

Program Budget Comparison

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	5.00	5.00	5.00	5.00	5.00	5.00	0.00	0.00%
Personal Services	385,797	461,030	468,192	467,679	846,827	935,871	89,044	10.52%
Operating Expenses	7,975,646	7,429,555	8,137,054	10,792,776	15,405,201	18,929,830	3,524,629	22.88%
Grants	0	0	10,578,125	7,039,062	0	17,617,187	17,617,187	n/a
Total Costs	\$8,361,443	\$7,890,585	\$19,183,371	\$18,299,517	\$16,252,028	\$37,482,888	\$21,230,860	130.64%
General Fund	2,090,308	2,195,759	2,137,832	2,824,223	4,286,067	4,962,055	675,988	15.77%
State Special	87,925	39,755	91,668	93,007	127,680	184,675	56,995	44.64%
Federal Special	6,183,210	5,655,071	16,953,871	15,382,287	11,838,281	32,336,158	20,497,877	173.15%
Total Funds	\$8,361,443	\$7,890,585	\$19,183,371	\$18,299,517	\$16,252,028	\$37,482,888	\$21,230,860	130.64%

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.

Statutory reference: MCA 2-4-201

Administrative rules: ARM 37.1.101

Program Highlights

Medicaid and Health Services Management Major Budget Highlights	
<ul style="list-style-type: none"> ◆ 97.5% of the budget is operating expense related to IT services and systems development, while personal services make up only 2.5% ◆ The 131% increase in the budget is due to two main factors: <ul style="list-style-type: none"> • \$17 million in federal grants to fund IT initiatives related to health care records previously funded in the Health Resources Division. • An increase of \$0.7 million general fund and \$2.3 million federal funds for implementation of a new Medicaid Management Information System (MMIS) 	

Funding

The following table shows program funding by source of authority for the 2015 biennium as adopted by the legislature.

6911 - MEDICAID & HEALTH SERVICES BRANCH 12-MEDICAID & HEALTH SERVICES MANAGEMENT

Total Medicaid And Health Services Branch Funding by Source of Authority 2015 Biennium Budget - Medicaid And Health Services Management							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$4,962,055	\$0	\$0	\$4,962,055	13.2%		
State Special Total	\$184,675	\$0	\$0	\$184,675	0.5%		
02220 02 Indirect Activity Prog 12	\$184,675	\$0	\$0	\$184,675	0.5%		
Federal Special Total	\$32,336,158	\$0	\$0	\$32,336,158	86.3%		
03305 03 Indirect Activity Prog 12	\$14,718,971	\$0	\$0	\$14,718,971	39.3%		
03580 6901-93.778 - Med Adm 50%	\$17,617,187	\$0	\$0	\$17,617,187	47.0%		
Total All Funds	\$37,482,888	\$0	\$0	\$37,482,888	100.0%		
Percent - Total All Sources	100.0%	0.0%	0.0%				

General fund supports 13% of the funding for the biennium. State special funds derived from indirect charges on all programs within the Medicaid and Health Services branch account for less than 1% in the biennium. Federal revenues support 86% of the funding, including \$17 million in federal grants to fund federal IT initiatives related to health records.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	2,090,308	2,090,308	4,180,616	84.25%	8,361,443	8,361,443	16,722,886	44.61%
Statewide PL Adjustments	31,352	31,117	62,469	1.26%	83,807	83,119	166,926	0.45%
Other PL Adjustments	16,172	702,798	718,970	14.49%	159,996	2,815,893	2,975,889	7.94%
New Proposals	0	0	0	0.00%	10,578,125	7,039,062	17,617,187	47.00%
Total Budget	\$2,137,832	\$2,824,223	\$4,962,055		\$19,183,371	\$18,299,517	\$37,482,888	

Present Law Adjustments

The “Present Law Adjustments” table shows the changes to the base budget adopted by the legislature. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative.

6911 - MEDICAID & HEALTH SERVICES BRANCH 12-MEDICAID & HEALTH SERVICES MANAGEMENT

	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Present Law Adjustments										
Personal Services					101,904					101,368
Vacancy Savings					(19,509)					(19,486)
Inflation/Deflation					(4)					(3)
Fixed Costs					1,416					1,240
Total Statewide Present Law Adjustments		\$31,352	\$3,696	\$48,759	\$83,807		\$31,117	\$3,671	\$48,331	\$83,119
DP 50 - Initial Motion to FY 2012 Base	0.00	(31,352)	(929)	(61,752)	(94,033)	0.00	(31,117)	(3,671)	(48,331)	(83,119)
DP 51 - Adjustment for Statewide Personal Services	0.00	30,824	866	60,931	92,621	0.00	20,470	861	60,551	81,882
DP 52 - Adjustment for Statewide Operations	0.00	528	62	822	1,412	0.00	463	55	719	1,237
DP 53 - Base Funding Switch	0.00	175	48	(223)	0	0.00	10,338	2,797	(13,135)	0
DP 12101 - MMIS Maint. Contract	0.00	15,997	0	143,999	159,996	0.00	702,644	1,369	2,111,880	2,815,893
Total Other Present Law Adjustments	0.00	\$16,172	\$47	\$143,777	\$159,996	0.00	\$702,798	\$1,411	\$2,111,684	\$2,815,893
Grand Total All Present Law Adjustments	0.00	\$47,524	\$3,743	\$192,536	\$243,803	0.00	\$733,915	\$5,082	\$2,160,015	\$2,899,012

DP 50 - Initial Motion to FY 2012 Base - The legislature adopted a motion to establish the starting point for budget deliberations as the FY 2012 base. This adjustment removes statewide present law adjustments for personal services, vacancy savings, fixed costs, and inflation/deflation.

DP 51 - Adjustment for Statewide Personal Services - This adjustment funds statewide personal services and vacancy savings.

DP 52 - Adjustment for Statewide Operations - This adjustment establishes the fixed cost and inflation/deflation rates as approved by the General Government subcommittee.

DP 53 - Base Funding Switch - This adjustment establishes a fund switch between fund types to fund base operations.

DP 12101 - MMIS Maint. Contract - The legislature provided an increase in state and federal authority to support the implementation of the new Management Information System (MMIS) components. The department's new MMIS system is scheduled for implementation in FY 2015.

New Proposals

Program	-----Fiscal 2014-----					-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 12102 - Health Information Technology	12	0.00	0	0	10,578,125	10,578,125	0.00	0	0	7,039,062	7,039,062
Total	0.00	\$0	\$0	\$0	\$10,578,125	\$10,578,125	0.00	\$0	\$0	\$7,039,062	\$7,039,062

DP 12102 - Health Information Technology - This present law adjustment maintains services for the Federal Electronic Health Records initiatives. Prior funding was one-time-only.