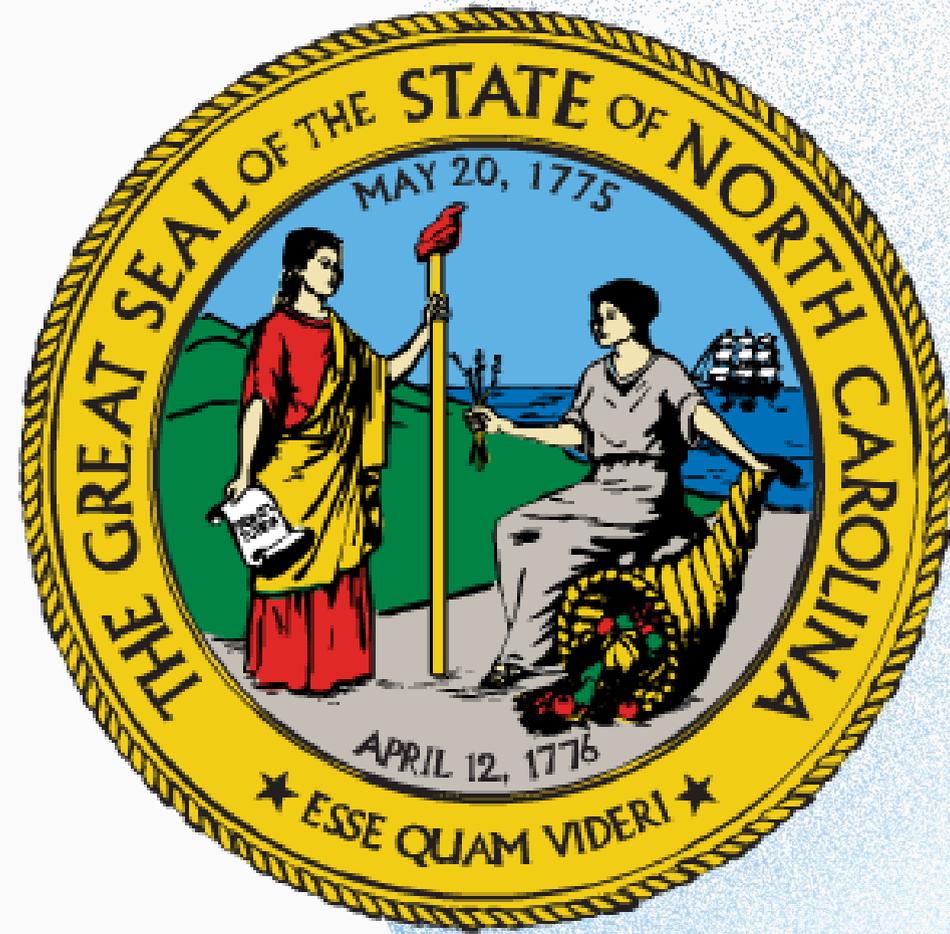


Strengthening Global Financial Operations Through Data Governance and Responsible AI

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Journey to Better

- NC Department of Health and Human Services
- Opportunities
- Challenges
- Governance
- On the Horizon

NC DHHS

- **Health and Human Services**
- **33 Divisions**
- **6 Portfolios**
 - **Health**
 - **Opportunity and Wellbeing (Human Service)**
 - **Operational Excellence**
 - **Medicaid**
 - **Health Services Regulation and Facilities**
 - **Finance**

Opportunities

- Office of Strategy and Performance in IT
- Robust Investment in Program Analytics
- CDO, CIO, PSO
- Data Literacy Program and Community of Practice
- Analytics Community of Practice
- Innovation Lab

Challenges

- State Budget
 - Unfunded Mandates
 - Underfunded Medicaid
 - Underfunded IT Projects
- Increased State Audit Authority
- Federal HR1 Changes
 - SNAP
 - Medicaid

