

### Program Budget Comparison

The following table summarizes the total executive 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	354.91	354.91	360.91	360.91	354.91	360.91	6.00	1.69%
Personal Services	17,724,714	18,459,326	19,047,778	19,007,204	36,184,040	38,054,982	1,870,942	5.17%
Operating Expenses	6,406,307	5,632,350	6,524,840	6,543,454	12,038,657	13,068,294	1,029,637	8.55%
Grants	0	400,941	0	0	400,941	0	(400,941)	(100.00%)
Benefits & Claims	204,865,266	214,398,460	233,239,871	246,858,149	419,263,726	480,098,020	60,834,294	14.51%
<b>Total Costs</b>	<b>\$228,996,287</b>	<b>\$238,891,077</b>	<b>\$258,812,489</b>	<b>\$272,408,807</b>	<b>\$467,887,364</b>	<b>\$531,221,296</b>	<b>\$63,333,932</b>	<b>13.54%</b>
General Fund	72,165,391	75,814,375	81,799,216	85,821,775	147,979,766	167,620,991	19,641,225	13.27%
State Special	6,664,233	5,607,178	6,664,233	6,664,233	12,271,411	13,328,466	1,057,055	8.61%
Federal Special	150,166,663	157,469,524	170,349,040	179,922,799	307,636,187	350,271,839	42,635,652	13.86%
<b>Total Funds</b>	<b>\$228,996,287</b>	<b>\$238,891,077</b>	<b>\$258,812,489</b>	<b>\$272,408,807</b>	<b>\$467,887,364</b>	<b>\$531,221,296</b>	<b>\$63,333,932</b>	<b>13.54%</b>

### Program Description

The Developmental Services Division (DSD) assists Montanans with disabilities and children with mental health needs to live, work, and participate in their communities. The division includes the Developmental Disabilities Program, the Montana Developmental Center, and the Children's Mental Health Bureau. The division provides or contracts for institutional care, inpatient care, residential services, home and community based services, and case management.

The Developmental Disabilities Program operates three home and community based Medicaid waivers, the state's IDEA early intervention program, and the state facility for behavioral treatment at the Montana Developmental Center in Boulder. These services include transportation, residential and work habilitation, adaptive equipment, and some medical services not covered by the state Medicaid plan.

The Children's Mental Health Bureau manages a continuum of services to address the needs of youth with serious emotional disturbance and their families. These services are funded by Medicaid and offered by Medicaid enrolled providers. In addition, the bureau builds linkages to other child serving agencies to support the development of a system of care for youth.

Statutory Title 53, MCA, 29 U.S.C. 721 et. seq., 29 U.S.C. 796, et. seq., 29 U.S.C. 774, 29 U.S.C. 777b, 29 U.S.C. 2201 et. seq., 42 U.S.C. 75, 6602, 72 U.S.C. 1300, 42 CFR 441.302(b), 42 CFR 441.302(g), 45 CFR 74.62, and 34 CRF Part 303.

**Program Highlights**

<b>Disability Services Division Major Budget Highlights</b>	
<ul style="list-style-type: none"> <li>◆ Major factors driving growth in expenditures are::                             <ul style="list-style-type: none"> <li>• Caseload adjustments for core services children’s mental health - \$18.6 million (\$7.6 million general fund)</li> <li>• Expansion of waivers for children’s mental health and developmental disabilities program - \$27.8 million (\$9.4 million general fund)</li> <li>• Expansion of community based youth mental health services - \$12.4 million federal funds</li> <li>• Proposed increase in provider rates - \$11.7 million (\$3.7 million general fund)</li> <li>• Request for overtime, holiday and pay differential for the Montana Developmental Center - \$0.89 million general fund.</li> <li>• Proposed increase of 6.00 FTE to provide services related to children’s mental health waivers - \$0.75 million (\$0.38 million general fund)</li> <li>• Statewide present law adjustments – \$1.2 million</li> </ul> </li> </ul>	

**Funding**

The following table shows program funding by source, for the base year and the 2015 biennium as recommended by the Governor.

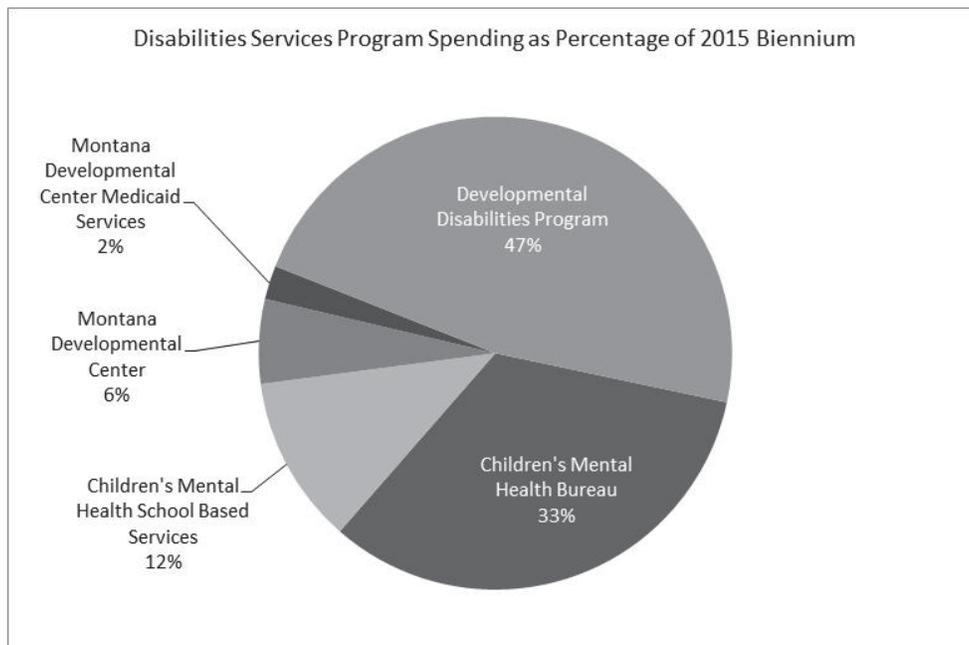
Total Medicaid And Health Services Branch Funding by Source of Authority 2015 Biennium Budget - Developmental Services Division							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$167,620,991	\$0	\$0	\$167,620,991	31.4%		
State Special Total	\$13,328,466	\$0	\$1,968,416	\$15,296,882	2.9%		
02035 Mdc Vocational	(\$14,412)	\$0	\$0	(\$14,412)	0.0%		
02310 Mdc Bond Repayment Revenue	\$0	\$0	\$1,968,416	\$1,968,416	0.4%	17-7-502	Direct
02597 Montana Healthy Kids Initiative	\$2,309,508	\$0	\$0	\$2,309,508	0.4%		
02772 Tobacco Hlth & Medicd Initiative	\$9,366,266	\$0	\$0	\$9,366,266	1.8%		
02987 Tobacco Interest	\$1,667,104	\$0	\$0	\$1,667,104	0.3%		
Federal Special Total	\$350,271,839	\$0	\$0	\$350,271,839	65.7%		
03237 Alternative To Psych Treatment Fac	\$1,853,160	\$0	\$0	\$1,853,160	0.3%		
03387 Indv Disab Education Act Arra	\$529,529	\$0	\$0	\$529,529	0.1%		
03556 84.181 - Part H - Early Interv	\$2,597,730	\$0	\$0	\$2,597,730	0.5%		
03579 93.667 - Ssbj - Benefits	\$7,485,216	\$0	\$0	\$7,485,216	1.4%		
03580 6901-93.778 - Med Adm 50%	\$5,777,295	\$0	\$0	\$5,777,295	1.1%		
03599 03 Indirect Activity Prog 10	\$6,651,521	\$0	\$0	\$6,651,521	1.2%		
Total All Funds	\$531,221,296	\$0	\$1,968,416	\$533,189,712	100.0%		
<b>Percent - Total All Sources</b>	<b>99.6%</b>	<b>0.0%</b>	<b>0.4%</b>				

