expanding our Bridge Clinics – where people or their loved ones in crisis can seek in-person help for mental health or substance use-related issues.
- Our New Castle County Bridge Clinic is now open 24/7 and we are exploring expanding the Kent and Sussex clinics to 24/7 as well.
- In addition, we opened a Bridge Clinic at New Castle County's Hope Center because a high percentage of people experiencing homelessness are also in need of behavioral health supports.
- Our Mobile Bridge Clinics and Mobile Pantries, operated by DSAMH in partnership with community organizations, are distributing food, personal protective equipment (PPE), naloxone and offering on-the-spot counseling.
- Finally, our 24/7 Delaware Hope Line has seen increased calls throughout the pandemic. Our counselors are available to listen and to talk with individuals experiencing behavioral health issues or worried family members, and can connect them to appropriate treatment services and supports.



## RESPONSE, RECOVERY AND REBUILDING

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DHSS, and its partners, remained open and operational for the duration of the pandemic. Our staff – contact tracers, health operations teams, financial & administrative staff, social services teams, and 24/7 facility staff – ensured that services continued uninterrupted and stood up a pandemic response. This is an incredible accomplishment, and I remain in awe of the dedication of our DHSS team.

But the pandemic has exposed many areas where additional investments are needed. I want to shift to look to our future as we move beyond the pandemic response and aim to recover and rebuild as a department, health and social services workforce, and as a State. Our FY 2023 budget looks to layer all of these efforts and rebuild the foundation of a department that is poised to move forward and support our partners in doing so as well.

## CONTINUED COVID-19 RESPONSE & RECOVERY

We continue to support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control.

- Continued COVID-19 Testing and Vaccination Efforts
- Marketing Campaign for Open Enrollment on Delaware's Health Insurance Marketplace
- Public Health Lab Expansion Project



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As noted previously, the pandemic response continues, but our initiatives now look to long term strategies to ensure that the catastrophic economic impacts and devastating loss of life do not happen again.

We are expanding and modernizing the Public Health Laboratory that is the center of operations for our laboratory and epidemiology response during public health emergencies. The laboratory receives specimens from a variety of sources including infectious disease testing and environmental samples. These facilities have not been updated since 1990. The pandemic has taught us that without modernizing this facility, we will be unprepared in any future health crises.

In addition, we are grateful for support around the Delaware Health Care Marketplace. Open enrollment for 2022 started on November 1st and runs through January 15, 2022. Health insurance is a critical part of ensuring that Delawareans can get their necessary preventive screenings, early treatment of health conditions – and avoid the catastrophic financial consequences of a COVID-19 hospital stay. We encourage uninsured Delawareans to check out the website ([www.choosehealthde.com](http://www.choosehealthde.com)) and consider applying .

DSAAPD, DDDS and community partners have engaged in a campaign to address vaccine hesitancy among older Delawareans and Delawareans with disabilities. The campaign is geared toward inclusivity, accessibility, and sensitivity, and will feature Delawareans and their personal testimonials about accessing the vaccine through print, digital, audio and video components. Volunteer Delawareans recorded their testimonials and stories last month, and will soon be seen around Delaware to promote the vaccine for this population.

These strategic initiatives allow us to continue work that was started before the pandemic and move toward our longer term recovery.

## RECOVERY & REBUILDING

DHSS has **Workforce Development** initiatives to support efforts for vital public services, and help retain jobs, such as:

- Retention and Recruitment Bonuses for Direct Support Professionals (DSPs)
- Child Care Stabilization Grants
- Home and Community-Based Services investments



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Across DHSS we are working to implement many workforce initiatives that will ensure that recovery does not falter. Health and social services agencies are not alone in workforce shortages, but this workforce is critical to providing life changing and life saving services.