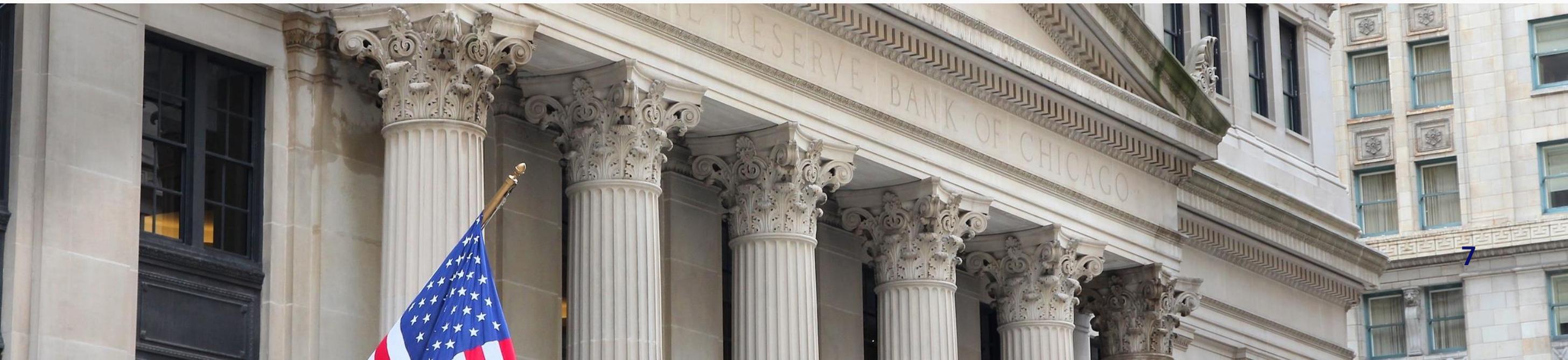


State

- IT Projects
- Medicaid Administrative Cost
- Dave Act
 - Rapid Response
- Expansion of Capacity of State Operated Facilities

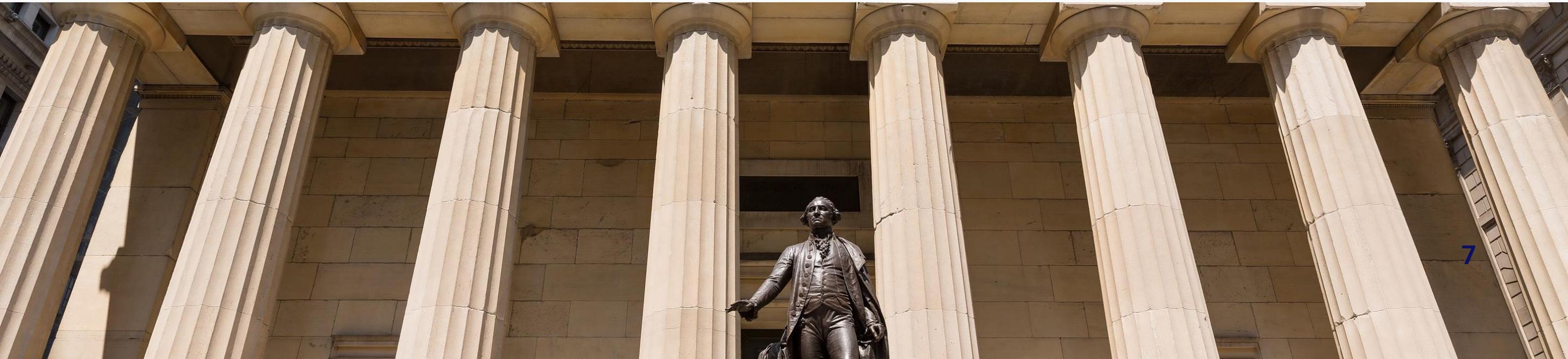
Federal

- **HR1** passed into law on July 4th, 2025
- NC is state administrated and county run (100 counties)
- **SNAP**
 - Reduced administrative match from **50% to 25%**
 - Establishes benefit cost-share for states with Payment Error Rates (PER) above **6%**
 - **15% Cost Share** (More than \$400M)
 - Increased redeterminations
 - Eligibility Challenges
 - Expanded work requirements



Federal

- Medicaid
- NC Medicaid applications and eligibility verifications are processed automatically by our **NCFAST** Eligibility System or by 100 county Departments of Social Services (**DSSs**) and 1 Tribal Office
- County DSSs also conduct eligibility determinations and redeterminations for **Food and Nutrition Services (FNS)**, Women, Infants and Children (**WIC**) Supplemental Nutrition services, Temporary Assistance for Needy Families (**TANF**), Low Income Energy Assistance Program (**LIEAP**), child support enforcement, and other means-tested and social programs



