

# HEALTH & HUMAN SERVICES

## SECTION B

### JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE & CLAIMS COMMITTEES

#### **AGENCY**

DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES

#### **APPROPRIATIONS SUBCOMMITTEE MEMBERS**

REPRESENTATIVE FREDERICK (ERIC) MOORE (CHAIR)  
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REPRESENTATIVE MARY CAFERRO  
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SENATOR BOB KEENAN  
SENATOR MARY MCNALLY

#### **FISCAL DIVISION STAFF**

JOSHUA POULETTE  
JON ARNOLD

## Agency Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	374,718,661	389,159,632	14,440,971	3.85 %
Operating Expenses	246,033,879	251,921,686	5,887,807	2.39 %
Equipment & Intangible Assets	1,989,442	1,303,442	(686,000)	(34.48)%
Grants	157,755,389	153,377,358	(4,378,031)	(2.78)%
Benefits & Claims	3,404,074,849	3,499,720,474	95,645,625	2.81 %
Transfers	6,836,463	6,367,802	(468,661)	(6.86)%
Debt Service	621,946	584,014	(37,932)	(6.10)%
<b>Total Expenditures</b>	<b>\$4,192,030,629</b>	<b>\$4,302,434,408</b>	<b>\$110,403,779</b>	<b>2.63 %</b>
General Fund	1,027,745,961	1,135,090,711	107,344,750	10.44 %
State/Other Special Rev. Funds	326,141,234	352,355,513	26,214,279	8.04 %
Federal Spec. Rev. Funds	2,838,143,434	2,814,988,184	(23,155,250)	(0.82)%
<b>Total Funds</b>	<b>\$4,192,030,629</b>	<b>\$4,302,434,408</b>	<b>\$110,403,779</b>	<b>2.63 %</b>
<b>Total Ongoing</b>	<b>\$4,167,787,742</b>	<b>\$4,302,434,408</b>	<b>\$134,646,666</b>	<b>3.23 %</b>
<b>Total OTO</b>	<b>\$24,242,887</b>	<b>\$0</b>	<b>(\$24,242,887)</b>	<b>(100.00)%</b>

## Page Reference

Legislative Budget Analysis, B-1.

## Agency Highlights

**Department of Public Health and Human Services  
Major Budget Highlights**

- The 2021 biennium HB 2 budget is 2.6% higher than the 2019 biennium budget and totals \$4,302.4 million
  - The FY 2020 HB 2 budget is a 1.3% decrease from the FY 2019 base, while the FY 2021 budget is a 2.8% increase from the FY 2019 base
- The legislature reduced Department of Public Health and Human Services (DPHHS) FTE by a net 99.46 for the 2021 biennium
  - The legislature approved the transfer of 18.00 FTE from the Boulder campus (formerly the Montana Developmental Center) to the Child and Family Services Division
  - The legislature eliminated 2 vacant psychiatrist positions at the Montana State Hospital (MSH) and transferred the appropriations for those positions to operating expenses at MSH
  - The legislature approved the addition of 18.00 FTE for the medical marijuana program in the Quality Assurance Division
- The legislature adopted caseload funding increases, including an increase of \$28.9 million general fund, for the Child and Family Services Division and restricted the budget for the Child and Family Services Division
- A decrease in Montana's Federal Medical Assistance Percentage (FMAP) for FFY 2020 led to legislative action to increase state matching funds for Medicaid and other DPHHS programs that utilize FMAP to calculate federal matching funds
- The legislature adopted funding for provider rate increases (0.91% in FY 2020, 1.83% in FY 2021)
- The legislature recommended the Section B companion bill for HB 2 include language that directs the Southwest Veterans' Home in Butte be operated by a contractor similar to the operational strategy of the Eastern Montana Veterans' Home
- Montana's federal matching rate for the Children's Health Insurance Program (CHIP) will decline by 21 percentage points over the next biennium, leading to the legislative appropriation of \$11.0 million general fund to provide part of the state matching funds for CHIP in the 2021 biennium
- The legislature directed \$16.1 million general fund over the 2021 biennium to support an anticipated shortfall in the Tobacco Health and Medicaid Initiative state special revenue fund
- The legislature shifted \$1.0 million general fund in operating expenses from the Boulder campus (formerly the Montana Developmental Center) to the 0208 waiver, where it will receive matching federal funds
- The legislature directed \$3.5 million in funds from the Montana Telecommunications Access Program (MTAP) be used for:
  - Targeted case management services for adults and children with mental illness, \$2.7 million and matching federal funds
  - Extended employment in the Disability Employment and Transitions Division, \$0.8 million and matching federal funds

- The legislature directed \$1.1 million (and matching federal funds) from the Older Montanans' Trust Fund be used to fund the creation of additional slots in the Big Sky waiver
- The legislature appropriated \$2.4 million general fund (and matching federal funds) to increase Medicaid provider rates for developmental disability service providers
- The legislature exempted non-critical access hospitals from the provider rate increase discussed above and directed that the funds saved be used for substance use disorder treatment provider rates in the Addictive and Mental Disorders Division
- The legislature redirected \$600,000 general fund during the 2021 biennium from the Medicaid provider rate increase for physicians to the development of the Montana Health Information Exchange system
- The legislature restricted the nursing home budget in the Senior and Long-Term Care Division (SLTC) to spending on either nursing home services or the Big Sky waiver in SLTC

