

Total Medicaid And Health Services Branch Funding by Source of Authority  
2015 Biennium Budget -

Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$705,755,001	\$0	\$0	\$705,755,001	25.6%		
State Special Total	\$256,636,394	\$0	\$9,456,660	\$266,093,054	9.7%		
02023 Private Ins. Medicaid Reim.-ve	\$9,912,842	\$0	\$0	\$9,912,842	0.4%		
02032 Vets-i&i Lease	\$37,948	\$0	\$0	\$37,948	0.0%		
02034 Earmarked Alcohol Funds	\$12,569,375	\$0	\$3,821,174	\$16,390,549	0.6%		
02035 Mdc Vocational	(\$14,412)	\$0	\$0	(\$14,412)	0.0%		
02053 Medicaid Nursing Home Match	\$19,081,258	\$0	\$0	\$19,081,258	0.7%		
02142 Medicaid Third Party Revenue	\$1,604,792	\$0	\$0	\$1,604,792	0.1%		
02164 Mt Univ System Grad Med Ed	\$636,188	\$0	\$0	\$636,188	0.0%		
02220 02 Indirect Activity Prog 12	\$184,586	\$0	\$0	\$184,586	0.0%		
02260 Cigarette Tax Revenue	\$5,120,838	\$0	\$0	\$5,120,838	0.2%		
02310 Mdc Bond Repayment Revenue	\$0	\$0	\$1,968,416	\$1,968,416	0.1%		
02311 6901-02 Indrct Activty Prog 11	\$63,734	\$0	\$0	\$63,734	0.0%		
02384 02 Indirect Activity Prog 33	\$276,387	\$0	\$0	\$276,387	0.0%		
02394 Montana State Hospital Rev Acc	\$0	\$0	\$3,667,070	\$3,667,070	0.1%		
02497 6901-lien & Estate - Sltd	\$2,218,348	\$0	\$0	\$2,218,348	0.1%		
02597 Montana Healthy Kids Initiative	\$42,730,712	\$0	\$0	\$42,730,712	1.6%		
02691 6901-msh/doc Maint Agreement	\$277,486	\$0	\$0	\$277,486	0.0%		
02772 Tobacco Hlth & Mediced Initiative	\$78,209,709	\$0	\$0	\$78,209,709	2.8%		
02783 6901-traumatic Brain Injury Dn	\$7,994	\$0	\$0	\$7,994	0.0%		
02789 6901-chip/mcha Tobacco Sett Fd	\$7,606,161	\$0	\$0	\$7,606,161	0.3%		
02959 Emvh Clinic Rent	\$67,318	\$0	\$0	\$67,318	0.0%		
02987 Tobacco Interest	\$12,423,424	\$0	\$0	\$12,423,424	0.5%		
02989 69010-hospital Utilization Fee	\$45,007,976	\$0	\$0	\$45,007,976	1.6%		
02990 69010-nursing Home Utilization	\$18,613,730	\$0	\$0	\$18,613,730	0.7%		
Federal Special Total	\$1,781,846,737	\$0	\$0	\$1,781,846,737	64.7%		
03005 Emvh V-a Nursing Reimbursement	\$4,466,612	\$0	\$0	\$4,466,612	0.2%		
03073 Aging - Farmers Market	\$199,050	\$0	\$0	\$199,050	0.0%		
03112 Vets-v.a. Reimb	\$7,044,517	\$0	\$0	\$7,044,517	0.3%		
03171 Data Infrastructure Development	\$188,410	\$0	\$0	\$188,410	0.0%		
03193 Mippa Aaa	\$91,630	\$0	\$0	\$91,630	0.0%		
03202 Mippa Cms	\$127,244	\$0	\$0	\$127,244	0.0%		
03237 Alternative To Psych Treatment Fac	\$1,853,160	\$0	\$0	\$1,853,160	0.1%		
03279 Sltc Lifespan Respite	\$367,500	\$0	\$0	\$367,500	0.0%		
03305 03 Indirect Activity Prog 12	\$14,719,389	\$0	\$0	\$14,719,389	0.5%		
03387 Indv Disab Education Act Arra	\$529,529	\$0	\$0	\$529,529	0.0%		
03426 Chip Program Fed	\$147,785,599	\$0	\$0	\$147,785,599	5.4%		
03456 69010-aoa Aging One-stop Shop	\$144,972	\$0	\$0	\$144,972	0.0%		
03501 64.014 - Vets St. Domic Care 1	\$295,793	\$0	\$0	\$295,793	0.0%		
03505 93.150 - Mntal Hlth - Homeless	\$606,034	\$0	\$0	\$606,034	0.0%		
03507 93.958 - Mntal Hlth - Blk Grt	\$2,276,723	\$0	\$0	\$2,276,723	0.1%		
03508 93.959 - Adad - Blk Grt 100%	\$13,553,167	\$0	\$0	\$13,553,167	0.5%		
03511 Sw Mt Vet Home Cnstr	\$1,113,615	\$0	\$0	\$1,113,615	0.0%		
03514 10.570 - Elderly Feeding 100%	\$2,337,619	\$0	\$0	\$2,337,619	0.1%		
03515 93.041 - Elder Abuse Prev 100%	\$29,899	\$0	\$0	\$29,899	0.0%		
03516 93.042 - Ombudsman Activity 10	\$195,079	\$0	\$0	\$195,079	0.0%		
03517 93.043 - Preventive Hlth 100%	\$229,597	\$0	\$0	\$229,597	0.0%		
03518 93.044 - Aging Sup S & Train 1	\$3,782,872	\$0	\$0	\$3,782,872	0.1%		
03519 93.045 - Aging Meals 100%	\$6,927,946	\$0	\$0	\$6,927,946	0.3%		
03537 93.779 - Hlth Info Counseling	\$767,942	\$0	\$0	\$767,942	0.0%		
03556 84.181 - Part H - Early Interv	\$2,597,730	\$0	\$0	\$2,597,730	0.1%		
03563 Community Living	\$647,952	\$0	\$0	\$647,952	0.0%		
03579 93.667 - Ssbg - Benefits	\$8,085,218	\$0	\$0	\$8,085,218	0.3%		
03580 6901-93.778 - Med Adm 50%	\$41,610,506	\$0	\$0	\$41,610,506	1.5%		