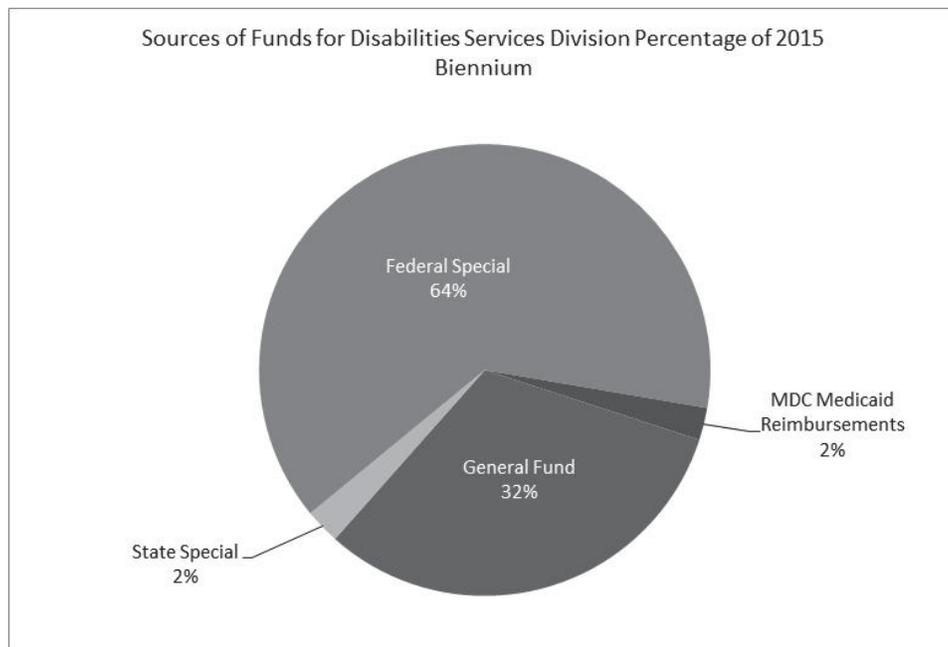
The division is organized into five major programs. Spending and funding sources are shown below.

- 1) Children’s Mental Health Bureau (CMHB) - CMHB is responsible for providing mental health services for youth enrolled in Medicaid. CMHB also administers school-based services. It is funded almost entirely with federal Medicaid funds and associated matching state funds at FMAP.

- 2) Montana Developmental Center (MDC) - MDC is the State of Montana facility for seriously developmentally disabled persons. MDC is the institution of last resort for civil and criminal commitments. MDC is entirely funded with general fund. Eligible services are billed to Medicaid, the federal match for these services are captured in sub program 05.
- 3) Developmental Disabilities Program (DDP) - DDP contracts with private and non-profit organizations to provide services to individuals with developmental disabilities. DDP is funded mostly with federal Medicaid funds and associated matching state funds at the FMAP. DDP also receives funding from federal Social Services block grants.
- 4) Children’s Mental Health School Based Services – This function provides Comprehensive School and Community Treatment (CSCT), a school based mental health service providing mental health services for SED youth. It is administered by the CMHB and is funded with federal Medicaid dollars that are matched by local school district funds.
- 5) MDC Medicaid Services – Clients of the MDC may be eligible for Medicaid services. MDC bills Medicaid for these services, the federal matching funds are captured in this program. These revenues must first be applied to MDC bond payments with the balance going to the state general fund.

The following charts show the total division funding by program and total funding by source in the 2015 biennium.





The division also administers three Medicaid waiver programs

- The Comprehensive Services waiver typically serves 2,100 persons. Currently there are 905 people on the waiting list. The average cost is about \$37,000 per person per year, while cost plans ranged as high as \$200,000 per person per year and as low as \$10,000 per person per year.
- Community Supports waiver typically serves 310 persons with a waiting list of about 106. Cost per person is capped at \$7,800 with an average cost of \$5,750 per person per year.
- Children's Autism Waiver is limited to 50 children between 15 months and 7 years old; children are served for a maximum of three years. Currently 72 children are on the waiting list. The average cost plan is \$43,000 per child per year.

The figure below provides a breakdown of benefits and claims for both years of the 2015 biennium.