Some of our recent initiatives include:

- Our partnership with the Department of Education, Office of Early Learning to implement childcare stabilization grants that will support the child care industry and childcare professionals – a workforce that stayed open throughout the pandemic in support of other industries.
- Developing plans with the Governor’s Office to distribute over \$75 million in federal American Rescue Plan Act (ARPA) dollars that will support workforce recruitment and retention payments for workers in hospitals, long term care facilities, and state-run 24/7 facilities.
- Leveraging available funds through the Medicaid program to provide recruitment & retention programs for Direct Support Professionals, which are the backbone to DDDS services.

Workforce initiatives are one part of ensuring that Delaware has a strong direct services workforce. As the State’s health & social services agency, we continue to engage in conversations with all stakeholders around what initiatives will support a strong workforce and economy.

## RECOVERY & REBUILDING

Initiatives to address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic on certain populations.

- New Hospital for the Chronically Ill
- Low-Income Home Energy Assistance Program (LIHEAP)
- Wilmington Affordable Housing Investment

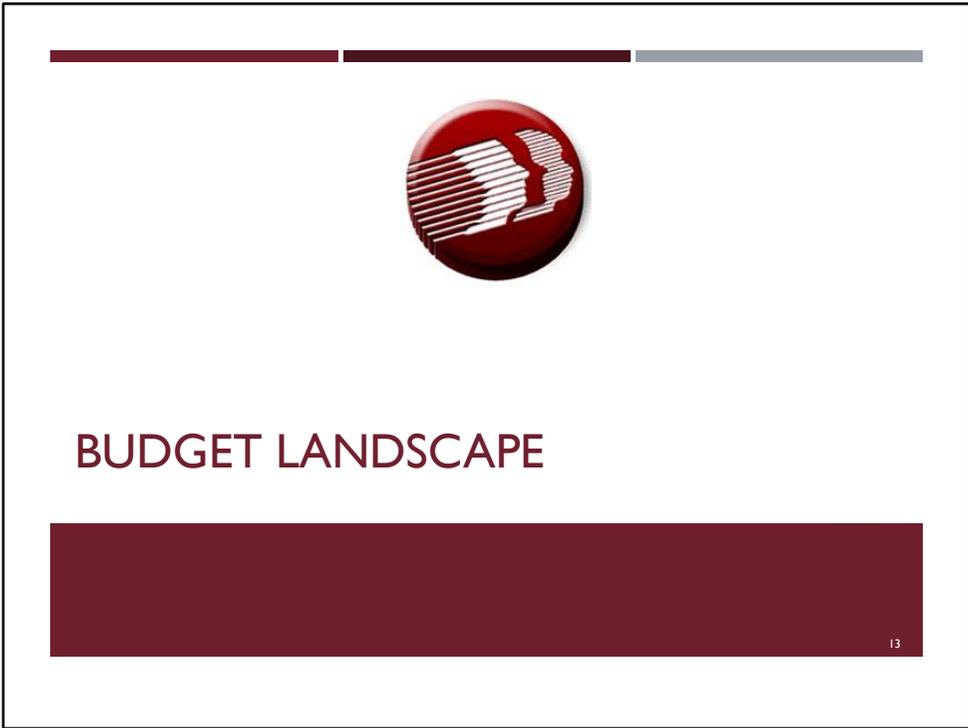


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As part of our efforts to rebuild stronger post pandemic, DHSS is working with many partners to implement new initiatives to ensure that we can move beyond and support our communities better.

For some, this looks like continuing to be an active partner in looking to creative solutions to the ongoing housing and homelessness problems. Some programs remove barriers to housing, such as enhanced federal funding to the Low Income Home Energy Assistance Program (LIHEAP), which allows eligible Delawareans to apply for funds to address utility arrearages that may prevent a rental application from being approved. Other programs, such as those run by our partners in the Delaware State Housing Authority, Wilmington Housing Authority and REACH Riverside look to increase the housing supply. DHSS will continue to be an active partner in these conversations.