03582 93.778 - Med Ben 100%	\$118,182,732	\$0	\$0	\$118,182,732	4.3%
03583 93.778 - Med Ben Fmap	\$1,391,711,936	\$0	\$0	\$1,391,711,936	50.5%
03599 03 Indirect Activity Prog 10	\$6,651,521	\$0	\$0	\$6,651,521	0.2%
03601 03 Indirect Activity Prog 33	\$510,544	\$0	\$0	\$510,544	0.0%
03611 6901-03 Indrct Activty Prog 11	\$573,656	\$0	\$0	\$573,656	0.0%
03666 Aging - Caregiver Iii-e	\$1,606,076	\$0	\$0	\$1,606,076	0.1%
03819 Mippa Adrc	\$34,968	\$0	\$0	\$34,968	0.0%
Total All Funds	\$2,744,238,132	\$0	\$9,456,660	\$2,753,694,792	100.0%
<b>Percent - Total All Sources</b>	<b>99.7%</b>	<b>0.0%</b>	<b>0.3%</b>		

**5% Base Budget Reduction Form**  
[17-7-111-3\(f\)](#)

**AGENCY CODE & NAME:**

		<b>Minimum Requirement</b>	
		<b>General Fund</b>	<b>State Special Revenue Fund</b>
<b>TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET</b>		\$ 3,607,898	\$ 41,687
		<b>General Fund Annual Reductions</b>	<b>State Special Revenue Annual Reductions</b>
<b>Priority</b>	<b>SERVICE(S) TO BE ELIMINATED OR REDUCED</b>		
<b>1</b>	Reduce Targeted Case Management for Children's Mental Health.	\$ 974,187	
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<b>10</b>			
	<b>TOTAL Reductions</b>	\$ 974,187	\$ -
	<b>DIFFERENCE</b>	\$ 2,633,711	\$ 41,687

Form A

# 5% Base Budget Reduction Form

## AGENCY CODE & NAME:

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Reduce Targeted Case Management for Children's Mental Health.

**#2 THE SAVINGS THAT ARE EXPECTED:**

General fund savings \$974,187 each year of the biennium with a corresponding annual loss of \$1.892 million federal Medicaid match.