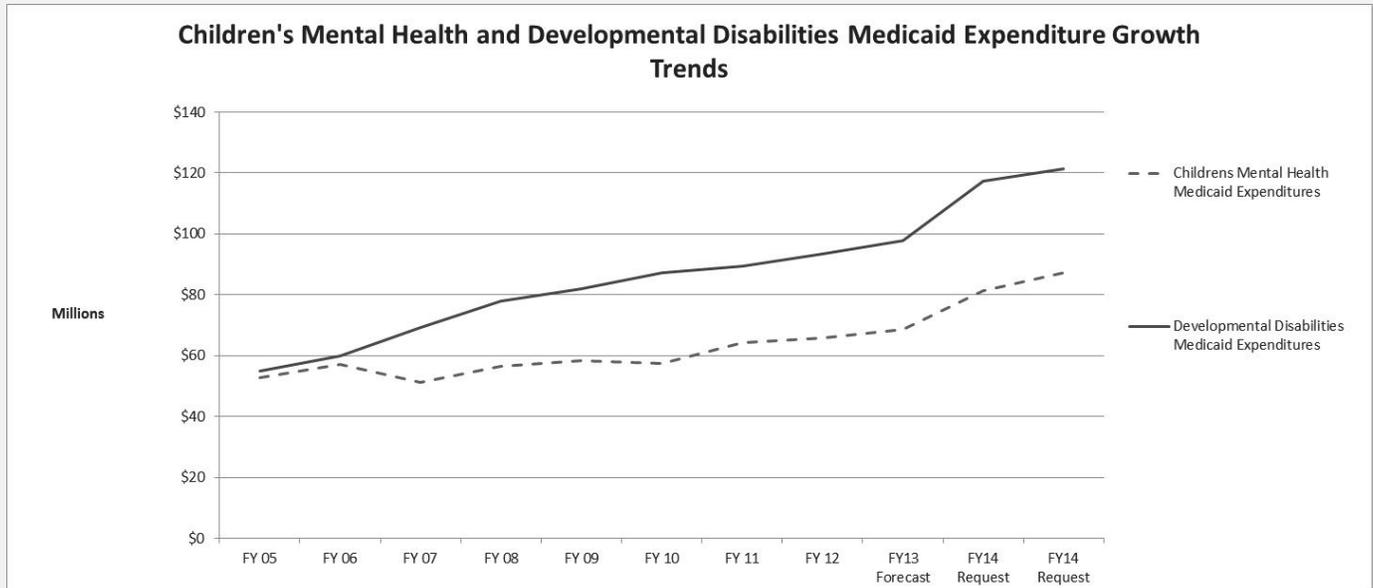
Disability Services Division Summary of Benefits and Claims by Funding Source												
Description	FY2012 Base Budget				FY2014 Request				FY2015 Request			
	General Fund	State Special	Federal Special	Total Funds	General Fund	State Special	Federal Special	Total Funds	General Fund	State Special	Federal Special	Total Funds
Benefits and Claims												
Children's Mental Health Benefits and Grants	\$781,375	\$0	\$212,709	\$994,084	\$801,338	\$0	\$212,628	\$1,013,966	\$821,617	\$0	\$212,628	\$1,034,245
Medicaid Children's Mental Health	20,344,709	3,129,309	46,022,105	69,496,123	24,375,867	3,129,309	52,671,772	80,176,948	26,836,186	3,129,309	56,342,491	86,307,986
DD Benefits	867,201		3,529,980	4,397,181	955,145		3,529,980	4,485,125	1,044,847		3,529,980	4,574,827
Medicaid Comprehensive Waiver	26,688,450	2,942,130	58,660,212	88,290,792	30,654,787	2,942,130	66,035,109	99,632,026	32,006,823	2,942,130	68,529,793	103,478,746
Medicaid DD Community Service Waiver	615,572		1,206,609	1,822,181	696,638		1,359,608	2,056,246	724,643		1,410,993	2,135,636
Medicaid DD Autism Waiver	450,403		883,276	1,333,679	509,764		995,231	1,504,995	530,259		1,032,842	1,563,101
Medicaid DD Targeted Case Management	1,156,523		2,267,201	3,423,724	1,366,449		2,614,660	3,981,109	1,436,048		2,694,229	4,130,277
Medicaid DD Administration	563,912		638,460	1,202,372	524,105		678,268	1,202,372	524,105		678,268	1,202,372
DD IDEA Early Intervention	2,204,273	600,000	1,563,235	4,367,508	2,204,273	600,000	1,563,235	4,367,508	2,204,273	600,000	1,563,235	4,367,508
MDC Medicaid			6,137,361	6,137,361			6,137,361	6,137,361			6,137,361	6,137,361
Children's Mental Health School Based Services			23,400,261	23,400,261			28,682,215	28,682,215			\$31,926,090	\$31,926,090
<b>Total Benefits and Claims</b>	<b>\$53,672,418</b>	<b>\$6,671,439</b>	<b>\$144,521,409</b>	<b>\$204,865,266</b>	<b>\$62,088,366</b>	<b>\$6,671,439</b>	<b>\$164,480,067</b>	<b>\$233,239,871</b>	<b>\$66,128,801</b>	<b>\$6,671,439</b>	<b>\$174,057,910</b>	<b>\$246,858,149</b>

**LFD COMMENT** Medicaid expenditures for children’s mental health and disabilities services have increased at an annual rate of 4.3% since FY 2009; the budget request reflects an anticipated annual growth rate of 9.4% from FY 2012 to FY 2014. Three factors are driving this accelerated growth:

- About 24 eligible clients were moved from MDC to Medicaid funded community based services and \$2.5 million of this impact to Medicaid was not captured in the base budget
- The previous legislature approved efforts to switch funding from general fund to Medicaid funding where possible (refinancing). This decision point required persons who had not applied or who were not previously eligible for Medicaid services to shift from services funded by the general fund to services funded by Medicaid. This decision affected over 300 individuals with a net impact to Medicaid expenditures of \$6.0 million
- An increase in targeted case management caseload impacted Medicaid expenditures by \$0.4 million.

**LFD  
COMMENT CONT.**

The following figure illustrates. growth rates for FY 2014 and beyond are anticipated to return to rates experienced prior to FY 2012.



*Personal Services*

- The agency experienced an overall vacancy savings rate comparing utilized hours to budgeted hours of 6.9% compared to the budgeted 4%
  - There are 24.69 FTE currently vacant positions Two positions have been vacant for more than one year
  - Eleven positions have been vacant for more than six months
- Employees of this division received the general pay adjustments provided to all employees of the agency (discussed in the Summary section of this narrative). In total, 449 pay adjustments have been made in the 2013 biennium costing approximately \$0.86 million, including \$0.7 million for the general pay increase
- For the 2015 biennium personal services expenses are budgeted for persons involved in the following functions:
  - Operations 72%
  - Administration 20%
  - Facilities maintenance 6%

The remaining 2% is overtime and holiday/differential pay for employees in all functions

- New proposals in Children’s Mental Health add 6.00 FTE Human Service specialists (DP 10208)
- In the FY 2015 biennium about 11% of personal services costs are funded with federal funds, while 89% are funded with general fund

**6911 - MEDICAID AND HEALTH SERVICES BRANCH 10-DEVELOPMENTAL SERVICES DIVISION**

**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	72,165,391	72,165,391	144,330,782	86.11%	228,996,287	228,996,287	457,992,574	86.22%
Statewide PL Adjustments	534,135	490,731	1,024,866	0.61%	597,433	542,631	1,140,064	0.21%
Other PL Adjustments	7,696,221	10,514,928	18,211,149	10.86%	24,978,010	34,689,382	59,667,392	11.23%
New Proposals	1,403,469	2,650,725	4,054,194	2.42%	4,240,759	8,180,507	12,421,266	2.34%
<b>Total Budget</b>	<b>\$81,799,216</b>	<b>\$85,821,775</b>	<b>\$167,620,991</b>		<b>\$258,812,489</b>	<b>\$272,408,807</b>	<b>\$531,221,296</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “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 descriptions.