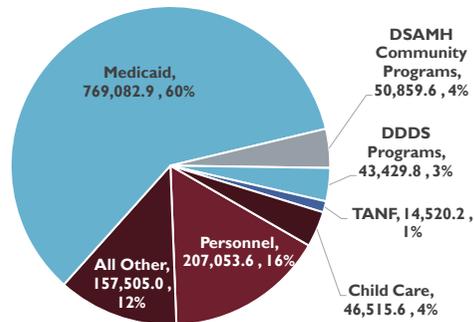
We also look to ensure that our own DHSS facilities reflect our current needs. We are excited about the \$50 million investment in ARPA funding to construct a new skilled nursing facility for the residents and staff of the Delaware Hospital for the Chronically Ill. The current facilities were built in the 1930s and 1950s, and require transit between buildings for simple daily activities like dining and physical therapy. The new facility will allow for private and semiprivate bedrooms and bathrooms, modernized features to better mitigate infection spread, and more opportunities for residents to take advantage of activities and personal interests. The dedicated staff that worked through darkest times of COVID-19 will enjoy upgraded and modernized working conditions, and the residents deserve a 5-star building to go with the 5-star care they already receive.



Now, let me move to a review of the DHSS budget.

## FY 2022 BUDGET

### DHSS FY 2022 General Fund Budget \$1,288,966.7



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The pie chart above shows our budget for the current year, FY 2022 – which is just about \$1.3 billion General Fund (GF) dollars.

With the support of OMB and the General Assembly, the DHSS GF budget increased by 3.9 percent in FY 2022. These funds allowed us to continue services to clients in several key areas including, but not limited to, Developmental Disabilities, Medicaid, Substance Use Disorder and the Aging Population Growth. The additional funds also allowed us to support our provider communities.

We thank all involved for their continued support.

## FY 2023 BUDGET REQUEST



	General Funds	Appropriated Special Funds
FY 2022 Budget	\$1,288,966.7	\$139,710.3
FY 2023 Request	\$1,324,394.1	\$139,712.3
% Change	+2.7%	+0.0%

FY 2023 Funding Requests	\$\$
FY 2023 Door Openers	
Core Services Growth	\$22,537.8
1% Discretionary Requests	
Business Continuity & Support	\$7,809.8
Direct & Core Services Growth	\$3,704.9
Organizational Development	\$1,375.0



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For FY 2023, we are requesting over \$1.3 billion General Fund dollars and \$139.7 million in Appropriated Special Fund (ASF) spending authority.

As part of the FY 2023 budget, DHSS is requesting \$22.5 million in Door Openers and 1% discretionary request of \$12.9 million.

These requests will address the demands on programs and ensure that DHSS provides efficient, effective, and modern services to our clients. We developed our FY 2023 Budget Request along the themes of:

- Business Continuity & Support;
- Direct & Core Services Growth; and
- Organizational Development;

**FY 2023 BUDGET REQUEST:  
CORE SERVICES GROWTH      \$22,537.8**

- Salary Contingency
- Medicaid Growth
- Services For Community Placements & Special Schools
- Child Care
- Delaware Healthy Children Program (CHIP)
- State Rental Assistance Program (SRAP) Housing Assistance Growth
- Health Care Provider Loan Repayment Program



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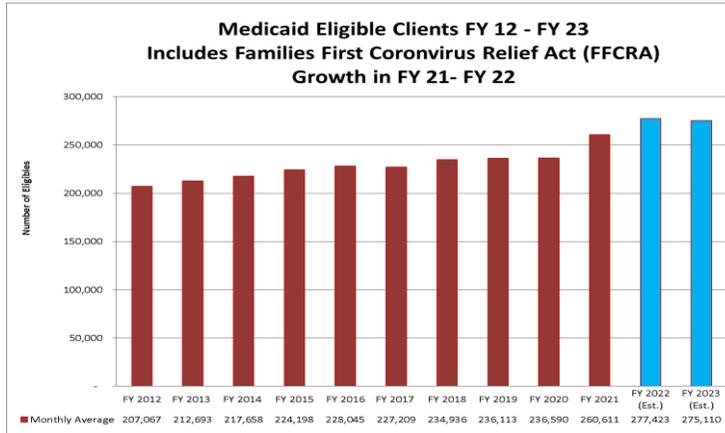
DHSS is requesting \$22.5 million in Door Opener requests. This figure represents continued growth in our core, mandatory programs.