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR**

The consequences of this significant reduction to TCM would be that fewer children and their families would receive face-to-face guidance. Referrals, choosing what services to receive, and paperwork would primarily become the responsibility of the family.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

Some children would qualify for Wraparound services which takes the place of case management.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

No - Provided with HB 2 funding and Administrative Rule

**Form B**

**5% Base Budget Reduction Form**  
[17-7-111-3\(f\)](#)

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 11**

		Minimum Requirement	
		General Fund	State Special Revenue Fund
<b>TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET</b>		\$ 5,472,085	\$ 1,434,218
		General Fund Annual Reductions	State Special Revenue Annual Reductions
<b>Priority</b>	<b>SERVICE(S) TO BE ELIMINATED OR REDUCED</b>		
1	Other Legal Settlements	\$ 4,536,912	
2	Pharmacy Savings w/State Maximum Allowable Costs Program (SMAC) for select drugs.	\$ 1,496,807	
3	Reduction for Dual Eligible Hospital Crossover Rates.	\$ 231,087	
4	Eliminate Hospital Provider Based Payments	\$ 937,087	
5	Elimination of Optional Medicaid Services	\$ 2,327,229	
6	Reduce Physician conversion factor from \$31.86 to \$29.85	\$ 1,145,381	
7	Cap Big Sky RX benefits to 3,800 clients		\$ 2,687,867
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	<b>TOTAL Reductions</b>	\$ 10,674,503	\$ 2,687,867
	<b>DIFFERENCE</b>	\$ (5,202,418)	\$ (1,253,649)

Form A

# 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 11**

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Other Legal Settlements

**#2 THE SAVINGS THAT ARE EXPECTED:**

General Fund savings of \$4,536,912.

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

This reduction is due to one-time settlement costs that the department had to paid due to court decisions.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED**

No impact on constituents.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

No

**Form B**

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 11**

- #1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**  
Pharmacy Savings w/State Maximum Allowable Costs Program (SMAC) for select drugs.
- #2 THE SAVINGS THAT ARE EXPECTED:**  
General Fund savings of \$1,496,807 are expected from enhanced SMAC contracting.
- #3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**  
This change decreases the price Medicaid pays for prescription drugs. It may result in the remote chance of inadvertent pricing reduction below actual acquisition rates for some pharmacies.
- #4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**  
The consequences above are expected to be mitigated by continuous review and monitoring and pricing adjustments as necessary.
- #5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**  
No

**Form B**

# 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 11**

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Reduction for Dual Eligible Hospital Crossover Rates.

**#2 THE SAVINGS THAT ARE EXPECTED:**

General Fund savings expected are \$231,344. Federal matching funds of approximately \$463,000 would also be lost.

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

Hospital providers would see reduced rates for inpatient services and access could erode. Inpatient services currently pay the full deductible and coinsurance for Medicare dual eligibles. This proposal would limit total payments from Medicare and Medicaid to the Medicaid rate.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED**

This change must be monitored to assure that impact to constituents is managed.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

No

**Form B**

# 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 11**

**#1**

**BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Elimination of Hospital Provider Based Payments

**#2**

**THE SAVINGS THAT ARE EXPECTED:**

General fund savings of \$937,087 per year. Corresponding federal matching funds of approximately \$1.874 million per year would be lost

**#3**

**THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

Based on the Medicare program, Medicaid makes separate payment to hospitals for the cost of facility based services provided by physicians in clinics owned and operated by the hospital. This change would eliminate the separate facility based payment to the hospital and reimburse practitioners employed in a hospital clinic at the same rate as a practitioner owned office. Elimination of this program would decrease Medicaid payments to hospitals and may result in a cost shift to other payment sources. Elimination might also decrease physician participation in Medicaid, there by reducing access for clients.

**#4**

**HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED**

This change must be monitored to assure that impact to constituents is mitigated to the extent possible.

**#5**

**WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

No

**Form B**

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 11**

- #1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**  
Elimination of Optional Medicaid Services
- #2 THE SAVINGS THAT ARE EXPECTED:**  
General Fund savings of \$2,327,229 per year. Federal funds would decrease approximately \$4.564 million per year, expected from removing optional services.
- #3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**  
Adult Medicaid beneficiaries would no longer receive services such as physical therapy, eyeglasses, dental, etc. This change could result in physical pain and suffering for clients. This change will also result in a cost shift to other service categories.
- #4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**  
Clients would likely seek care in hospitals and community health centers. These facilities may have limited capacity to serve them. Staff would have to analyze information to see if utilization of other services would increase due to this change and try to mitigate the consequences.
- #5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**  
Yes, both State and Federal changes would be required. Services in chapter 42 CFR and State statute changes in chapter 53-6 MCA.

**Form B**

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 11**

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Reduce physician conversion factor from \$31.86 to \$ 29.85

**#2 THE SAVINGS THAT ARE EXPECTED:**

General fund savings would be \$1,145,381 per year. Federal funds would decrease by approximately \$2.29 million per year.