Present Law Adjustments	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					1,321,700					1,265,429
Vacancy Savings					(761,853)					(759,599)
Inflation/Deflation					(23,028)					(12,516)
Fixed Costs					60,614					49,317
<b>Total Statewide Present Law Adjustments</b>		<b>\$534,135</b>	<b>\$0</b>	<b>\$63,298</b>	<b>\$597,433</b>		<b>\$490,731</b>	<b>\$0</b>	<b>\$51,900</b>	<b>\$542,631</b>
DP 10102 - MDC Medical Inflation	0.00	12,771	0	0	12,771	0.00	19,445	0	0	19,445
DP 10201 - Med Ben Core Services Caseload Children's MH	0.00	3,024,142	0	4,508,699	7,532,841	0.00	4,571,317	0	6,446,581	11,017,898
DP 10202 - Med Ben Waiver Services Caseload Dev Dis	0.00	4,103,138	0	8,061,516	12,164,654	0.00	5,266,621	0	10,324,321	15,590,942
DP 10203 - Med Ben Federal Only Caseload Dev Dis	0.00	0	0	4,813,949	4,813,949	0.00	0	0	7,580,458	7,580,458
DP 10301 - Required Overtime/Holiday/Differential MDC	0.00	435,888	0	0	435,888	0.00	450,007	0	0	450,007
DP 10401 - Med Ben Waiver FMAP Dev Dis	0.00	146,700	0	(146,700)	0	0.00	194,135	0	(194,135)	0
DP 10402 - Med Ben Core FMAP Children's MH	0.00	(32,976)	0	32,976	0	0.00	1,772	0	(1,772)	0
DP 10501 - Private Lease Adjustment	0.00	6,558	0	11,349	17,907	0.00	11,631	0	19,001	30,632
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$7,696,221</b>	<b>\$0</b>	<b>\$17,281,789</b>	<b>\$24,978,010</b>	<b>0.00</b>	<b>\$10,514,928</b>	<b>\$0</b>	<b>\$24,174,454</b>	<b>\$34,689,382</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$8,230,356</b>	<b>\$0</b>	<b>\$17,345,087</b>	<b>\$25,575,443</b>	<b>0.00</b>	<b>\$11,005,659</b>	<b>\$0</b>	<b>\$24,226,354</b>	<b>\$35,232,013</b>

**6911 - MEDICAID AND HEALTH SERVICES BRANCH      10-DEVELOPMENTAL SERVICES DIVISION**

**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 10208 - Children's Mental Health Waiver as State Plan	10	6.00	188,799	0	188,799	377,598	6.00	188,461	0	188,461	376,922
DP 10901 - DD Medicaid Provider Rate Increase	10	0.00	638,857	0	1,258,551	1,897,408	0.00	1,295,474	0	2,537,290	3,832,764
DP 10902 - DDP Non-Medicaid Provider Rate Increase	10	0.00	87,944	0	0	87,944	0.00	177,646	0	0	177,646
DP 10903 - PRI - CMH Medicaid Core	10	0.00	467,987	0	921,935	1,389,922	0.00	948,983	0	1,858,660	2,807,643
DP 10904 - CMH Non-Medicaid Provider Rate Increase	10	0.00	19,882	0	0	19,882	0.00	40,161	0	0	40,161
DP 10905 - CMH 100% Federal Medicaid Provider Rate Increase	10	0.00	0	0	468,005	468,005	0.00	0	0	945,371	945,371
<b>Total</b>	<b>6.00</b>	<b>\$1,403,469</b>	<b>\$0</b>	<b>\$2,837,290</b>	<b>\$4,240,759</b>	<b>6.00</b>	<b>\$2,650,725</b>	<b>\$0</b>	<b>\$5,529,782</b>	<b>\$8,180,507</b>	

**Sub-Program Details**

**CHILDREN'S MENTAL HEALTH SERVICES 01**

**Sub-Program Proposed Budget**

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

Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	19.15	0.00	6.00	25.15	0.00	6.00	25.15	25.15
Personal Services	1,244,056	(72,771)	327,329	1,498,614	(70,824)	326,653	1,499,885	2,998,499
Operating Expenses	2,034,815	8,915	50,269	2,093,999	8,328	50,269	2,093,412	4,187,411
Benefits & Claims	70,490,207	9,290,903	1,409,804	81,190,914	14,004,220	2,847,804	87,342,231	168,533,145
<b>Total Costs</b>	<b>\$73,769,078</b>	<b>\$9,227,047</b>	<b>\$1,787,402</b>	<b>\$84,783,527</b>	<b>\$13,941,724</b>	<b>\$3,224,726</b>	<b>\$90,935,528</b>	<b>\$175,719,055</b>
General Fund	22,209,524	3,565,123	676,668	26,451,315	5,558,038	1,177,605	28,945,167	55,396,482
State/Other Special	3,129,309	0	0	3,129,309	0	0	3,129,309	6,258,618
Federal Special	48,430,245	5,661,924	1,110,734	55,202,903	8,383,686	2,047,121	58,861,052	114,063,955
<b>Total Funds</b>	<b>\$73,769,078</b>	<b>\$9,227,047</b>	<b>\$1,787,402</b>	<b>\$84,783,527</b>	<b>\$13,941,724</b>	<b>\$3,224,726</b>	<b>\$90,935,528</b>	<b>\$175,719,055</b>

**Sub-Program Description**

The Children's Mental Health Bureau (CMHB) administers mental health services for children, including Medicaid funded services, an expanded mental health benefit program in HMK for seriously emotionally disturbed (SED) children, and very limited services supported by general fund. The expanded mental health benefit program in HMK is limited to 130 children and budgeted in the Health Resources Division.

Seriously emotionally disturbed youth eligible for Medicaid services have access to a continuum of mental health services if they meet requirements of medical necessity. The costs of the Medicaid services are included in either the Health Resource Division or the Disability Services Division proposed budgets.

It is DSD's policy to serve youth in the least restrictive setting appropriate to the youth's needs. Basic outpatient mental health services are provided by licensed mental health professionals, including psychologists, social workers, and professional counselors. Medical providers such as advanced practice nurses, psychiatrists, or primary care doctors also provide mental health services. These professionals are often the first to interact with the child and his/her family at the

onset of symptoms. The annual costs for individually licensed mental health professionals is in the DSD budget while the costs of medical providers and medications are included in the Health Resource Division budget.

Next in the continuum of care for youth with SED and his/her family are mental health center outpatient services. These include individual, group, and family therapy provided in a clinic setting, psychotropic medication management, target youth case management, youth day treatment, community-based psychiatric rehabilitation and support services, comprehensive school and community treatment, and therapeutic family care. These services are provided when a youth's symptoms cannot be managed successfully with limited therapies and medication. The youth continues to reside with his/her family but both the child and the family receive increased services through the mental health center. The majority of the costs included in this category of services are included in the Children's Mental Health Bureau budget.

In addition to the services provided above is the cost of Comprehensive School and Community Treatment (CSCT). This is a school based service that provides mental health services for SED youth using local school resources to match Medicaid dollars. For a more detailed description see that subprogram in this narrative.

**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	22,209,524	22,209,524	44,419,048	80.18%	73,769,078	73,769,078	147,538,156	83.96%
Statewide PL Adjustments	1,952	15,544	17,496	0.03%	(63,856)	(62,496)	(126,352)	(0.07%)
Other PL Adjustments	3,563,171	5,542,494	9,105,665	16.44%	9,290,903	14,004,220	23,295,123	13.26%
New Proposals	676,668	1,177,605	1,854,273	3.35%	1,787,402	3,224,726	5,012,128	2.85%
<b>Total Budget</b>	<b>\$26,451,315</b>	<b>\$28,945,167</b>	<b>\$55,396,482</b>		<b>\$84,783,527</b>	<b>\$90,935,528</b>	<b>\$175,719,055</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "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 descriptions.