Of this amount, \$10.4 million is related to changes in the Medicaid and Delaware Healthy Children Program (also known as CHIP), which I will address next.

The remaining \$12.1 million includes:

- \$6.8 million in Salary Contingency to support FY 2022 salary changes.
- \$3.4 million to support full-year funding for FY 2022 Services and new Services in FY 23 for Special School Graduates and Community Placements in the Division of Developmental Disabilities Services (DDDS).
- \$1.1 million for Child Care for 5% projected growth in services, trending back toward pre-pandemic levels.
- \$96.0 thousand for State Rental Assistance Program (SRAP) housing to maintain the current number of housing vouchers for the Division of Substance Abuse and Mental Health.
- \$500.0 thousand for the Health Care Provider Loan Repayment Program. House Bill 48, signed August 10, 2021, created the state-sponsored loan repayment program for primary care clinicians.

**FY 2023 BUDGET REQUEST:  
 MEDICAID & DELAWARE HEALTHY CHILDREN  
 PROGRAM GROWTH - \$10,370.4**



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Note: Starting in April 2020, enrollment increased due to the Public Health Emergency.

The FY 2023 budget request for growth in the Medicaid & Delaware Healthy Children Programs is \$10.4 million. Growth in the state Medicaid budget is influenced by several factors – volume, utilization, and the share of federal funds.

**Volume:** Due to the pandemic, Medicaid has seen client growth of 16% since March 2020. There are currently an average of 277,000 people eligible for Medicaid in Delaware, which under normal circumstances would be 236,000. We are expecting this trend will continue and may see a slight decline starting in calendar year 2022.

**Utilization:** The cost of services is impacted by reimbursement rates, including managed care capitation rates, which are how most Delaware Medicaid services are covered; the health of the enrolled population and Delaware demographics; changes in medical practices; as well as other factors.

**Federal Funds:** In FY 2023, the state will receive a 0.77% increase in the Federal Matching Assistance Percentage (FMAP) when the FMAP returns to normal, which is driving our request. However, under the Public Health Emergency, the 6.2% increase of FMAP has saved the State over \$120 million in General Fund dollars in FY 2021.

Also in FY 2023, we are requesting \$814.3 thousand to support the Delaware Healthy Children Program, Delaware’s Children’s Health Insurance Program (CHIP). We anticipate that future growth in state CHIP funding will be driven by volume and utilization changes.



Our request supports \$3.7 million growth in programs that provide critical roles to our communities, as well as expanding services in line with state priorities.