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

The conversion factor is a component of the reimbursement formula used to reimburse physicians. This would result in decreased reimbursement to physicians increasing the risk that physicians may choose not to participate with Medicaid, which may reduce access for individuals covered by Medicaid. This change would not reduce scheduled rate increases to evaluation and management codes or vaccine administration fees required by the Affordable Care Act and funded through 2015 at 100% FFP.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED**

Impact and access to care will be monitored.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO: Yes**

Services are required under 42 CFR 447.200; payment rates must be consistent with economy and efficiency. Statute change required to 53-6-1254 through 127 MCA.

**Form B**

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 11**

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Reduce enrollment in Big Sky Rx: This proposal is reduce the number of covered lives in Big Sky Rx benefit by lowering the enrollment cap from the current 11,000 to 3,800 members. Big Sky Rx is a state funded program that supplements Medicare Part D premiums up to \$36.02 per month per client. The benefit is for clients up to 200% of the federal poverty level who are enrolled in a Part D plan. Currently 10,616 Montanans benefit from the program.

**#2 THE SAVINGS THAT ARE EXPECTED:**

Savings are estimated to be in state special revenue. This reduces costs by \$2,432,867 and 6,816 elderly Montanans will no longer be funded. The other changes would include a contract reduction of \$215,000 and \$40,000 in personal services.

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

This will increase out of pocket expenses for almost 6,816 clients of this program by about \$36.02 per month. Additionally, the client's loss of a Part D pharmacy benefit will cause full out of pocket expenditures for pharmaceuticals.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED**

The impact of this elimination would be mitigated by serving people at the lowest poverty level.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

This services is mandated by 53-6-1004. 53-6-1004 MCA created the Big Sky Rx program and would need to be amended. There is no federal requirement for this service

**Form B**

**5% Base Budget Reduction Form**  
[17-7-111-3\(f\)](#)

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 12**

		Minimum Requirement	
		General Fund	State Special Revenue Fund
<b>TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET</b>		\$ 104,515	\$ 4,396
Priority	<b>SERVICE(S) TO BE ELIMINATED OR REDUCED</b>	<b>General Fund Annual Reductions</b>	<b>State Special Revenue Annual Reductions</b>
1	Mandate all providers to move to EFT (Electronic Funds Transfer) and ESOR (Electronic Statement of Remittance)	\$ 24,680	\$ 320
2	Amendment 7 to the MMIS Contract would be terminated. This amendment provides an additional programmer to support the maintenance and enhancements required for the current MMIS system.	\$ 34,367	\$ 446
3	Amendment 9 to the MMIS Contract would be terminated. This amendment provides additional staffing and infrastructure to ensure that the backlog of claims inventory is maintained below 20,000.	\$ 45,468	\$ 3,630
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	<b>TOTAL Reductions</b>	<b>\$ 104,515</b>	<b>\$ 4,396</b>
	<b>DIFFERENCE</b>	<b>\$ -</b>	<b>\$ -</b>

Form A

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 12**

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Mandate all providers to move to EFT (Electronic Funds Transfer) and ESOR (Electronic Statement of Remittance)

**#2 THE SAVINGS THAT ARE EXPECTED:**

\$24,680 in General funds and \$320 in State Special Revenue with corresponding loss of \$75,000/year in Federal funds.

**#3**

**THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

Providers may have to print their own statements if they need a paper copy; also acquire a checking account or internet access to receive the information on the EFT and ESOR.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

The impact cannot be mitigated.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE &/OR FEDERAL STATUTE - YES OR NO: No**

*Form B*

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 12**

**#1 REDUCTION:**

Amendment 7 to the MMIS Contract would be terminated. This amendment provides an additional programmer to support the maintenance and enhancements required for the current MMIS system.

**#2 THE SAVINGS THAT ARE EXPECTED:**

\$34,367 in General funds and \$446 in State Special Revenue with corresponding loss of \$104,439/year in Federal funds.

**#3**

**THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

The Contractor will be unable to make changes to the system for state and/or federal mandates or resolve system issues in a timely fashion that could affect productivity and compliance.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

The impact cannot be mitigated.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE &/OR FEDERAL STATUTE - YES OR NO: No**

**Form B**

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 69010 DPHHS, HEALTH RESOURCES DIVISION PRGM 12**

**#1 REDUCTION:**

Amendment 9 to the MMIS Contract would be terminated. This amendment provides additional staffing and infrastructure to ensure that the backlog of claims inventory is maintained below 20,000.