Present Law Adjustments	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(23,967)					(21,940)
Vacancy Savings					(48,804)					(48,884)
Inflation/Deflation					(125)					(21)
Fixed Costs					9,040					8,349
<b>Total Statewide Present Law Adjustments</b>		<b>\$1,952</b>	<b>\$0</b>	<b>(\$65,808)</b>	<b>(\$63,856)</b>		<b>\$15,544</b>	<b>\$0</b>	<b>(\$78,040)</b>	<b>(\$62,496)</b>
DP 10201 - Med Ben Core Services Caseload Children's MH	0.00	2,835,501	0	4,208,429	7,043,930	0.00	4,338,639	0	6,111,025	10,449,664
DP 10202 - Med Ben Waiver Services Caseload Dev Dis	0.00	757,904	0	1,489,069	2,246,973	0.00	1,200,729	0	2,353,827	3,554,556
DP 10401 - Med Ben Waiver FMAP Dev Dis	0.00	972	0	(972)	0	0.00	1,449	0	(1,449)	0
DP 10402 - Med Ben Core FMAP Children's MH	0.00	(31,206)	0	31,206	0	0.00	1,677	0	(1,677)	0
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$3,563,171</b>	<b>\$0</b>	<b>\$5,727,732</b>	<b>\$9,290,903</b>	<b>0.00</b>	<b>\$5,542,494</b>	<b>\$0</b>	<b>\$8,461,726</b>	<b>\$14,004,220</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$3,565,123</b>	<b>\$0</b>	<b>\$5,661,924</b>	<b>\$9,227,047</b>	<b>0.00</b>	<b>\$5,558,038</b>	<b>\$0</b>	<b>\$8,383,686</b>	<b>\$13,941,724</b>

DP 10201 - Med Ben Core Services Caseload Children's MH - This present law adjustment for caseload growth in the Developmental Services Division covers the increase in the number of eligible people, utilization, acuity level, and cost per service for medical care.

**LFD COMMENT** For a further discussion of the requested increase in Medicaid caseload costs, see the summary section of this division's narrative.

DP 10202 - Med Ben Waiver Services Caseload Dev Dis - This present law adjustment for caseload growth in the Developmental Services Division covers the increase in the number of eligible people, utilization, acuity level, and cost per service for medical care. For a further discussion, see the summary section of this division's narrative.

DP 10401 - Med Ben Waiver FMAP Dev Dis - This decision package adjusts the base year expenses from the FY 2012 FMAP (federal medical assistance participation) rate to the FY 2014 rate of 33.73% state funds and 66.27% federal funds. The FY 2015 rate is 33.78% state funds and 66.22% federal funds. Because the rate the federal government will now pay is reduced, general fund is increased and federal funds decreased by a like amount.

DP 10402 - Med Ben Core FMAP Children's MH - This decision package adjusts the base year expenses from the FY 2012 FMAP (federal medical assistance participation) rate to the FY 2014 rate of 33.73% state funds and 66.27% federal funds. The FY 2015 rate is 33.78% state funds and 66.22% federal funds. Because the rate the federal government will now pay is reduced, general fund is increased and federal funds decreased by a like amount.

**LFD COMMENT** DP10401 and 10402 are requests to shift expenses from the federal government to general fund. Expenditures in the base year were at a rate of 33.57% state funds and 66.43% federal funds. The FMAP rate for the 2015 biennium is projected at 33.78% state funds and 66.22% federal funds. The total budgeted expense remains unchanged.

**New Proposals**

Sub Program	FTE	Fiscal 2014				Fiscal 2015				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 10208 - Children's Mental Health Waiver as State Plan										
01	6.00	188,799	0	188,799	377,598	6.00	188,461	0	188,461	376,922
DP 10903 - PRI - CMH Medicaid Core										
01	0.00	467,987	0	921,935	1,389,922	0.00	948,983	0	1,858,660	2,807,643
DP 10904 - CMH Non-Medicaid Provider Rate Increase										
01	0.00	19,882	0	0	19,882	0.00	40,161	0	0	40,161
<b>Total</b>	<b>6.00</b>	<b>\$676,668</b>	<b>\$0</b>	<b>\$1,110,734</b>	<b>\$1,787,402</b>	<b>6.00</b>	<b>\$1,177,605</b>	<b>\$0</b>	<b>\$2,047,121</b>	<b>\$3,224,726</b>

DP 10208 - Children's Mental Health Waiver as State Plan - This new proposal would make 6.00 modified FTE, who were originally approved for the CMH Waiver, become permanent FTEs to continue the work of providing the waiver services as a Medicaid State Plan amendment. The agency would share the personal services expenses with federal Medicaid on a 50/50 basis.

**LFD ISSUE** The Community Alternatives to Psychiatric Residential Treatment Facility (PRTF)  
This grant waiver was a five-year demonstration project that started in 2007 and expired on September 30, 2012. The agency has applied to the Centers for Medicare and Medicaid Services (CMS) to make the project a permanent state program.

LFD  
ISSUE CONT.

Currently the six modified FTE are working under a bridge waiver that allows the agency to serve clients currently in the program. While operating under the bridge waiver no new clients can be added.

This DP is a request to make the 6.00 FTE permanent in anticipation that the agency’s application for a permanent state program is granted. Under the guidelines in the demonstration project participants were required to answer two primary questions:

- Is the demonstration program effective at improving or maintaining a child or youth’s functional level?
- Is it cost neutral to serve youth in the community under the Waiver as compared to serving them in a PRTF?

The legislature may wish to discuss with the agency the effectiveness of the program, along with two issues.

- The agency’s application for a permanent state program has not yet been approved. The legislature may consider making the approval contingent on the agency receiving approval of the application,
- Should approval be granted, the program would become a benefit instead of a waiver. The legislature may wish to discuss with the agency what options are available to limit the growth of the program.

DP 10903 - PRI - CMH Medicaid Core - This new proposal requests a 2% provider rate increase in each year of the biennium for the Children's Mental Health Medicaid Core. For a further discussion, see the summary section of this agency’s narrative.

DP 10904 - CMH Non-Medicaid Provider Rate Increase - This new proposal requests a 2% provider rate increase each year of the biennium for the Children's Mental Health Non- Medicaid. For a further discussion, see the summary section of this agency’s narrative.

**Sub-Program Details**

**MT DEVELOPMENTAL CENTER 02**

**Sub-Program Proposed Budget**

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

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
FTE	251.14	0.00	0.00	251.14	0.00	0.00	251.14	251.14
Personal Services	11,969,444	794,900	0	12,764,344	751,958	0	12,721,402	25,485,746
Operating Expenses	2,553,034	34,612	0	2,587,646	41,120	0	2,594,154	5,181,800
<b>Total Costs</b>	<b>\$14,522,478</b>	<b>\$829,512</b>	<b>\$0</b>	<b>\$15,351,990</b>	<b>\$793,078</b>	<b>\$0</b>	<b>\$15,315,556</b>	<b>\$30,667,546</b>
General Fund	14,529,684	829,512	0	15,359,196	793,078	0	15,322,762	30,681,958
State/Other Special	(7,206)	0	0	(7,206)	0	0	(7,206)	(14,412)
<b>Total Funds</b>	<b>\$14,522,478</b>	<b>\$829,512</b>	<b>\$0</b>	<b>\$15,351,990</b>	<b>\$793,078</b>	<b>\$0</b>	<b>\$15,315,556</b>	<b>\$30,667,546</b>

**Sub-Program Description**

The mission of the Montana Developmental Center (MDC) is to improve, preserve, strengthen, and protect the health, well-being, and self-reliance of all individuals served, in an environment that respects and develops those individuals charged with providing services. MDC's program is directed toward preparing clients for discharge to an appropriate program in a community setting. All persons are recognized as having the capability to grow and develop throughout their lifetime. All individual clients are ensured the right to be treated with dignity and respect and are provided the opportunity to realize their potential.