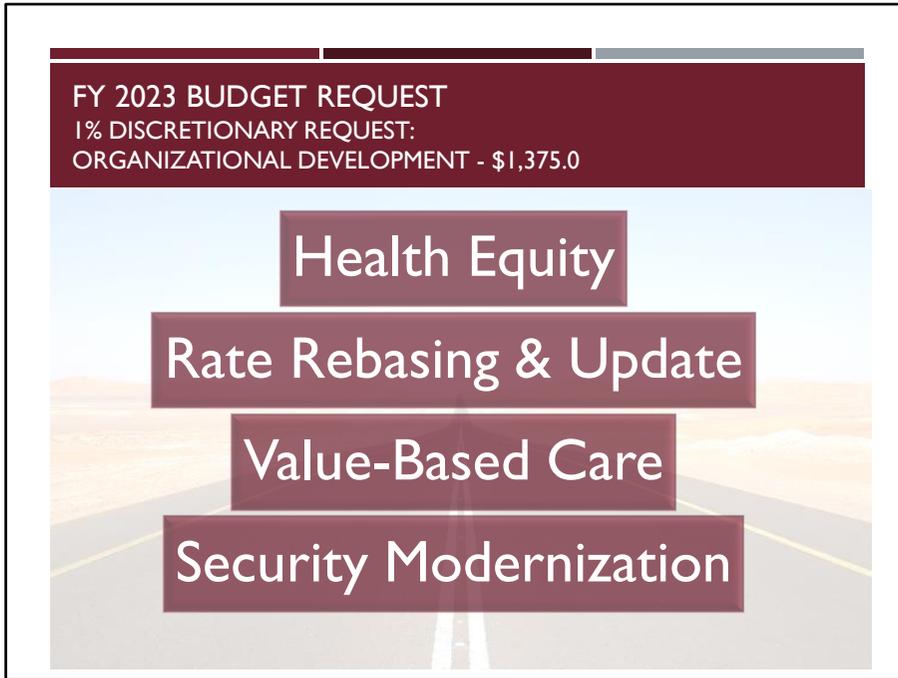
One critical area of growth is in **Community Services within DSAAPD**. \$1.4 million of this request is for services to meet the needs of Delaware’s older population through home and community-based services designed to support both them and their caregivers and to prevent unnecessary placement in nursing homes.

Another important area comes from the introduction of Section 9815 of the American Rescue Plan Act, which allows for expansion of **post-partum coverage** from 60 days to 12 months. Our request includes \$1.4 million in order to be in alignment with House Bill 234, which requires 12 months of post-partum Medicaid coverage.

We are also requesting additional funding of \$265.0 thousand to support the ongoing need for Substance Use Disorder services. This request includes **Assertive Community Treatment (ACT) Team Expansion**, adding one additional team in New Castle County to address the waitlist.

Assistive technologies assist people who are blind or severely visually impaired to achieve educational goals, obtain and maintain employment, perform activities of daily living, and safely navigate throughout their communities. Our request includes \$46.0 thousand for the **Division of Visually Impaired Assistive Technology**.

The **Division of Health Care Quality (DHCQ)** issues annual and **recertification surveys** for long term-care facilities, assisted living facilities and intermediate-care facilities for persons with intellectual disabilities. Compliance nurses are needed to meet requirements under the Delaware Code. If DHCQ is unable to complete licensure surveys, facilities will not be able to keep up with licensure requirements. This request of \$513.9 thousand is for contractual services to complete the necessary surveys.



Our FY 2023 request also includes over \$1.3 million for organizational development.

- We are requesting \$200.0 thousand in support for each of the following:
  - **Health Equity:** One-Time funds to allow for continued system maintenance and development of social determinant indicators for the My Healthy Community Data Portal. This funding will also support community-driven initiatives identified through the State Health Improvement Plan process and Healthy Communities Delaware.
  - **Rate Rebasing & Updates:** Without the vast community of providers in Delaware, DHSS would not be able to provide such a wide range of services. In FY 2020, DHSS engaged with the consultant Burns and Associates to conduct a review of provider rate methodologies. Rate rebasing has recently been done for DDDS Direct Service Providers and Child Care and is ongoing for Substance Use Disorder services. It is critical that providers be compensated in such a way as to ensure adequacy of services statewide, but we know these needs must be balanced with all the other needs across state government. The next tranche of services is behavioral health and Institutions for Mental Disease (IMDs). This request is to continue these efforts to review and update service reimbursement methodologies. In FY 2022, there are significant investments of federal funding and base rate increases – this investment in rebasing will ensure that in future budget years we have sufficient knowledge to address rate increases.
  - **Value-based care:** With the passage of Senate Substitute (SS) 1 for SB 120 on June 29, 2021, and the anticipated signature of the Governor, the Delaware Health Care Commission (DHCC) will be responsible for a number of new primary care initiatives. The legislation specifically tasks DHCC with, 1) monitor the uptake and compliance of primary care providers with value-based care delivery models and 2) advising and approving a Delaware Primary Care Model. This request is for technical analysis to assist DHCC with these new responsibilities.
- **Security:** In FY 2020, DHSS launched a project to modernize public safety and security practices statewide. Currently, management of security is decentralized across the department. To help with this effort, DHSS contracted with Margolis Healy, which specializes in campus safety, security, and regulatory compliance. We are requesting \$775.0 thousand for Security Modernization to continue our efforts to ensure the safety of over 600,000 annual client visits to State Service Centers; over 3,500 staff and over 200 24/7 residents in 3 facilities.