**#2 THE SAVINGS THAT ARE EXPECTED:**

\$45,468 in General fund and \$3,630 in State Special Revenue with corresponding loss of \$147,294/year of Federal funds.

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

This will increase the number of claims waiting to be paid, which could reach as high as 60,000, resulting in payments not being made to providers in a timely fashion as required by Federal Regulations. It will also affect the Department's ability to conduct timely and accurate Medicaid projections for budgeting purposes.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

The impact cannot be mitigated.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE &/OR FEDERAL STATUTE - YES OR NO: No**

*Form B*

**5% Base Budget Reduction Form**  
[17-7-111-3\(f\)](#)

**AGENCY CODE & NAME: 6911 DPHHS, SENIOR AND LONG TERM CARE DIVISION  
 PRGM 22**

		Minimum Requirement	
		General Fund	State Special Revenue Fund
<b>TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET</b>		\$ 3,017,189	\$ 1,199,731
		General Fund Annual Reductions	State Special Revenue Annual Reductions
<b>Priority</b>	<b>SERVICE(S) TO BE ELIMINATED OR REDUCED</b>		
1	Operating Effeciencies MVH, Columbia Falls		\$ 250,000
2	Propose a reduction of \$12,500 of State Special Revenue from the equipment budget at Eastern Montana Veterans Home.		\$ 12,500
3	Propose a 5% (approximate) reduction in nursing facility funding through a combination of a rate reduction and an increase in the nursing home transition efforts program with a money follows the person approach.	\$ 2,396,746	
4		\$ 616,858	
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	<b>TOTAL Reductions</b>	\$ 3,013,604	\$ 262,500
	<b>DIFFERENCE</b>	\$ 3,585	\$ 937,231

Form A

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 6911 DPHHS, SENIOR AND LONG TERM CARE DIVISION  
PRGM 22**

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Reduce maintenance and equipment costs and Montana Veterans Home (MVH) in Columbia Falls.

**#2 THE SAVINGS THAT ARE EXPECTED:**

State Special Revenue of \$250,000

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR**

Montana Veterans Home in Columbia Falls will eliminate to defer maintenance and equipment costs. Deferred maintenance may result in higher costs in the future.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

MVH will prioritize maintenance and equipment repairs to have the least possible impact to patient health and safety.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

**Form B**

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 6911 DPHHS, SENIOR AND LONG TERM CARE DIVISION  
PRGM 22**

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Reduce equipment budget at Eastern Montana Veterans Home (EMVH) in Glendive.

**#2 THE SAVINGS THAT ARE EXPECTED:**

Savings of \$ 12,500 SSR- Cigarette Taxes

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR**

This will be a reduction to major non-patient related equipment costs by \$12,500 and will not impact resident care . The State contracts the operation of the facility so the resident related costs are the responsibility of the contractor. The state provides some additional funding for major repairs and maintenance activities at the facility and some major equipment purchases. This will decrease funding for major equipment purchases.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

EMVH will target non-patient related equipment rather that equipment used for patients.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO: NO**

**Form B**

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 6911 DPHHS, SENIOR AND LONG TERM CARE DIVISION PRGM  
22**

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

5% (approximate) reduction in private nursing facility funding.

**#2 THE SAVINGS THAT ARE EXPECTED:**

\$2,396,746 General funds/yr. with a corresponding decrease of approximately \$4.794 million in Federal funds/yr.

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

The majority of this reduction is achieved by decreasing nursing facility rates. Medicaid is the largest purchaser of nursing facility services in the state. If individual facilities rates are decreased, budgets will be cut, services will be reduced and some facilities may no longer take Medicaid residents. If facilities stop admitting Medicaid residents this could create a hardship on those seeking admission if they have to leave their communities to access this service. Second part of this reduction is moving 50 people into community based services. Historically we have been able to transition 40 individuals in a year, so it may be difficult to find 50 individuals that could be served and desire community placement.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

Department field staff will work with clients and families to access resources.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

Federal limitation: In general, 42 CFR 440.210 requires that Inpatient and outpatient hospital services, rural health clinic services, laboratory and x-ray services, nursing facility services for individual age 21 and older (other than Institutions for Mental Disease), EPSDT services, family planning services and supplies, physician services, nurse midwife and nurse practitioner services (to the extent of their scope of practice) and home health services be provided to its categorically needy clients. If the state includes medically needy individuals, it must provide prenatal and delivery services ambulatory services and home health services. These services are mandatory and elimination is not an option.