MDC, located in Boulder, provides a healthy, safe, therapeutic environment to assist individuals with developmental disabilities prepare for community living. MDC also provides a safety net for those individuals who pose a danger to themselves or others. MDC is licensed by Medicaid as an ICF/MR (Intermediate Care Facility for Mental Retardation) and by the State of Montana as an ICF/DD (Intermediate Care Facility for Developmental Disabilities) and currently serves 50 individuals.

Individuals arrive at MDC by civil or court commitment, or by court referral for a short term evaluation of their fitness to proceed in criminal cases. Civil commitments are for no longer than one year. In criminal cases, if an individual is capable to stand trial and found guilty, but placement in the correction system is determined inappropriate, the individual can be committed to MDC as a criminal to serve a criminal sentence. The state must take an individual for an emergency civil commitment or for a criminal sentence.

MDC may not reject any person sent to the facility and is currently the institution of last resort for those that are committed or criminally sentenced for being a danger to self or others. In recent years those committed to MDC have been convicted of sexual assault, assault and homicide. The majority of those sent to MDC have low IQ, mental illnesses, substance abuse problems or a combination of these issues.

**LFD  
COMMENT**

MDC consists of two separate facilities:

- Intermediate Care Facility for Mental Retardation (ICF-MR) is licensed for 44 beds and is funded entirely by general fund. Eligible Medicaid services are then billed to the federal Medicaid program, the revenues from which are used first to pay off bonds and the balance deposited into the general fund. This unit houses individuals who may be civilly committed to MDC because they have engaged in criminal activity but have been determined to be incompetent and unable to understand their actions. Those involved in criminal activity but deemed competent may also reside in this unit if it is determined that they are in need of treatment for mental health issues. This unit was originally designed and licensed for 56 beds but was reduced when the legislature approved moving 12 clients into community services. There has not been a corresponding reduction in overhead cost and as a result the cost per client has increased in recent years and is forecasted to increase in the next biennium.
- A 12-bed Intermediate Care Facility for Developmental Disabilities (ICF-DD), also referred to as the Assessment and Stabilization Unit (ASU), is funded entirely with state general fund. The ASU is a locked and enclosed facility that houses individuals who are unlikely to be candidates for community inclusion because of the significant safety issues associated with their care, including protecting both of the client and the caretakers.

**LFD  
COMMENT  
CONT.**

The figure below shows the population and related cost for FY 2008 through FY 2012 and the request for the 2015 biennium.

Montana Developmental Center Expenditures					
	Actual FY 2008	Actual FY 2010	Actual FY 2012	Requested FY 2014	Requested FY 2015
FTE	268	266.35	251.14	251.14	251.14
Personal Services	\$12,329,954	\$12,280,667	\$11,169,444	\$12,764,344	\$12,721,402
Operations	<u>2,913,672</u>	<u>2,851,119</u>	<u>2,553,034</u>	<u>2,587,646</u>	<u>2,594,154</u>
Total	\$15,243,626	\$15,131,786	\$13,722,478	\$15,351,990	\$15,315,556
General Fund	\$15,189,807	\$15,120,220	\$14,529,684	\$15,359,196	\$15,322,762
State Special Revenue	53,819	11,576	(7,206)	(7,206)	(7,206)
Federal Special Revenue	-	-	-	-	-
Total	<u>\$15,243,626</u>	<u>\$15,131,796</u>	<u>\$14,522,478</u>	<u>\$15,351,990</u>	<u>\$15,315,556</u>
Population	63	63	56	56	56
Annual Cost per Person	241,962	240,187	259,330	274,143	273,492
Cost per Day	663	658	710	751	749
Federal Medicaid Reimbursement	\$8,952,602	\$9,080,434	\$7,150,894	\$7,155,289	\$7,151,749
MDC Debt Service	<u>982,030</u>	<u>988,899</u>	<u>1,013,533</u>	<u>1,017,928</u>	<u>1,014,388</u>
Net to General Fund	<u>\$7,970,572</u>	<u>\$8,091,535</u>	<u>\$6,137,361</u>	<u>\$6,137,361</u>	<u>\$6,137,361</u>

**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	14,529,684	14,529,684	29,059,368	94.71%	14,522,478	14,522,478	29,044,956	94.71%
Statewide PL Adjustments	380,853	323,626	704,479	2.30%	380,853	323,626	704,479	2.30%
Other PL Adjustments	448,659	469,452	918,111	2.99%	448,659	469,452	918,111	2.99%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$15,359,196</b>	<b>\$15,322,762</b>	<b>\$30,681,958</b>		<b>\$15,351,990</b>	<b>\$15,315,556</b>	<b>\$30,667,546</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "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 descriptions.

	-----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					872,696					813,257
Vacancy Savings					(513,684)					(511,306)
Inflation/Deflation					(20,666)					(11,306)
Fixed Costs					42,507					32,981
<b>Total Statewide Present Law Adjustments</b>		<b>\$380,853</b>	<b>\$0</b>	<b>\$0</b>	<b>\$380,853</b>		<b>\$323,626</b>	<b>\$0</b>	<b>\$0</b>	<b>\$323,626</b>
DP 10102 - MDC Medical Inflation	0.00	12,771	0	0	12,771	0.00	19,445	0	0	19,445
DP 10301 - Required Overtime/Holiday/Differential MDC	0.00	435,888	0	0	435,888	0.00	450,007	0	0	450,007
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$448,659</b>	<b>\$0</b>	<b>\$0</b>	<b>\$448,659</b>	<b>0.00</b>	<b>\$469,452</b>	<b>\$0</b>	<b>\$0</b>	<b>\$469,452</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$829,512</b>	<b>\$0</b>	<b>\$0</b>	<b>\$829,512</b>	<b>0.00</b>	<b>\$793,078</b>	<b>\$0</b>	<b>\$0</b>	<b>\$793,078</b>

DP 10102 - MDC Medical Inflation - This present law adjustment is for inflation on prescription services at the Montana Developmental Center.

DP 10301 - Required Overtime/Holiday/Differential MDC - This present law adjustment is requested to fund overtime, holidays worked, and differential pay and the corresponding benefits for the Montana Developmental Center. These expenses are zero-based and must be requested in full for the 2015 biennium.

