

Program Budget Comparison

The following table summarizes the total proposed budget by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Budget Fiscal 2016	Budget Fiscal 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	5.00	5.00	5.00	5.00	5.00	5.00	0.00	0.00 %
Personal Services	273,890	506,820	517,896	518,265	780,710	1,036,161	255,451	32.72 %
Operating Expenses	7,852,221	10,792,776	7,999,981	8,458,958	18,644,997	16,458,939	(2,186,058)	(11.72)%
Grants	9,859,359	7,039,062	9,859,359	9,859,359	16,898,421	19,718,718	2,820,297	16.69 %
Total Costs	\$17,985,470	\$18,338,658	\$18,377,236	\$18,836,582	\$36,324,128	\$37,213,818	\$889,690	2.45 %
General Fund	1,988,770	2,837,618	2,097,044	2,339,117	4,826,388	4,436,161	(390,227)	(8.09)%
State/Other Special Rev. Funds	146,522	94,504	150,944	150,951	241,026	301,895	60,869	25.25 %
Federal Spec. Rev. Funds	15,850,178	15,406,536	16,129,248	16,346,514	31,256,714	32,475,762	1,219,048	3.90 %
Total Funds	\$17,985,470	\$18,338,658	\$18,377,236	\$18,836,582	\$36,324,128	\$37,213,818	\$889,690	2.45 %

Program Description

The Medicaid Systems Support Program works in conjunction with the state Medicaid director and division administrators by providing oversight and guidance on management of the Medicaid programs. It also oversees the Medicaid Management Information System (MMIS) contractor that is responsible for the processing and payment of Medicaid claims. The Medicaid and Health Services Branch Manager is attached to this program for budget purposes.

Program Highlights

Medicaid and Health Services Management Major Budget Highlights
<ul style="list-style-type: none"> • The 2017 Biennium budget includes: <ul style="list-style-type: none"> ◦ An increase in grants of almost \$3.0 million ◦ Present Law adjustments for the Montana Medicaid Management System (MMIS) of almost \$1.0 million ◦ Reductions in operating expenses of approximately \$2.0 million

Funding

The following table shows proposed program funding by source from all sources of authority.

69110 - Medicaid And Health Services Branch 12-Medicaid and Health Services Management

Medicaid and Health Services Branch, 12-Medicaid and Health Services Management Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	4,436,161	0	0	4,436,161	11.92 %	
02220 02 Indirect Activity Prog 12	301,895	0	0	301,895	100.00 %	
State Special Total	\$301,895	\$0	\$0	\$301,895	0.81 %	
03305 03 Indirect Activity Prog 12	12,757,028	0	0	12,757,028	39.28 %	
03580 6901-93.778 - Med Adm 50%	19,718,734	0	0	19,718,734	60.72 %	
Federal Special Total	\$32,475,762	\$0	\$0	\$32,475,762	87.27 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$37,213,818	\$0	\$0	\$37,213,818		

The majority of funding is federally based either from Medicaid or Indirect Activity from the Cost Allocation Plan (CAP). General fund decreases by almost \$400,000 over the biennium while state special increases by \$60,000 from indirect activity and CAP changes.

Budget Summary by Category

The following summarizes the total budget utilizing the FY 2015 Legislative base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	2,837,618	2,837,618	5,675,236	127.93 %	18,338,658	18,338,658	36,677,316	98.56 %
PL Adjustments	(740,574)	(498,501)	(1,239,075)	(27.93)%	38,578	497,924	536,502	1.44 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$2,097,044	\$2,339,117	\$4,436,161		\$18,377,236	\$18,836,582	\$37,213,818	

Present Law Adjustments -

The “Present Law Adjustments” table shows the changes from FY 2015 legislative appropriation to the budget proposed by the executive. PSPL adjusts all personal services. LGPL provides for adjustments to other expenditures such as operating expenses. Each is discussed in the narrative that follows. Total funds in the Present Law Adjustments table do not include proprietary funds budgeted in House Bill 2.

Present Law Adjustments	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 98 - LEG. Personal Services Present Law	0.00	(212,624)	16,204	207,496	11,076	0.00	(11,458)	1,297	21,606	11,445
DP 99 - LEG. Present Law	0.00	(527,950)	40,236	515,216	27,502	0.00	(487,043)	55,150	918,372	486,479
Grand Total All Present Law Adjustments	0.00	(\$740,574)	\$56,440	\$722,712	\$38,578	0.00	(\$498,501)	\$56,447	\$939,978	\$497,924

DP 98 - LEG. Personal Services Present Law -

This adjustment includes all personal services present law as requested by the executive. This includes the executive implementation of the pay plan, FTE reductions from HB 2 boiler plate, and benefit increases. The table below summarizes personal services present law (PSPL)

FY 2016					
	FTE	General Fund	State Special	Federal Special	Total Funds
CP 98 PSPL Item					
State Share Health Insurance	5.00	273	20	2,137	2,430
Executive Implementation of 2015 Pay Increase		1,045	77	8,172	9,294
Fully Fund 2015 Legislatively Authorized FTE		491	132	1,386	2,009
Other		(214,433)	15,975	195,801	(2,657)
Personal Services Present Law Adjustments	5.00	(212,624)	16,204	207,496	\$11,076

FY 2017					
	FTE	General Fund	State Special	Federal Special	Total Funds
CP 98 PSPL Item					
State Share Health Insurance	5.00	273	20	2,137	2,430
Executive Implementation of 2015 Pay Increase		1,045	77	8,172	9,294
Fully Fund 2015 Legislatively Authorized FTE		491	132	1,386	2,009
Other		(13,267)	1,068	9,912	(2,288)
Personal Services Present Law Adjustments	5.00	(11,458)	1,297	21,606	11,445

The table above shows the majority of personal adjustment for the 2015 biennium are due to state benefits and executive implementation of the pay plan. This includes full funding for all five positions. Currently there is one vacant position that is a program manager that is included in the executive request.

DP 99 - LEG. Present Law -

This adjustment includes all present law requests by the executive that are not related to personal services, including present law adjustments for inflation and fixed costs.

LFD COMMENT The legislative present law shows an increase of \$497,924 for FY 2017. A significant amount of the present law is related to Medicaid administration for the Montana Medicaid Information System (MMIS). DP 1212002 requests \$146,503 in FY 2016 and \$605,457 in FY 2017 to maintain services for MMIS. The Legislature may want to request summary of the MMIS expenditures related to this present law increase.