**Form B**

## 5% Base Budget Reduction Form

AGENCY CODE & NAME: 6911 DPHHS, SENIOR AND LONG TERM CARE DIVISION PRGM  
22

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

This proposal reduces: A) assisted living facility rates; B) self-direct personal assistance rates; C) rates paid to waiver teams; and D) the number of assisted living facility slots available to HCBS waiver clients.

**#2 THE SAVINGS THAT ARE EXPECTED:**

General fund is reduced \$616,858/yr. with a corresponding reduction in Federal funds of \$1,177,378/yr.

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

**Reduce Assisted Living Rates:** This reduction may result in providers discharging current residents or refusing to admit new residents.

**3% Reduction to SDPAS Rate:** This reduction may result in fewer hours of personal assistance and /or decrease access to personal assistance services if the hourly rate is decreased.

**1.3% Team Reduction:** Waiver teams will have to reduce cost plans or reduce the number of people served. The result is that either consumers are receiving less service some people may not be served.

**Reduction/ Conversion of Slots:** This would reduce the number of Assisted Living slots available to consumers and eliminate one opportunity to serve someone with extensive needs in the waiver program

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

Service reductions would be prioritized to impact the fewest number of clients.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE  
- YES OR NO: NO**

*Form B*

**5% Base Budget Reduction Form**  
[17-7-111-3\(f\)](#)

**AGENCY CODE & NAME:**

		Minimum Requirement		
		General Fund	State Special Revenue Fund	
<b>TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET</b>		\$ 3,031,259	\$ 351,773	\$ 3,383,032
		General Fund Annual Reductions	State Special Revenue Annual Reductions	
<b>Priority</b>	<b>SERVICE(S) TO BE ELIMINATED OR REDUCED</b>			
1	HB 130 Grants	\$ 205,858	\$ 415,511	
2	MHSP	\$ 1,390,999		
3	METH RTEC Program		\$ 75,000	
4	Montana State Hospital Operating	\$ 461,213		
5	MMHNCC	\$ 220,000		
6	MCDC		\$ 150,000	
7	Division Admin Pers Svcs FTE	\$ 213,975		
8				
9				
	<b>TOTAL Reductions</b>	\$ 2,492,045	\$ 640,511	\$ 3,132,556
	<b>DIFFERENCE</b>	\$ 539,214	\$ (288,738)	\$ 250,476

Form A

## 5% Base Budget Reduction Form

**AGENCY CODE & NAME: 6911 DPHHS, ADDICTIVE AND MENTAL DISORDERS  
PRGM 33**

**#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

The Addictive and Mental Disorders Division proposes to eliminate funding for the crisis diversion programs enacted in HB 130 and funded in HB2 by the 2009 legislature. This adjustment eliminates funding for the current grant awards. The total General Fund savings for this adjustment is \$205,858 and the total State Special Revenue is \$415,511 each year of the Biennium.

**#2 THE SAVINGS THAT ARE EXPECTED:**

Savings of \$205,858/yr. in General funds and \$415,511/yr. in State Special Revenue

**#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

The reduction impacts the number of counties that may be funded with matching grants for the development of community crisis and jail diversion programs. Number of clients who are jailed or seek emergency room services may increase.

**#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

Other mental health services will remain available but these will not fully meet the needs of either the clients or the counties.

**#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

NO. Development of matching grants to counties is provided in statute, subject to available funding.

**Form B**

**AGENCY CODE & NAME: 6911 DPHHS, ADDICTIVE AND MENTAL DISORDERS DIVISION  
PRGM 33**

**#1**

**BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Reduce Mental Health Service Plan (MHSP)

**#2**

**THE SAVINGS THAT ARE EXPECTED:**

General fund savings of \$1,390,999/yr.

**#3**

**THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

Mental health services for people with serious mental illnesses will be reduced. MHSP serves people who do not qualify for Medicaid but who are under 150% Federal Poverty Level and cannot afford to purchase mental health services for themselves. This reduction may increase admissions to local hospitals as well as MT State Hospital.

**#4**

**HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

Clients will be prioritized for treatment to mitigate the impacts on them.

**#5**

**WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

No. The services to be eliminated are not an entitlement. Program is expected to operate within Legislative appropriation.

