Program Proposed Budget

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

Program Proposed Budget Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Exec. Budget Fiscal 08-09
FTE	48.25	1.00	0.00	49.25	1.00	0.00	49.25	49.25
Personal Services	3,461,121	(296,723)	0	3,164,398	(287,011)	0	3,174,110	6,338,508
Operating Expenses	6,540,475	27,600	700,000	7,268,075	44,850	(100,000)	6,485,325	13,753,400
Benefits & Claims	0	15,000,000	0	15,000,000	15,000,000	0	15,000,000	30,000,000
Debt Service	13,066	0	0	13,066	0	0	13,066	26,132
Total Costs	**$10,014,662**	**$14,730,877**	**$700,000**	**$25,445,539**	**$14,757,839**	**($100,000)**	**$24,672,501**	**$50,118,040**
General Fund	3,095,543	(177,526)	150,000	3,068,017	(167,044)	(50,000)	2,878,499	5,946,516
State/Other Special	353,583	(40,340)	0	313,243	(38,335)	0	315,248	628,491
Federal Special	6,565,536	14,948,743	550,000	22,064,279	14,963,218	(50,000)	21,478,754	43,543,033
Total Funds	**$10,014,662**	**$14,730,877**	**$700,000**	**$25,445,539**	**$14,757,839**	**($100,000)**	**$24,672,501**	**$50,118,040**

Program Description

The Director's Office provides overall policy development and administrative guidance for the department. Included in the Director's Office are the Deputy Director who serves as the state Medicaid director, legal affairs, personnel services, public information, the prevention resource center, the AmeriCorps* VISTA Program, the Office of Budget and Finance, and the Office of Planning, Coordination, and Analysis. The Department of Public Health and Human Services Statewide Advisory Council, the Native American Advisory Council, and the Montana Health Coalition are administratively attached and the director serves on the Interagency Coordinating Council for State Prevention Programs, which is attached to the Governor's Office.

Statutory authority is in Title 2, Chapter 15, part 22 and Title 53, Chapter 19, part 3, MCA.

Program Highlights

Director's Office
Major Budget Highlights

- 2009 Biennium budget increases $33.6 million over the doubled FY 2006 base budget amount
  - HIFA waiver results in $30 million of the increase, all in federal appropriations
  - New proposal for contracted services to analyze MMIS and MHS increases overall appropriation by $.8 million with $0.2 million in general funds

Major LFD Issues

- CMS may not grant approval for all HIFA waiver populations requested
- HIFA system changes are not included in 2009 biennium costs

Program Narrative

The FY 2008 appropriations for the Director's Office are about $15 million higher than FY 2006 base budget expenditures and the FY 2009 appropriations are about $14 million above the FY 2006 base expenditures. The increases are due to an increase of $15.0 million annually in federal appropriations for the Heath Insurance Flexibility and Accountability (HIFA) waiver and a $800,000 one-time-only appropriation in FY 2008 to analyze the Medicaid Management Information System (MMIS) and the Mental Health System (MHS).

Present law changes for the Director's Office are negative for both years of the 2009 biennium due to removal of department wide termination payouts of about $850,000. Agencies pay accumulated annual leave and a portion of unused sick leave when employees retire or leave state employment. Termination payouts are recorded in the personnel program budget in the Director's Office and then removed from the base budget as a one-time expense. Removal of termination costs accounts for a reduction of about $461,000 in general fund, $81,000 in state special revenue and $308,000 in federal funds from the FY 2006 base budget as compared to the annual requests for the 2009 biennium. Funds are transferred from other divisions in DPHHS to pay termination costs. Other personal services and operating costs offset part of the reductions due to the removal of termination costs.

The 2006 base budget was increased by $5.7 million, the majority in operating costs, due to a departmental reorganization which moved the Medicaid Management Information System (MMIS) administration from the Information Technology Division to the Director's Office. The reorganization increased general fund appropriations by about $1.4 million and federal special revenue by $4.3 million annually.

2007 Program Expansion and New Initiative Update

<u>HIFA Waiver</u>

The 2005 Legislature approved the HIFA waiver and appropriated federal matching funds in anticipation of approval. The HIFA waiver's intent is to refinance 100 percent state funded services by including those services and persons eligible for services, including the Mental Health Services Plan and the Montana Comprehensive Health Association, in the state Medicaid program.