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	2,934.16	2,934.16	2,834.70	2,834.70
Personal Services	181,098,231	184,912,308	189,806,353	194,593,734	194,565,898
Operating Expenses	120,662,419	124,454,958	121,578,921	124,321,253	127,600,433
Equipment & Intangible Assets	642,407	1,337,721	651,721	651,721	651,721
Grants	69,694,191	78,519,710	79,235,679	76,588,679	76,788,679
Benefits & Claims	1,532,392,278	1,663,553,795	1,740,521,054	1,707,732,577	1,791,987,897
Transfers	4,685,579	3,652,562	3,183,901	3,183,901	3,183,901
Debt Service	232,796	329,939	292,007	292,007	292,007
<b>Total Expenditures</b>	<b>\$1,909,407,901</b>	<b>\$2,056,760,993</b>	<b>\$2,135,269,636</b>	<b>\$2,107,363,872</b>	<b>\$2,195,070,536</b>
General Fund	489,863,124	497,080,811	530,665,150	549,469,811	585,620,900
State/Other Special Rev. Funds	147,801,426	160,004,844	166,136,390	174,001,050	178,354,463
Federal Spec. Rev. Funds	1,271,743,351	1,399,675,338	1,438,468,096	1,383,893,011	1,431,095,173
<b>Total Funds</b>	<b>\$1,909,407,901</b>	<b>\$2,056,760,993</b>	<b>\$2,135,269,636</b>	<b>\$2,107,363,872</b>	<b>\$2,195,070,536</b>
<b>Total Ongoing</b>	<b>\$1,898,402,029</b>	<b>\$2,045,223,811</b>	<b>\$2,122,563,931</b>	<b>\$2,107,363,872</b>	<b>\$2,195,070,536</b>
<b>Total OTO</b>	<b>\$11,005,872</b>	<b>\$11,537,182</b>	<b>\$12,705,705</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-3.

**Executive Budget Comparison**

The following table compares the legislative budget for the biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2019	Executive Budget Fiscal 2020	Legislative Budget Fiscal 2020	Leg — Exec. Difference Fiscal 2020	Executive Budget Fiscal 2021	Legislative Budget Fiscal 2021	Leg — Exec. Difference Fiscal 2021	Biennium Difference Fiscal 20-21
FTE	2,934.16	2,952.16	2,834.70	(117.46)	2,952.16	2,834.70	(117.46)	(117.46)
Personal Services	189,806,353	203,530,380	194,593,734	(8,936,646)	203,481,611	194,565,898	(8,915,713)	(17,852,359)
Operating Expenses	121,578,921	125,582,582	124,321,253	(1,261,329)	129,903,984	127,600,433	(2,303,551)	(3,564,880)
Equipment & Intangible Assets	651,721	651,721	651,721	0	651,721	651,721	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Grants	79,235,679	80,513,679	76,588,679	(3,925,000)	80,513,679	76,788,679	(3,725,000)	(7,650,000)
Benefits & Claims	1,740,521,054	1,704,679,881	1,707,732,577	3,052,696	1,798,201,747	1,791,987,897	(6,213,850)	(3,161,154)
Transfers	3,183,901	3,183,901	3,183,901	0	3,183,901	3,183,901	0	0
Debt Service	292,007	292,007	292,007	0	292,007	292,007	0	0
<b>Total Costs</b>	<b>\$2,135,269,636</b>	<b>\$2,118,434,151</b>	<b>\$2,107,363,872</b>	<b>(\$11,070,279)</b>	<b>\$2,216,228,650</b>	<b>\$2,195,070,536</b>	<b>(\$21,158,114)</b>	<b>(\$32,228,393)</b>
General Fund	530,665,150	551,846,211	549,469,811	(2,376,400)	580,187,263	585,620,900	5,433,637	3,057,237
State/other Special Rev. Funds	166,136,390	180,513,659	174,001,050	(6,512,609)	197,388,916	178,354,463	(19,034,453)	(25,547,062)
Federal Spec. Rev. Funds	1,438,468,096	1,386,074,281	1,383,893,011	(2,181,270)	1,438,652,471	1,431,095,173	(7,557,298)	(9,738,568)
<b>Total Funds</b>	<b>\$2,135,269,636</b>	<b>\$2,118,434,151</b>	<b>\$2,107,363,872</b>	<b>(\$11,070,279)</b>	<b>\$2,216,228,650</b>	<b>\$2,195,070,536</b>	<b>(\$21,158,114)</b>	<b>(\$32,228,393)</b>
<b>Total Ongoing</b>	<b>\$2,122,563,931</b>	<b>\$2,118,434,151</b>	<b>\$2,107,363,872</b>	<b>(\$11,070,279)</b>	<b>\$2,216,228,650</b>	<b>\$2,195,070,536</b>	<b>(\$21,158,114)</b>	<b>(\$32,228,393)</b>
<b>Total OTO</b>	<b>\$12,705,705</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

The legislative budget is \$30.9 million total funds lower than the executive request over the biennium.

- The legislative budget includes 2,834.70 FTE, 117.46 fewer than the executive request. The legislature adopted a change package that removed positions vacant for more than one year across DPHHS. The total personal services budget for the agency is \$17.9 million lower than the executive request over the biennium
- The legislative budget is \$3.1 million general fund higher than the executive request. The majority of this amount is due to the legislative decision to fund increased state costs for CHIP and programs supported by the Tobacco Health and Medicaid Initiative state special revenue fund with general fund rather than with state special revenues associated with new taxes on tobacco products. This increased general fund expenditure on CHIP is offset by legislative reductions to personal services which reduced general fund expenditures by \$8.8 million over the biennium, as well as the adoption of general fund appropriations for Medicaid caseload that are \$9.6 million lower than the executive request
- The legislative budget is \$25.5 million state special revenue funds lower than the executive request. The majority of this amount is due to the legislative decision to fund increased state costs for CHIP and programs supported by the Tobacco Health and Medicaid Initiative state special revenue fund with general fund rather than with state special revenues associated with new taxes on tobacco products
- The legislative budget is \$9.7 million federal special revenue funds lower than the executive request. This difference is largely due to the legislative adoption of a lower caseload for Medicaid in the 2021 biennium

**Funding**

The following table shows agency funding by source of authority.