**Form B**

**AGENCY CODE & NAME: 6911 DPHHS, ADDICTIVE AND MENTAL DISORDERS DIVISION  
PRGM 33**

- #1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**  
Reduce training and technical assistance by 5% for METH and CD providers.
- #2 THE SAVINGS THAT ARE EXPECTED:**  
State Special Revenue savings of \$75,000/yr.
- #3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**  
This reduction would reduce training for the development of standardized clinical and documentation reports. This ultimately affects clients but it is not a direct affect.
- #4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**  
Prioritize to have the least possible effect on providers.
- #5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**  
No. The services to be eliminated are not mandated by state or federal statute.

**Form B**

**AGENCY CODE & NAME: 6911 DPHHS, ADDICTIVE AND MENTAL DISORDERS DIVISION  
PRGM 33**

**#1**

**BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Reduce maintenance and equipment costs at Montana State Hospital(MSH).

**#2**

**THE SAVINGS THAT ARE EXPECTED:**

General Fund savings of \$461,213/yr.

**#3**

**THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

Reduction in Repair and Maintenance can have a significant impact on the facility. Necessary repairs would need to be delayed or eliminated. Deferred maintenance may result in higher costs in the future.

**#4**

**HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

MSH will prioritize maintenance and equipment repairs to ensure the least possible impact to patient health and safety.

**#5**

**WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

No. The services to be eliminated are not mandated by state or federal statute.

**Form B**

**AGENCY CODE & NAME: 6911 DPHHS, ADDICTIVE AND MENTAL DISORDERS DIVISION  
PRGM 33**

**#1**

**BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Reduce maintenance and equipment costs at Montana Mental Health Nursing Care Center (MMHNCC)

**#2**

**THE SAVINGS THAT ARE EXPECTED:**

General fund savings of \$220,000/yr.

**#3**

**THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

The reduction in Repairs and Maintenance may impact the ability to adequately maintain the building. The additional reduction in Supplies and Materials may impact our ability to replace damaged furniture, which could result in Licensure and Certification deficiencies.

**#4**

**HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

MMHNCC will prioritize maintenance and equipment repairs to ensure the least possible impact to patient health and safety.

**#5**

**WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**

No. The services to be eliminated are not mandated by state or federal statute.

**Form B**

**AGENCY CODE & NAME: 6911 DPHHS, ADDICTIVE AND MENTAL DISORDERS DIVISION  
PRGM 33**

**#1**

**BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**

Cut contracted services and reduce staffing levels at Montana Chemical Dependency Center (MCDC).

**#2**

**THE SAVINGS THAT ARE EXPECTED:**

State Special Revenue savings of \$150,000/yr.

**#3**

**THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**

Reduced contracted services and FTE(2) would affect treatment for clients negatively. It may result in fewer clients being served, depending on the acuity level of the clients.

**#4**

**HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

MCDC will prioritize services and staffing levels to lessen the impact to the clients.

**#5**

**WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE -  
YES OR NO:**

No. The services to be eliminated are not mandated by state or federal statute.

**AGENCY CODE & NAME: 6911 DPHHS, ADDICTIVE AND MENTAL DISORDERS DIVISION**

**#1**

**BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR ELIMINATION OR REDUCTION:**  
Reduce central office staff at the Addictive and Mental Disorder Division

**#2**

**THE SAVINGS THAT ARE EXPECTED:**  
General fund savings of \$213,975/yr.

**#3**

**THE CONSEQUENCES OR IMPACTS OF THE PROPOSED ELIMINATION OR REDUCTION:**  
Reduce the services provided to state facilities and community partners by central office staff.

**#4**

**HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED:**

Service will be prioritized to mitigate the effect on the state facilities and community partners.

**#5**

**WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:**  
No. The services to be eliminated are not mandated by state or federal statute.

**Department of Public Health and Human Services  
Medicaid and Health Services Branch  
Medicaid and Health Services Management Program (MHSM)  
2015 Biennium Goals and Objectives**

**Guiding Principles:**

- Sustainability
- Efficiency
- Effectiveness

**Themes:**

- Government Efficiency
- Health Care Access

**MHSM Goal:**

- Assure necessary healthcare is available to all eligible Montanans

**MHSM Objectives:**

- Maintain systems to accurately and adequately pay for healthcare services
- Finance healthcare for low income Montanans in accordance with state and federal directives
- Reimburse Medicaid, Mental Health Services Plan and Healthy Montana kids within the required state and federal timelines

**Measurements:**

- Modifications are implemented that maintain access and prevent adverse findings from program reviews.
- The Fiscal Agent contract is monitored to ensure compliance with prompt payment requirements.