However, the submission of the request to the Centers for Medicare and Medicaid Services (CMS) was delayed until July 2006. As a result, there are no expenditures for the HIFA waiver benefits and claims included in the FY 2006 base budget. As of December 2006, CMS had not decided on approval of the proposal as submitted. This issue is discussed further in the present law section. The appropriations are attached to the Director's Office, but directly affect programs and expenditures in four other divisions - Health Resources, Addictive and Mental Disorders, Business and Financial Services, and Technology Services divisions.

<u>Waiver of Deeming</u>

The 2005 Legislature approved a request and appropriated $100,000 of state special revenue funds for DPHHS to apply for a waiver of deeming to allow DPHHS to exclude parental income and assets in determination of Medicaid eligibility of a child with a serious emotional disturbance. DPHHS has a waiver of deeming for children with development disabilities and children with physical disabilities. DPHHS did not pursue a waiver of deeming for children with a serious emotional disturbance (SED). This was included as part of the Medicaid redesign proposal included in SB 41. The waiver of deeming for children with SED was not approved by the legislature. However, the funding was included in HB 2. As the legislature did not approve the program the department did not pursue the waiver.

<u>Tribal Programs</u>

Tribal programs to provide technical assistance to access federal Medicaid pass-through for allowable costs, identify and resolve barriers and work on innovative programs for tribes to access federal Medicaid funds, and develop expertise on tribal organization and tribal funding with the intent of reducing Medicaid costs to the state were also approved by the 2005 Legislature. Staff identified contractual changes to current Indian Health Service (IHS) agreements which would expand the use of federal IHS funding and reduce the need for Medicaid funding. The tribes and IHS are currently assessing the changes needed for the various services to be billed to IHS agreements.

Biennial Comparison

Figure 32 shows the 2007 biennium compared to the budget request for the 2009 biennium. The 2007 biennium figures comprise FY 2006 expenditures and FY 2007 appropriations. The 2007 biennium estimates include $10,120,000 in federal special revenue appropriations for the HIFA waiver. As of December 2006, the waiver was still not approved. As a result, the benefits and claims for the 2007 biennium are overstated.

Personal services costs increase by about $200,000 between the 2007 biennium and the 2009 biennium. Personal service increases are discussed in the present law section below. Operating costs decrease by $3.9 million from the 2007 biennial total due to one-time-only costs of $4.2 million associated with system changes for departmental databases due to the HIFA waiver. Benefits and claims increase by $20 million as a result of the implementation of the HIFA waiver. Increased costs reflect the waiver being in place for the entire 2009 biennium, while in the 2007 biennium the majority of the costs were projected to be incurred in FY 2007.

Figure 32
Department of Public Health and Human Services
Director's Office
Biennial Comparison

	2007 Biennium	2009 Biennium	Percent of Total	Change	Percent Incr/Decr
FTE	48.25	49.25		1.00	
Personal Services	$6,147,901	$6,338,508	$0	$190,607	3.1%
Operating Costs	17,647,394	13,753,400	27.44%	(3,893,994)	-22.1%
Benefits & Claims	10,620,000	30,000,000	59.86%	19,380,000	182.5%
Debt Services	25,908	26,132	0.05%	224	0.9%
Total Costs	$34,441,203	$50,118,040	100.00%	$15,676,837	45.5%
General Fund	5,928,754	5,946,516	11.87%	17,762	0.3%
State/Other Special	708,840	628,491	1.25%	(80,349)	-11.3%
Federal Special	27,803,609	43,543,033	86.88%	15,739,424	56.6%
Total Funds	$34,441,203	$50,118,040	100.00%	$15,676,837	45.5%

Total funds increase by about $15.7 million between the two biennia. General fund decreases over the period as a result of the removal of one-time termination payouts in the base budget. The reductions offset present law increases for personal services, fixed costs, and inflation. Reductions of about $80,000 in state special revenue funds are the result of reductions for one-time termination payouts. An increase of $19 million in federal funds is attributable to the HIFA waiver implementation.

Funding

The following table shows program funding, by source, for the base year and for the 2009 biennium as recommended by the Governor.