Total Department of Public Health & Human Services Funding by Source of Authority 2021 Biennium Budget Request - Department of Public Health & Human Services						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,135,090,711	0	0	0	1,135,090,711	25.20 %
State Special Total	352,355,513	0	0	8,495,884	360,851,397	8.01 %
Federal Special Total	2,814,988,184	0	0	193,417,760	3,008,405,944	66.79 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
<b>Total All Funds</b>	<b>\$4,302,434,408</b>	<b>\$0</b>	<b>\$0</b>	<b>\$201,913,644</b>	<b>\$4,504,348,052</b>	
<b>Percent - Total All Sources</b>	<b>95.52 %</b>	<b>0.00 %</b>	<b>0.00 %</b>	<b>4.48 %</b>		

DPHHS receives general fund, state special revenue funds, and federal funds. State spending on Medicaid and the Children's Health Insurance Program (CHIP) is matched with federal funding based on the federal medical assistance percentage (FMAP) rate. A significant decrease in the FMAP for CHIP demands additional state funding to maintain CHIP services over the biennium. The largest state special revenue funds associated with DPPHS expenditures are the Tobacco Health and Medicaid Initiative fund (funded with tobacco taxes) and the Healthy Montana Kids Plan fund (funded with insurance taxes).

The statutory appropriations in the table above are almost entirely for the Indian Health Services (IHS) Medicaid program.

### Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	521,881,955	521,881,955	1,043,763,910	91.95 %	2,122,563,931	2,122,563,931	4,245,127,862	98.67 %
SWPL Adjustments	4,318,203	4,267,697	8,585,900	0.76 %	11,912,914	11,417,589	23,330,503	0.54 %
PL Adjustments	19,686,783	49,561,621	69,248,404	6.10 %	(46,527,263)	15,325,159	(31,202,104)	(0.73)%
New Proposals	3,582,870	9,909,627	13,492,497	1.19 %	19,414,290	45,763,857	65,178,147	1.51 %
<b>Total Budget</b>	<b>\$549,469,811</b>	<b>\$585,620,900</b>	<b>\$1,135,090,711</b>		<b>\$2,107,363,872</b>	<b>\$2,195,070,536</b>	<b>\$4,302,434,408</b>	

### Language and Statutory Authority

CHIP Federal Medicaid Assistance Percentage state special revenue funds are from the account established in 17-6-606 and must be expended before the general fund appropriation for CHIP State Match pursuant to 17-2-108.

Senior & Long-Term Care Division Nursing Home appropriation for Medicaid nursing home services is restricted to spending on Medicaid nursing home services or the Big Sky Waiver within the Senior and Long-Term Care Division.

If Medicaid expansion is not renewed, the DPHHS appropriation for the Health Resources Division in HB 2 is increased by \$28,410,375 general fund and \$55,428,911 federal funds in FY 2020 and \$28,519,386 general fund and \$55,887,606 federal funds in FY 2021.

The Disability Employment & Transitions Division is appropriated \$775,000 of state special revenue from the Montana Telecommunications Access Program (MTAP) during each year of the 2021 biennium to cover a contingent FCC mandate, which would require states to provide both Video and Internet Protocol relay services for people with severe hearing, mobility, or speech impairments.

If a companion bill amending 53-19-310 to allow for legislative transfers is not passed and approved, the appropriation for the Addictive and Mental Disorders Division in HB 2 is reduced by \$550,000 state special revenue and \$1,020,083 federal funds in FY 2020 and \$800,000 state special revenue and \$1,483,757 federal funds in FY 2021 and the appropriation for the Developmental Services Division in HB 2 is reduced by \$550,000 state special revenue and \$1,020,083 federal funds in FY 2020 and \$800,000 state special revenue and \$1,483,757 federal funds in FY 2021; and the appropriation for the Disability Employment and Transitions Division is reduced by \$400,000 state special revenue in FY 2020 and \$400,000 state special revenue in FY 2021.

If a companion bill transferring \$1,068,693 from the Older Montanans Trust Fund to a state special revenue account defined in that companion bill is not passed and approved, the appropriation for the Senior and Long-Term Care Division is reduced by \$320,608 state special revenue funds and \$594,630 federal special revenue funds in FY 2020 and \$748,085 state special revenue funds and \$1,375,950 federal special revenue funds in FY 2021.

The budget for the Child and Family Services Division is restricted to use in that division.

Senior & Long Term Care - County Nursing Home Intergovernmental Transfer (IGT) may be used only to make one-time payments to nursing homes based on the number of Medicaid services provided. State special revenue in County Nursing Home IGT may be expended only after the office of budget and program planning has certified that the department has collected the amount that is necessary to make one-time payments to nursing homes based on the number of Medicaid services provided and to fund the base budget in the nursing facility program and the community services program at the level of \$564,785 from the counties participating in the intergovernmental transfer program for the nursing facilities.