**Department of Public Health and Human Services  
Medicaid and Health Services Branch  
Developmental Services Division (DSD)  
2015 Biennium Goals and Objectives**

**Guiding Principles:**

- Sustainability
- Efficiency
- Effectiveness

**Themes:**

- Community Based Services
- Family/Individual Self Sufficiency
- Government Efficiency

**DSD Goal:**

- To continuously improve services that help Montanans with disabilities to live, work and fully participate in their communities.

**DSD Objectives:**

- Continually work to maintain an effective system of community based services for persons with disabilities and children with serious emotional disturbance while emphasizing informed consumer choice
- Improve, strengthen and protect the well-being and self-reliance of individuals served at the Montana Developmental Center in an environment of respect and dignity
- Increase the number of individuals in integrated employment and number of individuals self-directing their supports and services

**Measurements:**

Through review and analysis, the division determines whether:

- DSD Medicaid increases opportunities for integrated employment, self-directed, and wraparound services.
- The infrastructures of MDC and community based providers are continuously improved.
- Services are provided to new individuals on the developmental disabilities waiting list, including those who are transitioning from school to adult life, as funding permits.

**Department of Public Health and Human Services  
Medicaid and Health Services Branch  
Health Resources Division (HRD)  
2015 Biennium Goals and Objectives**

**Guiding Principles:**

- Sustainability
- Efficiency
- Effectiveness

**Themes:**

- Health Care Access

**HRD Goal:**

- Assure necessary healthcare is available to all eligible Montanans

**HRD Objectives:**

- Reduce the number of uninsured Montana children
- Maintain systems to accurately and adequately pay for healthcare services
- Maintain adequate access to medical services for Medicaid
- Finance healthcare for low income Montanans in accordance with state and federal directives.

**Measurements:**

Through review and analysis, the division determines whether:

- The number of low to moderate income Montana children enrolled in the Healthy Montana Kids program is increased.
- Modifications that maintain access and prevent adverse findings from program reviews are implemented.
- Provider networks are monitored and maintained at current levels with priorities for primary care providers
- Favorable outcomes in program and financial reviews and audits are maintained.
- Approved amendments to state Medicaid plans and waivers are maintained.

**Department of Public Health and Human Services  
Medicaid and Health Services Branch  
Senior and Long Term Care Division (SLTCD)  
FY 2015 Biennium Goals and Objectives**

**Guiding Principles:**

- Sustainability
- Efficiency
- Effectiveness

**Themes:**

- Community based services
- Family economic self sufficiency

**SLTCD Goal:**

- Advocate for and promote dignity and independence for older Montanans and Montanans with disabilities.

**SLTCD Objectives:**

- Increase the ability of Montanans to prepare to meet their own long term care needs, or the long term care needs of a relative or a friend.
- Ensure high quality publicly funded long term care services are available.
- Support Montanans in their desire to stay in their own homes or live in smaller community based residential settings for as long as possible.
- Protect senior citizens and people with disabilities who are at risk of abuse, neglect and exploitation while maintaining maximum independence and self-determination.
- Develop and provide efficient, effective, high quality nursing facility services to Montana veterans.

**Measurements:**

- Maintain a coordinated continuing education program to inform Montanans about long term care issues and options emphasizing the need for planning and personal responsibility.
- Maintain the number of home delivered meals and caregivers receiving support services, such as, respite through aging services network.
- The number of Montanans age 65 or older who live at home or in small community alternatives is maintained through rebalancing efforts using home and community based services.
- Abuse prevention activities are supported through development of chapters on prevention of elder abuse while reducing state held guardianships.
- Licensure and certification standards for nursing facility services under federal and state, as well as, veterans' administrations guidelines, are met.

**Department of Public Health and Human Services  
Medicaid and Health Services Branch  
Addictive and Mental Disorders Division (AMDD)  
2015 Biennium Goals and Objectives**

**Guiding Principles**

- Sustainability
- Efficiency
- Effectiveness

**Themes**

- Community-based services
- Systems of care
- Public safety

**AMDD Goal**

- Provide services in appropriate settings that sustain and improve the lives of individuals with mental illness and addictive disorders

**AMDD Objectives**

- Support a community-based system of care for adults
- Provide and reimburse effective prevention and treatment that enables sustainable recovery in communities
- Improve outcomes for individuals with serious mental illness and co-occurring substance use disorders

**Measurement**

- Through review and analysis, the division determines whether direction and support is given to providers for delivery of recovery-focused services.