## FY 2023 BUDGET REQUEST

1% DISCRETIONARY REQUEST:  
BUSINESS CONTINUITY & SUPPORT - \$7,809.8

### Business Continuity & Support

- License & Maintenance
- Information Resource Management Support
- Lease Escalators



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The Pandemic has shown us that we have structural information technology (IT) issues that we need to address to continue to provide services. IT contracts only include necessary maintenance to support the current system functionality. Systems modifications are often needed to respond to public data inquiries or to enact state and/or federal requirements. We need to be able to make the necessary modifications as they arise.

When we don't invest in IT, it can lead to several challenges that include but are not limited to: compromised health conditions, delayed or incomplete service delivery, equipment failure, and federal funding penalties.

Keeping systems and software up to date is essential to deliver the most efficient services to our clients. With or without funding IT, maintenance and upgrades still need to happen. Without the additional funding support, we will need to identify funds within our existing resources.

## FY 2023 BUDGET REQUEST

1% DISCRETIONARY REQUEST:  
BUSINESS CONTINUITY & SUPPORT - \$7,809.8

### Business Continuity & Support

- License & Maintenance
- Information Resource Management Support
- Lease Escalators



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Our discretionary 1% request includes \$7.8 million General Fund (GF) dollars for ongoing business continuity & support. These funds will help support the critical and essential behind-the-scenes work that allows DHSS staff to provide direct services.

Our request for \$4.6 million for License & Maintenance is to provide ongoing licensing and maintenance support. Systems include: the Division of Social Services Delaware Eligibility System (DEMS) which determines the benefit eligibility for clients; the Delaware Child Support System (DECSS) which processes child support cases and tracks payments; the State Disbursement Unit (SDU) system which manages the collections and disbursement of child support collections; the Division of Public Health Food Inspection System which tracks necessary food inspections; and desktop applications including Microsoft Office.

Information Resource Management is responsible for maintaining the Department's computing, telephony and communications devices and software. This request is for a total of \$3.1 million in One-Time funds. This request is comprised of the following elements:

- Computer Replacement: \$2.5 million to replace approximately 2,000 aging computers that are over four years old across the department.
- Equipment Replacement: \$600.0 thousand for Cisco USC Blade Server Chassis to comply with new mandatory Department of Technology and Information (DTI) infrastructure.

Our request also includes \$77.6 thousand GF dollars for Lease Escalators. These funds are required to meet increased contractual obligations, negotiated by OMB, for leased space. Leased space is a critical component of ensuring that DHSS is accessible throughout the state.

## FY 2023 BUDGET REQUEST: CAPITAL BUDGET - \$48.5 MILLION

- ❖ Maintenance & Restoration
- ❖ Minor Capital Improvement & Critical Equipment Funds
- ❖ Holloway Campus – Kent/ Sussex HVAC Boiler & Chiller
- ❖ Holloway Campus – Mitchell Building Security System
- ❖ Stockley Campus Electrical Replacement
- ❖ AVAYA Phone System Replacement to CISCO
- ❖ Drinking Water State Revolving Funds
- ❖ DHSS Website Replacement
- ❖ Delaware State Service Centers Modernization Phase II