Program Funding Table
Director's Office

Program Funding		Base FY 2006	% of Base FY 2006	Budget FY 2008	% of Budget FY 2008	Budget FY 2009	% of Budget FY 2009
01000	Total General Fund	$3,095,543	30.9%	$3,068,017	12.1%	$2,878,499	11.7%
	01100 General Fund	3,095,543	30.9%	3,068,017	12.1%	2,878,499	11.7%
02000	Total State Special Funds	353,583	3.5%	313,243	1.2%	315,248	1.3%
	02099 69010-Vista-Community Cost Shr	103,859	1.0%	112,312	0.4%	112,340	0.5%
	02377 02 Indirect Activity Prog 04	249,724	2.5%	200,931	0.8%	202,908	0.8%
03000	Total Federal Special Funds	6,565,536	65.6%	22,064,279	86.7%	21,478,754	87.1%
	03072 69010-Cns-Grants-Vista	308,867	3.1%	334,004	1.3%	334,089	1.4%
	03580 6901-93.778 - Med Adm 50%	14,838	0.1%	15,150	0.1%	15,161	0.1%
	03583 93.778 - Med Ben Fmap	-	-	15,027,480	59.1%	15,027,554	60.9%
	03594 03 Indirect Activity Prog 04	6,241,831	62.3%	6,687,645	26.3%	6,101,950	24.7%
Grand	Total	$10,014,662	100.0%	$25,445,539	100.0%	$24,672,501	100.0%

The Director’s Office is funded through a combination of general fund, state special revenue, and federal special revenue. The majority of the functions are cost allocated through a complex plan approved by the federal oversight agency. Federal cost allocation increases about $500,000 in FY 2008 due to the MMIS and MHS system changes. In the base budget, the largest source of funding is federal cost allocation reimbursements (62 percent of the total). In FY 2008 and FY 2009 the largest source of funding is Medicaid benefit reimbursements for the HIFA waiver (60.9 percent).

If CMS approves the waiver request, $30 million in federal appropriation authority and funding will be distributed among other departmental divisions over the biennium.

General fund supports about 11 percent of the Director's Office 2009 biennium budget. The total biennial budget is about $250,000 less than the doubled FY 2006 base budget due to reductions for one-time termination payouts.

State special revenue supporting the Director's Office is from two sources: 1) cost allocation, which is about $200,000 annually; and 2) community cost share for VISTA volunteers. The Office of Prevention Resources administers the VISTA program, which is supported by a federal grant.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget proposed by the Governor. "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 2008					Fiscal 2009				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(193,494)					(183,456)
Vacancy Savings					(130,709)					(131,109)
Inflation/Deflation					2,077					2,388
Fixed Costs					25,523					42,462
Total Statewide Present Law Adjustments					**($296,603)**					**($269,715)**
DP 40006 - Health Insurance Flexibility Accountability Waiver	1.00	0	0	15,027,480	15,027,480	1.00	0	0	15,027,554	15,027,554
Total Other Present Law Adjustments	**1.00**	**$0**	**$0**	**$15,027,480**	**$15,027,480**	**1.00**	**$0**	**$0**	**$15,027,554**	**$15,027,554**
Grand Total All Present Law Adjustments					**$14,730,877**					**$14,757,839**

LFD COMMENT

Personal Services Statewide Present Law Adjustments
The annual statewide present law adjustment of $656,000 for personal services is offset by a reduction of $849,000 relating to termination payouts. The increase results in a 19 percent increase over the FY 2006 personal services base. About $150,000 of the increase relates to annualization of the pay plan approved by the 2005 Legislature. The program experienced a vacancy rate in authorized FTE hours of 10.5 percent during the base year. Had no vacancies existed, base expenditures would have been roughly $200,000 higher. The remaining $306,000 is attributable to a combination of salary or pay grade adjustments not funded in the pay plan, transferring FTE into the Director's Office from other programs, and increased costs for employee benefits.