**Sub-Program Details**

**DEVELOPMENTAL DISABILITIES PROGRAM 04**

**Sub-Program Proposed Budget**

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

Sub-Program Proposed Budget	Base Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	PL Base Adjustment	New Proposals	Total Exec. Budget	Total Exec. Budget
Budget Item	Fiscal 2012	Fiscal 2014	Fiscal 2014	Fiscal 2014	Fiscal 2015	Fiscal 2015	Fiscal 2015	Fiscal 14-15
FTE	84.62	0.00	0.00	84.62	0.00	0.00	84.62	84.62
Personal Services	4,568,640	216,180	0	4,784,820	217,277	0	4,785,917	9,570,737
Operating Expenses	1,568,856	24,737	0	1,593,593	37,430	0	1,606,286	3,199,879
Benefits & Claims	104,837,437	10,406,592	1,985,352	117,229,381	12,604,620	4,010,410	121,452,467	238,681,848
<b>Total Costs</b>	<b>\$110,974,933</b>	<b>\$10,647,509</b>	<b>\$1,985,352</b>	<b>\$123,607,794</b>	<b>\$12,859,327</b>	<b>\$4,010,410</b>	<b>\$127,844,670</b>	<b>\$251,452,464</b>
General Fund	35,234,007	3,778,295	726,801	39,739,103	4,597,117	1,473,120	41,304,244	81,043,347
State/Other Special	3,542,130	0	0	3,542,130	0	0	3,542,130	7,084,260
Federal Special	72,198,796	6,869,214	1,258,551	80,326,561	8,262,210	2,537,290	82,998,296	163,324,857
<b>Total Funds</b>	<b>\$110,974,933</b>	<b>\$10,647,509</b>	<b>\$1,985,352</b>	<b>\$123,607,794</b>	<b>\$12,859,327</b>	<b>\$4,010,410</b>	<b>\$127,844,670</b>	<b>\$251,452,464</b>

**Sub-Program Description**

The mission of the Developmental Disabilities Program (DDP) is to support choices and opportunities for people with developmental disabilities and their communities. To accomplish this mission, DDP employs a person-centered planning approach.

DDP is organized into a central office and five regional offices with four satellite offices. The central office provides statewide management and supervision, program fiscal operations and budgeting, policy direction, quality assurance,

provider payment processing, and federal reporting functions. The offices across the state oversee 60 service provider agencies that provide services to over 4,500 individuals with developmental disabilities. The regional staff performs billing and invoicing, quality assurance monitoring, and case management functions.

**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	35,234,007	35,234,007	70,468,014	86.95%	110,974,933	110,974,933	221,949,866	88.27%
Statewide PL Adjustments	93,904	94,135	188,039	0.23%	223,010	224,075	447,085	0.18%
Other PL Adjustments	3,684,391	4,502,982	8,187,373	10.10%	10,424,499	12,635,252	23,059,751	9.17%
New Proposals	726,801	1,473,120	2,199,921	2.71%	1,985,352	4,010,410	5,995,762	2.38%
<b>Total Budget</b>	<b>\$39,739,103</b>	<b>\$41,304,244</b>	<b>\$81,043,347</b>		<b>\$123,607,794</b>	<b>\$127,844,670</b>	<b>\$251,452,464</b>	

**Present Law Adjustments**

The “Present Law Adjustments” table shows the changes to the adjusted base budget proposed by the executive. “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 descriptions.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					415,545					416,686
Vacancy Savings					(199,365)					(199,409)
Inflation/Deflation					(2,237)					(1,189)
Fixed Costs					9,067					7,987
<b>Total Statewide Present Law Adjustments</b>		<b>\$93,904</b>	<b>\$0</b>	<b>\$129,106</b>	<b>\$223,010</b>		<b>\$94,135</b>	<b>\$0</b>	<b>\$129,940</b>	<b>\$224,075</b>
DP 10201 - Med Ben Core Services Caseload Children's MH	0.00	188,641	0	300,270	488,911	0.00	232,678	0	335,556	568,234
DP 10202 - Med Ben Waiver Services Caseload Dev Dis	0.00	3,345,234	0	6,572,447	9,917,681	0.00	4,065,892	0	7,970,494	12,036,386
DP 10401 - Med Ben Waiver FMAP Dev Dis	0.00	145,728	0	(145,728)	0	0.00	192,686	0	(192,686)	0
DP 10402 - Med Ben Core FMAP Children's MH	0.00	(1,770)	0	1,770	0	0.00	95	0	(95)	0
DP 10501 - Private Lease Adjustment	0.00	6,558	0	11,349	17,907	0.00	11,631	0	19,001	30,632
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$3,684,391</b>	<b>\$0</b>	<b>\$6,740,108</b>	<b>\$10,424,499</b>	<b>0.00</b>	<b>\$4,502,982</b>	<b>\$0</b>	<b>\$8,132,270</b>	<b>\$12,635,252</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$3,778,295</b>	<b>\$0</b>	<b>\$6,869,214</b>	<b>\$10,647,509</b>	<b>0.00</b>	<b>\$4,597,117</b>	<b>\$0</b>	<b>\$8,262,210</b>	<b>\$12,859,327</b>

DP 10201 - Med Ben Core Services Caseload Children's MH - This present law adjustment for caseload growth in the Developmental Services Division covers the increase in the number of eligible people, utilization, acuity level, and cost per service for medical care.

<b>LFD COMMENT</b>	For a further discussion of the requested increase in Medicaid caseload costs, see the summary section of this division’s narrative.
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DP 10202 - Med Ben Waiver Services Caseload Dev Dis - This present law adjustment for caseload growth in the Developmental Services Division covers the increase in the number of eligible people, utilization, acuity level, and cost per service for medical care.

**LFD COMMENT** For a further discussion of the requested increase in Medicaid caseload costs, see the summary section of this division’s narrative.

DP 10401 - Med Ben Waiver FMAP Dev Dis - This present law adjustment adjusts the base year expenses from the FY 2012 FMAP (federal medical assistance participation) rate to the FY 2014 rate of 33.73% state funds and 66.27% federal funds. The FY 2015 rate is 33.78% state funds and 66.22% federal funds. Because the rate the federal government will now pay is reduced, general fund is increased and federal funds decreased by a like amount.

DP 10402 - Med Ben Core FMAP Children's MH - This present law adjustment adjusts the base year expenses from the FY 2012 FMAP (federal medical assistance participation) rate to the FY 2014 rate of 33.73% state funds and 66.27% federal funds. The FY 2015 rate is 33.78% state funds and 66.22% federal funds. Because the rate the federal government will now pay goes down, general fund is increased and federal funds decreased by a like amount.

DP 10501 - Private Lease Adjustment - This present law adjustment is to provide for lease expense adjustments for working space for employees in non-state owned buildings located throughout the state.

**New Proposals**

Sub Program	FTE	-----Fiscal 2014-----				-----Fiscal 2015-----				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 10901 - DD Medicaid Provider Rate Increase										
04	0.00	638,857	0	1,258,551	1,897,408	0.00	1,295,474	0	2,537,290	3,832,764
DP 10902 - DDP Non-Medicaid Provider Rate Increase										
04	0.00	87,944	0	0	87,944	0.00	177,646	0	0	177,646
<b>Total</b>	<b>0.00</b>	<b>\$726,801</b>	<b>\$0</b>	<b>\$1,258,551</b>	<b>\$1,985,352</b>	<b>0.00</b>	<b>\$1,473,120</b>	<b>\$0</b>	<b>\$2,537,290</b>	<b>\$4,010,410</b>

DP 10901 - DD Medicaid Provider Rate Increase - This new proposal requests a 2% provider rate increase in each year of the biennium for the Developmental Disabilities Program Medicaid Core. For a further discussion, see the summary section of this agency’s narrative.