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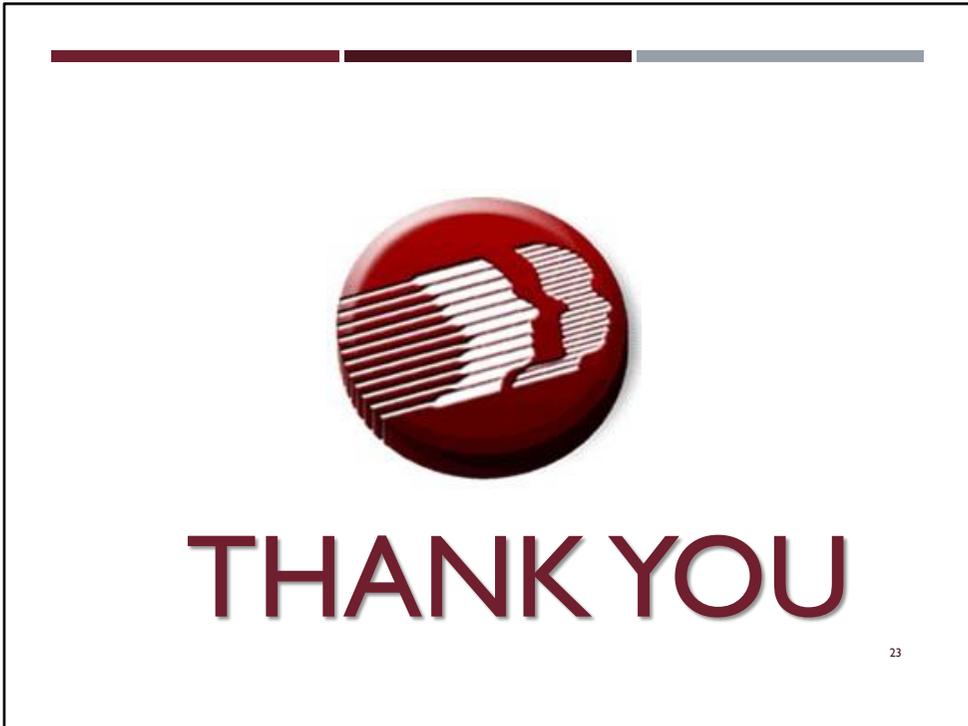
As a large agency, we also require a large capital investment. DHSS is responsible for over 68 state-owned buildings, with an average age of 69 years. This includes 8 state service centers, the 3 campuses that house our 24/7 facilities, and associated administrative buildings. Our facilities also house various other agencies, both State and non-State, that serve our communities.

The FY 2023 Capital Budget Request is critical in supporting our business operations by maintaining existing buildings and infrastructure. These funds are needed in order to serve clients in safe and appropriate spaces, leverage federal funding for public drinking water systems and maintain up-to-date facilities on our campuses.

We are also requesting funds:

- To replace the 30+-year-old HVAC systems in the Kent & Sussex Buildings on the Herman Holloway Campus.
- To replace the Security System at the Mitchell Building on the Holloway Campus. The lock system has reached its end of life and the availability of spare parts is becoming scarce. The vendor has resorted to salvaging useable parts from previous repairs in some cases. There have been several issues with the automated locking and master access control systems.
- To replace the obsolete and significantly deteriorated electrical equipment that serves the entire Stockley Center Campus.
- To replace the AVAYA Phone System with the State standard DTI-required CISCO IP telephony system. DHSS has multiple locations across the State that will need to be converted on a site-by-site basis.
- To replace and upgrade the current DHSS Website to align with the goal of providing a better customer experience for those requiring agency services. A reorganization of content and a user-friendly interface will increase the ability for citizens to access services while increasing staff efficiency in processing requests.
- To continue with Modernization Phase II to make badly needed changes and upgrades to our State Service Centers.

Without the continued support of our capital needs, the Department's ability to efficiently, effectively and safely serve clients with modern, up-to-date facilities may be jeopardized.



As we continue to respond to the COVID-19 pandemic, DHSS is embracing the recovery and rebuilding that are aligning with this, hopefully, once-in-a-lifetime crisis. I thank you for this time to share with you the challenges and opportunities facing the Department of Health and Social Services. I look forward to your questions.