DP 40006 - Health Insurance Flexibility Accountability Waiver - - Health Insurance Flexibility Accountability Waiver - This request adds $30.1 million federal Medicaid matching funds over the biennium for the implementation and provision of services related to the Health Insurance Flexibility Accountability (HIFA) Waiver. The state match would be provided by a combination of state revenue funds including $19.3 million in health and Medicaid initiative state special revenue from tobacco taxes and $1.7 million of tobacco settlement funds. Health and Medicaid initiative revenues include $6.5 million for the Mental Health Services Plan (MHSP) and $12.8 million for Insure Montana – a small business health insurance program which provides insurance incentive payments for employers and premium assistance for employees. Tobacco settlement funds provide for Montana Comprehensive Health Association (MCHA) premium assistance benefiting Montanans who are unable to obtain health insurance due to risks factors such as cancer or HIV.

LFD COMMENT The 2005 Legislature reviewed the HIFA waiver and appropriated federal matching funds in anticipation of a July 1, 2006 implementation date. However, the waiver application was not submitted to the federal Centers for Medicare and Medicaid Services (CMS) for review until July 2006, partially due to extensive review by the executive branch.

The HIFA waiver allows states to waive requirements of the Social Security Act in areas such as comparability of services, state-wideness, freedom of choice, early and periodic screening diagnostic and treatment services (EPSDT), and cost sharing. Waiving these provisions allows states to be creative in designing new health care programs to meet the needs of the uninsured population, by providing Medicaid funded healthcare coverage for low-income citizens and health insurance to citizens who otherwise would not qualify for traditional Medicaid services and yet cannot afford health insurance.

Figure 33
HIFA Eligibility, Estimated Number Served, Type of Benefit

Proposed Groups	Financial Eligibility	Service Package	Numbers Served
Mental Health Services Plan *Expansion Group*	Equal to or less than 150 % FPL	Mental health servcies, prescription drugs, physical health*, accute care (short term), Nurse First	1,500 Expanded health care benefit
Uninsured Working Parents of Children with Medicaid *Optional Group*	Equal to or less than 200 % FPL	Physical health*, Nurse First	600 New health care benefit
Uninsured former SED foster youth ages 18 to 20 *Optional Group*	Equal to or less than 150 % FPL	Benefit package that mirrors CHIP benefit, Nurse First	1,500 New health care benefit
Uninsured Children *Optional Group*	Equal to or less than 150 % FPL	Benefit package that mirrors CHIP benefit, enhanced mental health, transition life skill, Nurse First	300 New health care benefit
MCHA *Expansion Group*	Equal to or less than 150 % FPL	Insurance premium assistance, Nurse First	200 Current health care benefit; 60 new health care benefit served off waiting list
1) Uninsured working adults 19 to 65 who have children under age 21 2) Uninsured working youth ages 18 to 21 *Optional Group*	Equal to or less than 200 % FPL	Insurance premium assistance, insurance pool, premium incentives for employers, Nurse First	1,200 New health care benefit

* Physical Health = average of $166 per month
For insurance from employer
For private insurance
For a health care account

Source: DPHHS, October 5, 2006

Populations

Figure 33 shows the eligibility expansions, the types of benefits and assistance, and the number of persons anticipated to be served under the proposed waiver, which remains substantially the same as approved by the legislature. The actual healthcare benefit packages, eligibility groups, and the number of people served may change as a result of negotiations with CMS. The proposed uninsured groups and individual coverages are:

- Uninsured children under 150 percent of the federal poverty level (FPL)
  - Benefit package equivalent to that provided by the Children's Health Insurance Program (CHIP)
- Uninsured youth age 18-20 formerly in foster care who are seriously emotionally disturbed (SED)
  - CHIP look alike benefit with specialized life skills component
- Persons eligible for the Montana Comprehensive Health Association (MCHA) assistance program
  - Premium assistance
- The following groups receive a basic health insurance package equivalent to $2,000 per person per year:
  - Uninsured working parents whose children are currently covered under Medicaid
  - Uninsured adults with children under 21
  - Uninsured youth age 18-20
  - Uninsured Mental Health Services Plan (MHSP) population

LFD COMMENT CONT.