*If a bill amending 53-6-125 to allow for a reduction of the physician reimbursement calculated pursuant to that section for the biennium beginning July 1, 2019, is not passed and approved, Montana Health Information Exchange is void and Physician Reimbursement is increased by 200,000 in FY 2020 and increased by 400,000 in FY 2021.*

## 69010 - Department Of Public Health & Human Services01-Disability Employment & Transitions

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,899,837	18,097,597	197,760	1.10 %
Operating Expenses	9,759,782	9,923,650	163,868	1.68 %
Equipment & Intangible Assets	22,000	0	(22,000)	(100.00)%
Benefits & Claims	30,030,196	30,319,475	289,279	0.96 %
Transfers	50,000	50,000	0	0.00 %
<b>Total Expenditures</b>	<b>\$57,761,815</b>	<b>\$58,390,722</b>	<b>\$628,907</b>	<b>1.09 %</b>
General Fund	12,441,785	12,074,075	(367,710)	(2.96)%
State/Other Special Rev. Funds	1,872,500	2,620,462	747,962	39.94 %
Federal Spec. Rev. Funds	43,447,530	43,696,185	248,655	0.57 %
<b>Total Funds</b>	<b>\$57,761,815</b>	<b>\$58,390,722</b>	<b>\$628,907</b>	<b>1.09 %</b>
<b>Total Ongoing</b>	<b>\$57,761,815</b>	<b>\$58,390,722</b>	<b>\$628,907</b>	<b>1.09 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

### Page Reference

Legislative Budget Analysis, B-19.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	140.97	140.97	134.07	134.07
Personal Services	7,467,480	8,707,926	9,191,911	9,048,904	9,048,693
Operating Expenses	4,522,837	4,799,805	4,959,977	4,961,626	4,962,024
Equipment & Intangible Assets	21,547	22,000	0	0	0
Benefits & Claims	11,944,170	15,354,002	14,676,194	15,117,475	15,202,000
Transfers	6,250	25,000	25,000	25,000	25,000
<b>Total Expenditures</b>	<b>\$23,962,284</b>	<b>\$28,908,733</b>	<b>\$28,853,082</b>	<b>\$29,153,005</b>	<b>\$29,237,717</b>
General Fund	6,429,789	6,439,802	6,001,983	6,018,809	6,055,266
State/Other Special Rev. Funds	768,205	928,437	944,063	1,309,926	1,310,536
Federal Spec. Rev. Funds	16,764,290	21,540,494	21,907,036	21,824,270	21,871,915
<b>Total Funds</b>	<b>\$23,962,284</b>	<b>\$28,908,733</b>	<b>\$28,853,082</b>	<b>\$29,153,005</b>	<b>\$29,237,717</b>
<b>Total Ongoing</b>	<b>\$23,962,284</b>	<b>\$28,908,733</b>	<b>\$28,853,082</b>	<b>\$29,153,005</b>	<b>\$29,237,717</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-20.

### Funding

Disability Employment & Transitions is funded primarily by a variety of federal funds accounting for 74.8% of the total. Some programs are fully funded with federal funds including disability determinations and the Montech assistive technology



## 69010 - Department Of Public Health & Human Services01-Disability Employment & Transitions

program, while other federally funded programs require varying levels of state matching funds. There are 9 federal funds with ongoing HB 2 authority at DET. Over 90.0% of federal fund authority is contained in four programs including:

- Rehabilitation Sec. 110A are federal funds granted to states for the purposes of vocational rehabilitation intended to assist individuals with disabilities in preparing for and engaging in competitive employment
- Disability determinations administration funds cover administrative costs related to determining disabled status
- Social security trust funds are federal funds used to cover part of the benefits and claims expenditures in the vocational rehabilitation program
- Federal indirect activities are authorized based on a federally approved formula and are derived from DET functions benefiting or serving other programs in the department

General fund is used to support 20.7% of program costs while state special supports the remaining 4.5%. The majority of state funds at DET are spent on two programs including:

- Vocational rehabilitation services
- Montana Teleaccess Communications Program (MTAP)

### Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	6,001,983	6,001,983	12,003,966	99.42 %	28,853,082	28,853,082	57,706,164	98.83 %
SWPL Adjustments	104,688	104,432	209,120	1.73 %	297,456	296,634	594,090	1.02 %
PL Adjustments	(105,674)	(105,430)	(211,104)	(1.75)%	(438,814)	(437,805)	(876,619)	(1.50)%
New Proposals	17,812	54,281	72,093	0.60 %	441,281	525,806	967,087	1.66 %
<b>Total Budget</b>	<b>\$6,018,809</b>	<b>\$6,055,266</b>	<b>\$12,074,075</b>		<b>\$29,153,005</b>	<b>\$29,237,717</b>	<b>\$58,390,722</b>	

### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services										
0.00	104,351	(13,600)	205,056	295,807	0.00	104,014	(13,037)	203,610	294,587	
DP 3 - Inflation Deflation										
0.00	337	0	1,312	1,649	0.00	418	0	1,629	2,047	
DP 50 - Personal Services Adjustment										
(13.90)	(237,805)	(47,394)	(697,768)	(982,967)	(13.90)	(237,238)	(47,281)	(696,111)	(980,630)	
DP 52 - DET FTE Restore										
7.00	132,131	26,857	385,165	544,153	7.00	131,808	26,791	384,226	542,825	
Grand Total All Present Law Adjustments										
(6.90)	(\$986)	(\$34,137)	(\$106,235)	(\$141,358)	(6.90)	(\$998)	(\$33,527)	(\$106,646)	(\$141,171)	

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

### DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

## 69010 - Department Of Public Health & Human Services01-Disability Employment & Transitions

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

### DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 13.90 FTE.

### DP 52 - DET FTE Restore -

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

### **New Proposals -**

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----					-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1001 - PRI - Vocation Rehabilitation - DETD	0.00	14,025	0	21,351	35,376	0.00	42,741	0	65,070	107,811
DP 1002 - PRI - Independent Living - DETD	0.00	3,787	0	2,118	5,905	0.00	11,540	0	6,455	17,995
DP 1003 - Transfer from MTAP for Extended Employment	0.00	0	400,000	0	400,000	0.00	0	400,000	0	400,000
<b>Total</b>	<b>0.00</b>	<b>\$17,812</b>	<b>\$400,000</b>	<b>\$23,469</b>	<b>\$441,281</b>	<b>0.00</b>	<b>\$54,281</b>	<b>\$400,000</b>	<b>\$71,525</b>	<b>\$525,806</b>

\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

### DP 1001 - PRI - Vocation Rehabilitation - DETD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for vocational rehabilitation and extended employment providers in the Disability Employment and Transitions Division.

