

**TESTIMONY BEFORE THE BUDGET COMMITTEE ON HUMAN SERVICES  
DECEMBER 14, 2005**

Chairman Dever and members of the Committee, I am Carol K. Olson, the Executive Director of the Department of Human Services.

I appear before you today to discuss the Department's organizational structure. After considerable thought, in order to more effectively administer this large Department, I decided to include a Cabinet in the management structure of the Department.

The new structure reduces the span of control of the Executive Director. It also allows the Executive Director and Cabinet to devote more time for strategic planning, visionary thinking, better communication, and the development of new initiatives to better position the Department to focus on future issues.

Proposed legislation in Washington D.C. could reduce the federal dollars sent to states. Those changes coupled with the demographics of North Dakota make it imperative that we are able to meet these challenges effectively and efficiently.

The Cabinet is composed of six members (see organization chart) and meets on a regular basis to consider and address the major human services challenges facing the Department and North Dakota.

If memory serves me, the Interim Budget Committee on Human Services contracted with Public Administration Services (PAS) to study the Department in 1997. Recommendations were made in March 1998. One of the recommendations was to "reduce the Executive Director's span of control." This would allow the Executive Director special staff capability to carry out strategic planning, research and evaluation, improved budget presentation and would provide a framework for improved coordination, communication and control. While the PAS recommendations included

**additional staff, a cabinet form of management could achieve the recommendations presented by PAS without increasing the number of FTEs to the Department.**

**The attached organizational chart illustrates the cabinet structure. It is important to note that Division Directors and Human Service Center Directors will continue to be responsible for their programs and staff supervision. However, as Executive Director, I will continue to have an open-door policy, and am available to discuss issues.**

**There will also be some alignment of similar services. The responsibility for all Medicaid waivers along with home and community based services will be concentrated within the Medical Services Division for the following reasons:**

- It will place a greater focus and awareness on home and community based services and disability services as they are placed in the continuum of long-term care from birth to death.**
- With the Medicaid reform process in Washington D.C. placing more emphasis on waived programs, the Department will be pooling staff with waiver expertise. This should allow for greater depth and expertise in one location as well as enhancing creative thinking, communication, and decision-making.**
- It will allow for consolidation of waivers to be more inclusive in the populations served.**
- It will place the responsibility and accountability in one location for better oversight and greater consistency in policy and responses to providers and clients.**

**I would be happy to address any questions you may have.**