Electronic Verification Sources Used for Medicaid Eligibility



AI Governance

Goals	Objectives
Goal 1: Establish Leadership Oversight	<ul style="list-style-type: none">1.1 Establish an AI Oversight Committee, AI Council, AI CoE, and Audit Committee1.2 Define and implement an AI Governance Framework1.3 Ensure Regular Executive Oversight and Review
Goal 2: Drive Responsible Adoption	<ul style="list-style-type: none">2.1 Establish AI Use Case Approval Criteria2.2 Integrate Ethics and Risk Assessments into Deployment2.3 Create a Responsible AI Policy and Training Program
Goal 3: Empower Workforce	<ul style="list-style-type: none">3.1 Provide AI Literacy Training Across the Organization3.2 Enable Employees to Co-Create AI Solutions3.3 Establish Feedback Loops for AI Tools
Goal 4: Ensure Safeguards	<ul style="list-style-type: none">4.1 Implement Technical Controls for Risk Mitigation4.2 Conduct Ongoing Risk and Impact Assessments4.3 Establish Incident Response Procedures for AI

AI Governance Framework

AI Oversight Committee

Responsible for strategic oversight, decision making, and policy creation

AI Council

Manages operational governance and review use cases

AI Operations

Manages the full AI solution lifecycle: intake, evaluation, risk assessment, and enterprise think-tank

AI Center of Excellence

Provides technical support and enablement including proof of value

AI Literacy

Provides periodic education, training, and office hours for AI

AI Workforce Enablement

Provides workforce roadmap, role frameworks, role based learning paths

AI Audit

Provides independent assurance and compliance monitoring

Principals of AI Use



Decision Making Framework

AI Decision Rights	Oversight		Operations Lifecycle		COE		Literacy		Audit, PSO	
	C/I	R/A	C/I	R/A	C/I	R/A	C/I	R/A	C/I	R/A
All Strategies	C	A		R						
All Policies	C	A		R					C	
Governance Structure	C	A		R						
AI Accelerator		R		A						
AI Use Cases				A						
Proof of Value				A	I					
Literacy and Training				R			C			
Risk and Impact Assessments		R							C	
Technical Standards				A	C					
Compliance Monitoring		R		R					C	R
Internal Audits		R		R					C	R
Privacy and Security Monitoring		R		R					C	R
Ethical and Bias Concerns		A		R					I	

***Legend: C- Create, I – Initiate, R – Review, A - Approve

How About the Data?

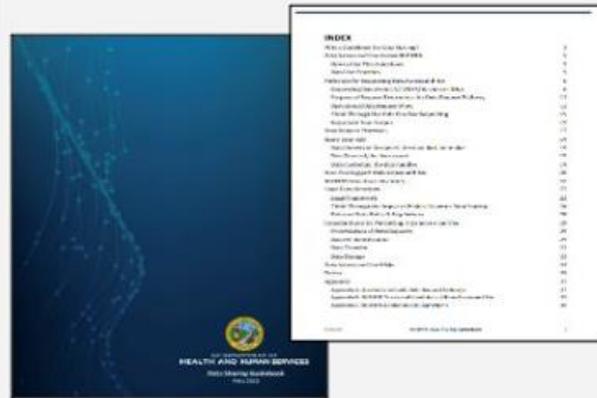
Data Sharing

Data Standards & Policies

Data Stewardship

Metadata & Data Classification

Data Sharing Guidebook



Data Sharing Guidebook

Demographic Data Standards



Demographic Data Standards - Overview

The table lists various demographic categories and their corresponding standards. Key categories include:

- Race:** American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, White.
- Ethnicity:** Hispanic or Latino.
- Age:** 0-17, 18-24, 25-34, 35-44, 45-54, 55-64, 65-74, 75+.
- Sex:** Male, Female.
- Marital Status:** Never Married, Currently Married, Divorced, Widowed.
- Education:** Less than High School, High School Graduate, Some College, Bachelor's Degree, Master's Degree, Doctorate.
- Income:** Less than \$10,000, \$10,000-\$14,999, \$15,000-\$24,999, \$25,000-\$34,999, \$35,000-\$49,999, \$50,000-\$74,999, \$75,000-\$99,999, \$100,000+.