### DP 1002 - PRI - Independent Living - DETD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for independent living centers in the Disability Employment and Transitions Division.

### DP 1003 - Transfer from MTAP for Extended Employment -

The legislature adopted a \$400,000 increase to the appropriation for Extended Employment in the Disability Employment and Transitions Division during each year of the 2021 Biennium.

**Program Budget Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	54,459,312	59,330,277	4,870,965	8.94 %
Operating Expenses	15,989,164	15,071,360	(917,804)	(5.74)%
Equipment & Intangible Assets	228,000	50,000	(178,000)	(78.07)%
Grants	46,298,408	43,495,330	(2,803,078)	(6.05)%
Benefits & Claims	530,082,211	539,939,208	9,856,997	1.86 %
Transfers	4,242,220	4,242,220	0	0.00 %
<b>Total Expenditures</b>	<b>\$651,299,315</b>	<b>\$662,128,395</b>	<b>\$10,829,080</b>	<b>1.66 %</b>
General Fund	67,918,740	66,817,556	(1,101,184)	(1.62)%
State/Other Special Rev. Funds	4,350,946	5,144,699	793,753	18.24 %
Federal Spec. Rev. Funds	579,029,629	590,166,140	11,136,511	1.92 %
<b>Total Funds</b>	<b>\$651,299,315</b>	<b>\$662,128,395</b>	<b>\$10,829,080</b>	<b>1.66 %</b>
<b>Total Ongoing</b>	<b>\$645,299,041</b>	<b>\$662,128,395</b>	<b>\$16,829,354</b>	<b>2.61 %</b>
<b>Total OTO</b>	<b>\$6,000,274</b>	<b>\$0</b>	<b>(\$6,000,274)</b>	<b>(100.00)%</b>

**Page Reference**

Legislative Budget Analysis, B-26.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	488.30	488.30	478.55	478.55
Personal Services	24,874,218	26,371,037	28,088,275	29,666,858	29,663,419
Operating Expenses	8,349,746	8,501,865	7,487,299	7,535,387	7,535,973
Equipment & Intangible Assets	156,395	203,000	25,000	25,000	25,000
Grants	21,916,741	21,703,743	24,594,665	21,747,665	21,747,665
Benefits & Claims	252,448,870	264,492,175	265,590,036	269,969,604	269,969,604
Transfers	3,553,708	2,121,110	2,121,110	2,121,110	2,121,110
<b>Total Expenditures</b>	<b>\$311,299,678</b>	<b>\$323,392,930</b>	<b>\$327,906,385</b>	<b>\$331,065,624</b>	<b>\$331,062,771</b>
General Fund	31,917,582	32,132,417	35,786,323	33,331,909	33,485,647
State/Other Special Rev. Funds	1,767,382	1,870,432	2,480,514	2,550,217	2,594,482
Federal Spec. Rev. Funds	277,614,714	289,390,081	289,639,548	295,183,498	294,982,642
<b>Total Funds</b>	<b>\$311,299,678</b>	<b>\$323,392,930</b>	<b>\$327,906,385</b>	<b>\$331,065,624</b>	<b>\$331,062,771</b>
<b>Total Ongoing</b>	<b>\$308,512,888</b>	<b>\$320,392,930</b>	<b>\$324,906,111</b>	<b>\$331,065,624</b>	<b>\$331,062,771</b>
<b>Total OTO</b>	<b>\$2,786,790</b>	<b>\$3,000,000</b>	<b>\$3,000,274</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

Legislative Budget Analysis, B-27.

## Funding

Human and Community Services Division (HCSD) costs are driven by the benefits delivered by HCSD staff and providers throughout the state, and the administrative costs associated with benefit provisions. HCSD is funded primarily by a variety of federal funds accounting for 89.1% of the 2021 biennium budget.

General fund is 10.1% of the 2021 biennium budget. General funds are used to support Temporary Assistance for Needy Families (TANF) and child care Maintenance of Effort (MOE) requirements and are used as a match for federal programs such as Medicaid, SNAP eligibility determinations, and child care benefits.

State special revenues are 0.8% of the of 2021 HCSD biennium budget and are used primarily to fund the childcare match in the prevention and stabilization program, as well as the state portion of energy and weatherization services including the Low Income Energy Assistance Program (LIEAP).