The final eligibility groups listed would be able to choose among three limited physical health care benefit options with an annual benefit of $2,000, including:

- Assistance with the cost of the monthly premium of employer based insurance
- Payment of the monthly premium for private individual insurance policies
- Medicaid fee-for-service benefits

Services Provided

MHSP clients determined eligible for waiver services would receive education and assistance in choosing the most appropriate coverage option for their needs. DPHHS estimates that up to 1,500 MHSP clients would be eligible to participate in this waiver proposal. Approximately one-third of the MHSP clients would not be able to participate in the proposed waiver program because they currently have private health insurance or they have health coverage under Medicare. Under CMS guidelines, the state cannot obtain federal matching dollars for the health care services they receive. Therefore, the state would continue to provide existing MHSP mental health services using current state funds.

Conditions

States must meet several conditions under a HIFA waiver, including cost neutrality and a maintenance of effort. Cost neutrality is measured by what the federal government would have paid for Medicaid services without the waiver compared to what it contributes for waiver services. Federal costs can be no more under the waiver than without a waiver. The HIFA waiver is cost neutral due to the inclusion of savings from another waiver administered by DPHHS that provides a smaller, basic package of Medicaid services to eligible adults with children (FAIM waiver). The HIFA proposal is more comprehensive because CMS allowed savings from the FAIM waiver to be included.

States must maintain the same level of funding for the HIFA waiver as it did for the services it covered prior to implementation of the waiver. The estimated annual maintenance of effort (MOE) for the HIFA waiver is dependent on the level of services and funding for those populations considered part of the waiver when it is approved.

LFD ISSUE

CMS communications with DPHHS have indicated a concern with the proposal to offer a CHIP look alike benefit and fund it through Medicaid. While CMS has not disallowed that aspect of the HIFA waiver, the legislature may wish to evaluate with DPHHS whether that aspect of the waiver is likely to be approved. If approval of the CHIP look alike expansion appears doubtful, the legislature may wish to provide input on other expansions that could be considered in its place. The HIFA waiver presents an opportunity to provide services to populations which would not normally be Medicaid eligible such as the MHSP population already included. Therefore, there are numerous policy choices the legislature could make within the $15 million annual appropriation amount.

The following information is provided so that the legislature can consider various performance management principles when examining this proposal. It is as submitted by the agency, with editing by LFD staff as necessary for brevity and/or clarity.

Justification: The 2005 Legislature approved development and submission of a HIFA waiver.

Goal: A HIFA waiver would generate approximately $15 million per year in additional federal Medicaid revenue to provide the services outlined under the waiver and would do so without the need for additional state dollars above the amount already appropriated for MHSP, MCHA and the new small business incentives under HB 667 enacted by the 2005 Legislature. The HIFA waiver would allow services to be provided to an additional 5,000 individuals in Montana. The HIFA waiver would begin to reduce the number of uninsured Montanans most in need of access to health care services.

Performance Criteria: This program is dependent on receiving federal approval of the HIFA waiver to obtain the necessary federal cost participation.

The HIFA waiver would allow approximately an additional 5,000 low income individuals to receive health insurance or health services. The proposed numbers of uninsured or underinsured persons that would receive HIFA waiver services include:

- Up to 300 SED youth, ages 18 through 20, who have incomes equal to or less than 150 percent of FPL, in transition from children's mental health services and no longer eligible for Medicaid due to their age
- Up to 600 working parents with incomes less than or equal to 200 percent FPL who are no longer eligible for Medicaid, but whose children continue to be enrolled in Medicaid
- Up to 60 individuals currently on the MCHA premium assistance waiting list and potentially up to 260 existing MCHA participants
- Up to 1,200 individuals through the Insure Montana program provided under the small business insurance pool
- Up to 1,500 current MHSP participants

Spending under the HIFA waiver would be controlled by limiting the number of people served in the waiver and the maximum amount of money the state is obligated to spend on benefits for the eligibility groups covered under this waiver. Spending on the waiver eligibility groups would be limited and capped to a specific benefit regardless of the medical necessity of the services. If it appears there is a risk of exceeding the spending or enrollment limits, DPHHS would limit enrollment in the program and/or reduce the number of eligible clients by attrition. Limits and controls on spending would not impact the existing Medicaid program eligibility, benefits, and reimbursement rates.

Milestones: The HIFA waiver was submitted to CMS in July 2006 and DPHHS is waiting for approval. The implementation of the necessary system design and enhancements is anticipated to take place over a three-year period beginning in January 2007 with the majority taking place during FY 2008 and 2009. The targeted implementation date for the HIFA waiver is July 1, 2007. Other than the MHSP clients who are already enrolled in the program, the new programs would enroll clients over a period of time. The SED youth program would enroll 100 children per year up to the maximum of 300 enrolled at any given time.