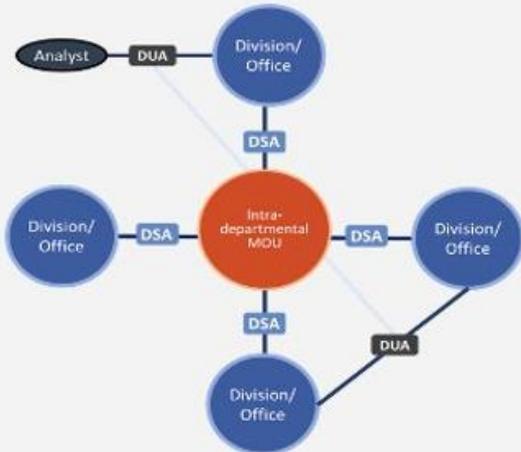
Data Gov. Organization



Data Asset Inventory

Data Asset Inventory Dashboard

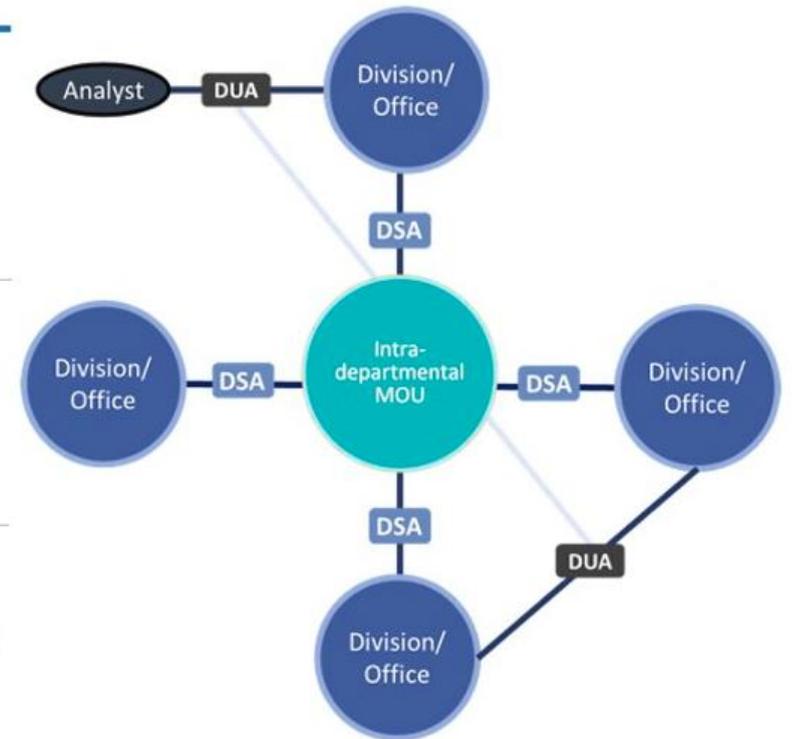
Legal Framework



Data Sharing and Legal Framework

We use three main legal agreements to streamline data sharing across DHHS and with strategic partners.