## Program Budget Summary by Category

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	32,786,049	32,786,049	65,572,098	98.14 %	324,906,111	324,906,111	649,812,222	98.14 %
SWPL Adjustments	845,584	1,005,851	1,851,435	2.77 %	2,339,921	2,335,441	4,675,362	0.71 %
PL Adjustments	(299,724)	(306,253)	(605,977)	(0.91)%	3,819,592	3,821,219	7,640,811	1.15 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$33,331,909</b>	<b>\$33,485,647</b>	<b>\$66,817,556</b>		<b>\$331,065,624</b>	<b>\$331,062,771</b>	<b>\$662,128,395</b>	

## Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	845,584	81,879	1,410,018	2,337,481		0.00	1,005,851	123,212	1,203,352	2,332,415
DP 3 - Inflation Deflation										
0.00	0	0	2,440	2,440		0.00	0	0	3,026	3,026
DP 50 - Personal Services Adjustment										
(9.75)	(299,724)	(12,176)	(359,724)	(671,624)		(9.75)	(306,253)	(9,244)	(354,500)	(669,997)
DP 2002 - IHSB Grant Funding										
0.00	0	0	557,356	557,356		0.00	0	0	557,356	557,356
DP 2003 - Child Care Federal Authority										
0.00	0	0	3,933,860	3,933,860		0.00	0	0	3,933,860	3,933,860
Grand Total All Present Law Adjustments										
(9.75)	\$545,860	\$69,703	\$5,543,950	\$6,159,513		(9.75)	\$699,598	\$113,968	\$5,343,094	\$6,156,660

\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

## DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 9.75 FTE at Human & Community Services Division.

DP 2002 - IHSB Grant Funding -

The legislature adopted an increase of \$1.1 million in federal funds over the biennium to maintain existing services for the Department of Energy Weatherization program, the Low Income Energy Assistance Program (LIEAP), and the Food Distribution Program on the Indian Reservations in the Human and Community Services Division.

DP 2003 - Child Care Federal Authority -

The legislature adopted an increase of \$7.9 million in federal funds over the biennium to maintain existing services for the Child Care Development Fund in the Human and Community Services Division.

## 69010 - Department Of Public Health & Human Services 03-Child and Family Services Division

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	49,714,415	55,736,559	6,022,144	12.11 %
Operating Expenses	13,507,795	12,156,314	(1,351,481)	(10.01)%
Grants	14,757,184	13,626,560	(1,130,624)	(7.66)%
Benefits & Claims	101,008,404	124,378,148	23,369,744	23.14 %
Transfers	476,182	476,182	0	0.00 %
Debt Service	2,316	2,316	0	0.00 %
<b>Total Expenditures</b>	<b>\$179,466,296</b>	<b>\$206,376,079</b>	<b>\$26,909,783</b>	<b>14.99 %</b>
General Fund	101,768,931	121,435,749	19,666,818	19.32 %
State/Other Special Rev. Funds	3,795,228	3,758,555	(36,673)	(0.97)%
Federal Spec. Rev. Funds	73,902,137	81,181,775	7,279,638	9.85 %
<b>Total Funds</b>	<b>\$179,466,296</b>	<b>\$206,376,079</b>	<b>\$26,909,783</b>	<b>14.99 %</b>
<b>Total Ongoing</b>	<b>\$162,823,683</b>	<b>\$206,376,079</b>	<b>\$43,552,396</b>	<b>26.75 %</b>
<b>Total OTO</b>	<b>\$16,642,613</b>	<b>\$0</b>	<b>(\$16,642,613)</b>	<b>(100.00)%</b>

### Page Reference

Legislative Budget Analysis, B-37.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	416.72	416.72	430.47	430.47
Personal Services	27,139,756	26,388,195	23,326,220	27,869,506	27,867,053
Operating Expenses	7,418,936	7,479,817	6,027,978	6,072,761	6,083,553
Grants	7,274,561	7,943,904	6,813,280	6,813,280	6,813,280
Benefits & Claims	52,343,898	52,861,023	48,147,381	59,624,891	64,753,257
Transfers	189,712	238,091	238,091	238,091	238,091
Debt Service	0	1,158	1,158	1,158	1,158
<b>Total Expenditures</b>	<b>\$94,366,863</b>	<b>\$94,912,188</b>	<b>\$84,554,108</b>	<b>\$100,619,687</b>	<b>\$105,756,392</b>
General Fund	54,369,653	54,394,501	47,374,430	59,266,154	62,169,595
State/Other Special Rev. Funds	1,773,428	1,897,614	1,897,614	1,879,255	1,879,300
Federal Spec. Rev. Funds	38,223,782	38,620,073	35,282,064	39,474,278	41,707,497
<b>Total Funds</b>	<b>\$94,366,863</b>	<b>\$94,912,188</b>	<b>\$84,554,108</b>	<b>\$100,619,687</b>	<b>\$105,756,392</b>
<b>Total Ongoing</b>	<b>\$86,629,671</b>	<b>\$87,175,006</b>	<b>\$75,648,677</b>	<b>\$100,619,687</b>	<b>\$105,756,392</b>
<b>Total OTO</b>	<b>\$7,737,192</b>	<b>\$7,737,182</b>	<b>\$8,905,431</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-39.

## 69010 - Department Of Public Health & Human Services 03-Child and Family Services Division

### Funding

The Child and Family Services Division (CFSD) receives general fund, state special revenue fund, and federal special revenue fund authority. The largest federal funds sources are matching funds for foster care, adoption, and guardianship benefits and related indirect activity.

### Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	42,291,509	42,291,509	84,583,018	69.65 %	75,648,677	75,648,677	151,297,354	73.31 %
SWPL Adjustments	2,341,639	2,346,149	4,687,788	3.86 %	3,426,158	3,436,006	6,862,164	3.33 %
PL Adjustments	13,676,896	15,831,472	29,508,368	24.30 %	20,187,574	24,299,999	44,487,573	21.56 %
New Proposals	956,110	1,700,465	2,656,575	2.19 %	1,357,278	2,371,710	3,728,988	1.81 %
<b>Total Budget</b>	<b>\$59,266,154</b>	<b>\$62,169,595</b>	<b>\$121,435,749</b>		<b>\$100,619,687</b>	<b>\$105,756,392</b>	<b>\$206,376,079</b>	

### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,320,236	0	1,061,139	3,381,375	0.00	2,319,588	0	1,060,843	3,380,431
DP 3 - Inflation Deflation	0.00	21,403	0	23,380	44,783	0.00	26,561	0	29,014	55,575
DP 50 - Personal Services Adjustment	(4.25)	(146,870)	(18,359)	(201,947)	(367,176)	(4.25)	(146,508)	(18,314)	(201,448)	(366,270)
DP 3001 - Foster Care Caseload - CFSD	0.00	9,216,235	0	2,601,711	11,817,946	0.00	10,387,565	0	3,458,174	13,845,739
DP 3002 - Adoption Caseload - CFSD	0.00	2,320,758	0	2,604,450	4,925,208	0.00	2,866,188	0	3,247,696	6,113,884
DP 3003 - Guardianship Caseload - CFSD	0.00	1,827,142	0	1,491,844	3,318,986	0.00	2,309,764	0	1,904,272	4,214,036
DP 3004 - Guardianship FMAP Adjustment - CFSD	0.00	6,647	0	(6,647)	0	0.00	4,032	0	(4,032)	0
DP 3005 - Adoption FMAP Adjustment - CFSD	0.00	72,739	0	(72,739)	0	0.00	44,121	0	(44,121)	0
DP 3006 - Foster Care FMAP Adjustment - CFSD	0.00	35,417	0	(35,417)	0	0.00	21,482	0	(21,482)	0
DP 3007 - Overtime/Differential - CFSD	0.00	344,828	0	147,782	492,610	0.00	344,828	0	147,782	492,610
<b>Grand Total All Present Law Adjustments</b>	<b>(4.25)</b>	<b>\$16,018,535</b>	<b>(\$18,359)</b>	<b>\$7,613,556</b>	<b>\$23,613,732</b>	<b>(4.25)</b>	<b>\$18,177,621</b>	<b>(\$18,314)</b>	<b>\$9,576,698</b>	<b>\$27,736,005</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

### DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 4.25 FTE.

DP 3001 - Foster Care Caseload - CFSD -

The legislature adopted changes to fund the projected increases in the number of children entering foster care and to restore one-time-only funding from the 2017 Legislative Session for the current foster care population.

DP 3002 - Adoption Caseload - CFSD -

The legislature adopted changes to fund the projected increases in the number of finalized adoptions and the average cost per day in the subsidized adoption program and to restore one-time-only funding from the 2017 Legislative Session for the current subsidized adoption program.

DP 3003 - Guardianship Caseload - CFSD -

The legislature adopted changes to fund the projected increases in the number of finalized guardianships and the average cost per day in the subsidized guardianship program and to restore one-time-only funding from the 2017 Legislative Session for the current guardianship program.

DP 3004 - Guardianship FMAP Adjustment - CFSD -

The legislature adopted changes to maintain existing services for the guardianship program. The total cost for the program does not change.

DP 3005 - Adoption FMAP Adjustment - CFSD -

The legislature adopted changes to maintain existing services for the subsidized adoption program. The total cost for the program does not change.

DP 3006 - Foster Care FMAP Adjustment - CFSD -

The legislature adopted changes to maintain existing services for the foster care program. The total cost for the program does not change.

DP 3007 - Overtime/Differential - CFSD -

The legislature adopted changes to maintain existing services for the Child and Family Services Division. This increase is for overtime to maintain staffing levels in addition to what is funded in DP 1.



**New Proposals -**

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3008 - PRI - Foster Care - CFSD	0.00	177,866	0	46,656	224,522	0.00	758,859	0	199,840	958,699
DP 3009 - PRI - Subsidized Adoption - CFSD	0.00	24,936	0	28,395	53,331	0.00	115,334	0	102,278	217,612
DP 3010 - PRI - Subsidized Guardianship - CFSD	0.00	11,504	0	8,401	19,905	0.00	52,844	0	38,267	91,111
DP 3011 - PRI - Grants and Contracts - CFSD	0.00	16,270	0	6,773	23,043	0.00	49,585	0	20,641	70,226
DP 3012 - Transfer of Existing FTE - CFSD	18.00	725,534	0	310,943	1,036,477	18.00	723,843	0	310,219	1,034,062
<b>Total</b>	<b>18.00</b>	<b>\$956,110</b>	<b>\$0</b>	<b>\$401,168</b>	<b>\$1,357,278</b>	<b>18.00</b>	<b>\$1,700,465</b>	<b>\$0</b>	<b>\$671,245</b>	<b>\$2,371,710</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

**DP 3008 - PRI - Foster Care - CFSD -**

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for foster care in the Child and Family Services Division.

**DP 3009 - PRI - Subsidized Adoption - CFSD -**

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for foster care in the Child and Family Services Division.

**DP 3010 - PRI - Subsidized Guardianship - CFSD -**

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for foster care in the Child and Family Services Division.

**DP 3011 - PRI - Grants and Contracts - CFSD -**

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for foster care in the Child and Family Services Division.

**DP 3012 - Transfer of Existing FTE - CFSD -**

The legislature adopted the transfer of 18.00 FTE from the Developmental Services Division to support existing operations in the Child and Family Services Division.