FTE: No additional FTE is needed for this request.

Funding: Funding for this decision package is 100 percent federal Medicaid funds. These funds would be transferred to the divisions where the expenditures would be incurred as the waiver approval moves forward and specific services are provided. The state Medicaid match would be transferred from the MHSP, MCHA, and Insure Montana appropriations from the health and Medicaid initiatives state special revenue account.

Obstacles: The HIFA waiver would need to be approved by CMS. Once approved, DPHHS would need to complete the necessary computer system requirements to determine and track eligibility and make premium and benefits payments under the health savings account option within the timeframes anticipated. Other factors to consider include: measuring cost neutrality and the number of various programs that would be participating in the waiver; details of the coordination and cooperation between the DPHHS and SAO; and coordination and cooperation within various programs within DPHHS.

Risk: Without this funding, DPHHS may be unable to expand health benefits and insurance to about 5,000 low income, uninsured Montanans.

LFD COMMENT

Program goals are not succinct. If CMS approves the waiver, the performance measures have not been defined. Additionally, the department requested 2.00 FTE to manage the HIFA waiver – 1.00 FTE with this request and 1.00 FTE in a statewide present law adjustment in the Health Resources Division premium assistance function to administer the expansions in programs administered by the State Auditor.

LFD ISSUE

HIFA System Changes Not Included 2009 Biennium Costs

The 2005 Legislature approved $4.3 million in operating costs for reprogramming the Montana Medicaid Information System (MMIS) and the eligibility determination systems as a result of the HIFA waiver approval. Federal participation in the MMIS systems is 90 percent of the costs requiring general or state special revenue of $430,000 for match. As of December 2006, the waiver was not approved and the extensive reprogramming had not been started. As the MMIS system platform is 20 years old and difficult to work with, the number of changes and reprogramming needed may not be completed by the end of the fiscal year. The request for the HIFA waiver in the 2009 biennium does not include additional operating costs for the reprogramming of the various systems associated with the waiver.

The legislature may wish to consider requesting DPHHS provide additional information on the timeline and costs associated with reprogramming the MMIS and various eligibility systems.

New Proposals

New Proposals

Program	Fiscal 2008 FTE	General Fund	State Special	Federal Special	Total Funds	Fiscal 2009 FTE	General Fund	State Special	Federal Special	Total Funds
DP 40004 - MMIS and Mental Health Systems Analysis (BIEN/OTO)										
04	0.00	200,000	0	600,000	800,000	0.00	0	0	0	0
DP 40010 - Agency Telecommunications										
04	0.00	(50,000)	0	(50,000)	(100,000)	0.00	(50,000)	0	(50,000)	(100,000)
Total	**0.00**	**$150,000**	**$0**	**$550,000**	**$700,000**	**0.00**	**($50,000)**	**$0**	**($50,000)**	**($100,000)**

DP 40004 - MMIS and Mental Health Systems Analysis (BIEN/OTO) - The executive requests a one-time-only appropriation of $800,000, $200,000 general fund, in FY 2008 to analyze the current MMIS and Mental Health System and make recommendations for improvement or rewrite of the systems.

LFD COMMENT

The MMIS is a federally required program developed in 1997 to collect data related to Medicaid claims and payments and provide accurate reports on the Medicaid services provided in the state. Currently, the system does not include all Medicaid claims and payments as the Developmental Disabilities Division claims are not included. Upcoming federally required changes and enhancements in data tracking and reporting may require changes to the current system. The Mental Health System is used by the mental health centers to track eligibility for the Mental Health Services Plan.

The results of this analysis would determine if major system enhancements would bring the system up to speed with required program changes or if a new system re-write will be required. Included in the analysis would be the changes required to include the Developmental Disabilities Division claims and benefits in MMIS.

DP 40010 - Agency Telecommunications - This decision package requests a reduction of $200,000 over the biennium, including $100,000 general fund, for expected savings to DPHHS for cost savings generated by the use of video conferencing technologies. The savings are included in the Director’s Office but would be distributed throughout the department.