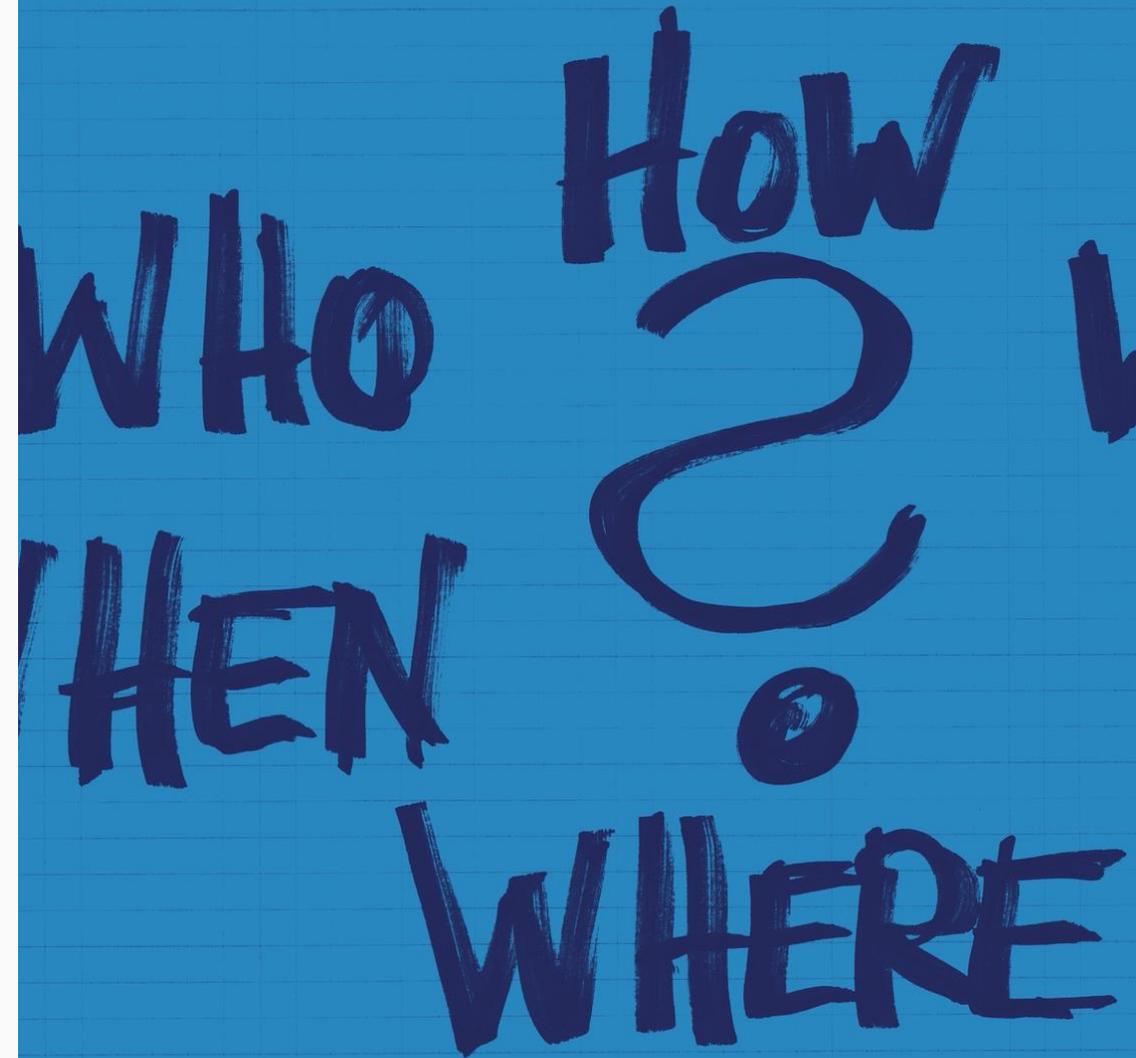
Legal document	What is it for?	Who signs it?	Term
 Intradepartmental MOU <i>(all DHHS)</i>	The MOU outlines the overall “rules of the road” for data sharing across DHHS, including documenting the purpose and governance process for data sharing	All Division and Office Directors and the Secretary’s Office	3 years 5 years
 Data Sharing Agreements <i>(Division-specific)</i>	Each Division and Office outlines the terms and conditions of how *their* data need to be transferred, stored, and managed when used by others	Each Division and Office Director + Data Office + ITD	3 years
 Data Use Agreements <i>(for specific data requests)</i>	Only needed in special cases. Outlines the role and responsibilities of the data recipient for a specific data request outside DSA use cases, including what data they’ll get and how they’ll use it	Data owner(s) and data recipient(s)	Varies by agreement



***Note – each multi-Divisional data request is documented using the Operational Data Request Form, which is used to assess whether a DUA is needed for the request. The ODRF can also be used at the Division level to document requests for a single Division’s data if the Division does not have an existing data request form in place.**

Now What ?

- Enterprise Solutions with Executive Governance
- Operational Repository Creation
- Process Mapping
- Task Review



WHO
WHEN
WHERE
HOW
?

The image shows a blue background with a white grid pattern. Overlaid on this grid is handwritten text in a dark blue, brush-stroke style. The text is arranged in three rows. The first row contains the words 'WHO', 'HOW', and a partial 'W'. The second row contains 'WHEN', a large question mark, and a partial 'W'. The third row contains 'WHERE'. The handwriting is bold and expressive, with some ink bleed-through visible.

Now What ?

- Workforce
 - Automated Posting / Screening
- Contracts
 - Personal Service Redundancies
 - Information Technology Redundancies
- Patient Billing / Revenue automation with Clinician Charting
- Error Rate Predictive Sampling
- Audit / Preparations Predications

WHO
WHEN
WHERE
HOW
?

Discussion

Thank You

ClarLynda Williams-DeVane