DP 10902 - DDP Non-Medicaid Provider Rate Increase - This new proposal requests a 2% provider rate increase each year of the biennium for the Developmental Disabilities Non-Medicaid. For a further discussion, see the summary section of this agency’s narrative.

**Sub-Program Details**

**FACILITY REIMBURSEMENTS MDC 05**

**Sub-Program Proposed Budget**

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

Sub-Program Proposed Budget									
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Benefits & Claims	6,137,361	0	0	6,137,361	0	0	6,137,361		12,274,722
<b>Total Costs</b>	<b>\$6,137,361</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,137,361</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,137,361</b>		<b>\$12,274,722</b>
Federal Special	6,137,361	0	0	6,137,361	0	0	6,137,361		12,274,722
<b>Total Funds</b>	<b>\$6,137,361</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,137,361</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,137,361</b>		<b>\$12,274,722</b>

**Sub-Program Description**

MDC receives reimbursements for Medicaid eligible clients. All revenues must first be applied to bonds for capital projects, with the balance remitted to the general fund.

<b>LFD COMMENT</b>	The funding shown in the figure above is net of bond payments. The figure below shows the history of Medicaid reimbursement, bond payments, and net remitted to the general fund.					
	<b>MDC Medicaid Reimbursements and Bond Payments</b>					
	Actual FY2008	Actual FY2010	Actual FY2012	Requested FY2014	Requested FY2015	
Federal Medicaid Reimbursement	\$8,952,602	\$9,080,434	\$7,150,894	\$7,155,289	\$7,151,749	
MDC Debt Service	<u>982,030</u>	<u>988,899</u>	<u>1,013,533</u>	<u>1,017,928</u>	<u>1,014,388</u>	
Net to General Fund	<u>\$7,970,572</u>	<u>\$8,091,535</u>	<u>\$6,137,361</u>	<u>\$6,137,361</u>	<u>\$6,137,361</u>	

**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	0	0	0	0.00%	6,137,361	6,137,361	12,274,722	100.00%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
<b>Total Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$6,137,361</b>	<b>\$6,137,361</b>	<b>\$12,274,722</b>	

**Sub-Program Details-HL1**

**CHILDREN'S MENTAL HEALTH SCHOOL BAS 07**

**Sub-Program Proposed Budget**

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

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Personal Services	(57,426)	57,426	0	0	57,426	0	0	0
Operating Expenses	249,602	0	0	249,602	0	0	249,602	499,204
Benefits & Claims	23,400,261	4,813,949	468,005	28,682,215	7,580,458	945,371	31,926,090	60,608,305
<b>Total Costs</b>	<b>\$23,592,437</b>	<b>\$4,871,375</b>	<b>\$468,005</b>	<b>\$28,931,817</b>	<b>\$7,637,884</b>	<b>\$945,371</b>	<b>\$32,175,692</b>	<b>\$61,107,509</b>
General Fund	192,176	57,426	0	249,602	57,426	0	249,602	499,204
Federal Special	23,400,261	4,813,949	468,005	28,682,215	7,580,458	945,371	31,926,090	60,608,305
<b>Total Funds</b>	<b>\$23,592,437</b>	<b>\$4,871,375</b>	<b>\$468,005</b>	<b>\$28,931,817</b>	<b>\$7,637,884</b>	<b>\$945,371</b>	<b>\$32,175,692</b>	<b>\$61,107,509</b>

**Sub-Program Description**

Comprehensive School and Community Treatment (CSCT), is a school based mental health service that provides mental health services for SED youth using local school resources to match Medicaid dollars. CSCT is administered through the Acute Services Bureau of the Health Resources Division (HRD) working collaboratively with CMHB and the Office of Public Instruction.

**Budget Summary by Category**

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

Budget Summary by Category								
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	192,176	192,176	384,352	76.99%	23,592,437	23,592,437	47,184,874	77.22%
Statewide PL Adjustments	57,426	57,426	114,852	23.01%	57,426	57,426	114,852	0.19%
Other PL Adjustments	0	0	0	0.00%	4,813,949	7,580,458	12,394,407	20.28%
New Proposals	0	0	0	0.00%	468,005	945,371	1,413,376	2.31%
<b>Total Budget</b>	<b>\$249,602</b>	<b>\$249,602</b>	<b>\$499,204</b>		<b>\$28,931,817</b>	<b>\$32,175,692</b>	<b>\$61,107,509</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "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 descriptions.

Present Law Adjustments										
	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					57,426					57,426
<b>Total Statewide Present Law Adjustments</b>		<b>\$57,426</b>	<b>\$0</b>	<b>\$0</b>	<b>\$57,426</b>		<b>\$57,426</b>	<b>\$0</b>	<b>\$0</b>	<b>\$57,426</b>
DP 10203 - Med Ben Federal Only Caseload Dev Dis	0.00	0	0	4,813,949	4,813,949	0.00	0	0	7,580,458	7,580,458
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,813,949</b>	<b>\$4,813,949</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,580,458</b>	<b>\$7,580,458</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$57,426</b>	<b>\$0</b>	<b>\$4,813,949</b>	<b>\$4,871,375</b>	<b>0.00</b>	<b>\$57,426</b>	<b>\$0</b>	<b>\$7,580,458</b>	<b>\$7,637,884</b>

DP 10203 - Med Ben Federal Only Caseload Dev Dis - This present law adjustment for caseload growth covers the increase in the number of eligible people, utilization, acuity level, and cost per service for mental health care.

**LFD COMMENT** For a further discussion of the requested increase in Medicaid caseload costs, see the summary section of this division's narrative.

**New Proposals**

Sub Program	FTE	Fiscal 2014				Fiscal 2015					
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 10905 - CMH 100% Federal Medicaid Provider Rate Increase	07	0.00	0	0	468,005	468,005	0.00	0	0	945,371	945,371
<b>Total</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$468,005</b>	<b>\$468,005</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$945,371</b>	<b>\$945,371</b>	

DP 10905 - CMH 100% Federal Medicaid Provider Rate Increase - This new proposal requests a 2% provider rate increase each year of the biennium for the Children's Mental Health 100% Federal Medicaid. The decision package is funded entirely with federal funds. For a further discussion, see the summary section of this agency's narrative.

**LFD COMMENT** From SFY 2007 to SFY 2012 spending on school based services has increased 2.3 times (annualized growth rate of 18%), while K-12 enrollment has remained flat. Request for funds for the 2015 biennium represents a 20% increase relative to the 2013 biennium. Increases in expenses are driven by two factors: 1) students served; and 2) cost per student. From SFY 2007 to SFY 2012 Students served has increased 2.2 times (annualized growth rate of 16.7%) while cost per student has increased by 1.06 times (annualized growth rate of 1.1%) during the same time period.

The figure below shows relative growth rates for the program enrollment, expenses, and K-12 enrollment. The number of schools participating in this program continues to grow. At the beginning of the previous biennium about 210 schools participated, while in the current biennium the number of schools participating is expected to grow to as many as 230.