**Program Budget Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	12,408,109	10,940,801	(1,467,308)	(11.83)%
Operating Expenses	4,423,073	4,732,281	309,208	6.99 %
Grants	1,723,258	1,748,158	24,900	1.44 %
Transfers	130,000	0	(130,000)	(100.00)%
<b>Total Expenditures</b>	<b>\$18,684,440</b>	<b>\$17,421,240</b>	<b>(\$1,263,200)</b>	<b>(6.76)%</b>
General Fund	7,913,595	7,245,775	(667,820)	(8.44)%
State/Other Special Rev. Funds	2,467,344	2,317,243	(150,101)	(6.08)%
Federal Spec. Rev. Funds	8,303,501	7,858,222	(445,279)	(5.36)%
<b>Total Funds</b>	<b>\$18,684,440</b>	<b>\$17,421,240</b>	<b>(\$1,263,200)</b>	<b>(6.76)%</b>
<b>Total Ongoing</b>	<b>\$18,284,440</b>	<b>\$17,421,240</b>	<b>(\$863,200)</b>	<b>(4.72)%</b>
<b>Total OTO</b>	<b>\$400,000</b>	<b>\$0</b>	<b>(\$400,000)</b>	<b>(100.00)%</b>

**Page Reference**

Legislative Budget Analysis, B-49.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	60.50	60.50	57.50	57.50
Personal Services	7,322,235	7,270,103	5,138,006	5,472,866	5,467,935
Operating Expenses	1,159,492	1,857,042	2,566,031	2,366,129	2,366,152
Grants	625,145	849,179	874,079	874,079	874,079
Transfers	130,000	130,000	0	0	0
<b>Total Expenditures</b>	<b>\$9,236,872</b>	<b>\$10,106,324</b>	<b>\$8,578,116</b>	<b>\$8,713,074</b>	<b>\$8,708,166</b>
General Fund	4,275,185	4,374,216	3,539,379	3,624,167	3,621,608
State/Other Special Rev. Funds	1,041,439	1,329,344	1,138,000	1,158,792	1,158,451
Federal Spec. Rev. Funds	3,920,248	4,402,764	3,900,737	3,930,115	3,928,107
<b>Total Funds</b>	<b>\$9,236,872</b>	<b>\$10,106,324</b>	<b>\$8,578,116</b>	<b>\$8,713,074</b>	<b>\$8,708,166</b>
<b>Total Ongoing</b>	<b>\$9,234,772</b>	<b>\$9,906,324</b>	<b>\$8,378,116</b>	<b>\$8,713,074</b>	<b>\$8,708,166</b>
<b>Total OTO</b>	<b>\$2,100</b>	<b>\$200,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

Legislative Budget Analysis, B-50.

**Funding**

This program receives general fund, state special revenue fund, and federal special revenue fund authority. Most functions within the Director's Office are cost allocated through indirect cost recoveries from the other divisions within DPHHS.

**Program Budget Summary by Category**

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	3,439,379	3,439,379	6,878,758	94.93 %	8,378,116	8,378,116	16,756,232	96.18 %
SWPL Adjustments	382,982	379,909	762,891	10.53 %	716,101	710,203	1,426,304	8.19 %
PL Adjustments	(198,194)	(197,680)	(395,874)	(5.46)%	(381,143)	(380,153)	(761,296)	(4.37)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$3,624,167</b>	<b>\$3,621,608</b>	<b>\$7,245,775</b>		<b>\$8,713,074</b>	<b>\$8,708,166</b>	<b>\$17,421,240</b>	

**Present Law Adjustments -**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	382,898	47,476	285,629	716,003	0.00	379,806	47,066	283,210	710,082
DP 2 - Fixed Costs	0.00	(476)	(166)	(700)	(1,342)	0.00	(591)	(205)	(869)	(1,665)
DP 3 - Inflation Deflation	0.00	560	162	718	1,440	0.00	694	201	891	1,786
DP 50 - Personal Services Adjustment	(3.00)	(198,194)	(26,680)	(156,269)	(381,143)	(3.00)	(197,680)	(26,611)	(155,862)	(380,153)
<b>Grand Total All Present Law Adjustments</b>	<b>(3.00)</b>	<b>\$184,788</b>	<b>\$20,792</b>	<b>\$129,378</b>	<b>\$334,958</b>	<b>(3.00)</b>	<b>\$182,229</b>	<b>\$20,451</b>	<b>\$127,370</b>	<b>\$330,050</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

**DP 1 - Personal Services -**

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

**DP 2 - Fixed Costs -**

The legislature adopted adjustments to provide the funding required in the proposed budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

**DP 3 - Inflation Deflation -**

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

**DP 50 - Personal Services Adjustment -**

The legislature adopted a reduction of 3.00 FTE.

## 69010 - Department Of Public Health & Human Services 05-Child Support Enforcement Division

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,858,471	18,487,220	628,749	3.52 %
Operating Expenses	3,665,349	3,915,724	250,375	6.83 %
Equipment & Intangible Assets	42,912	42,912	0	0.00 %
<b>Total Expenditures</b>	<b>\$21,566,732</b>	<b>\$22,445,856</b>	<b>\$879,124</b>	<b>4.08 %</b>
General Fund	5,764,602	6,398,089	633,487	10.99 %
State/Other Special Rev. Funds	1,070,030	726,443	(343,587)	(32.11) %
Federal Spec. Rev. Funds	14,732,100	15,321,324	589,224	4.00 %
<b>Total Funds</b>	<b>\$21,566,732</b>	<b>\$22,445,856</b>	<b>\$879,124</b>	<b>4.08 %</b>
<b>Total Ongoing</b>	<b>\$21,566,732</b>	<b>\$22,445,856</b>	<b>\$879,124</b>	<b>4.08 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

### Page Reference

Legislative Budget Analysis, B-54.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	140.31	140.31	129.81	129.81
Personal Services	8,438,264	8,801,899	9,056,572	9,243,549	9,243,671
Operating Expenses	1,882,751	1,707,487	1,957,862	1,957,862	1,957,862
Equipment & Intangible Assets	0	21,456	21,456	21,456	21,456
<b>Total Expenditures</b>	<b>\$10,321,015</b>	<b>\$10,530,842</b>	<b>\$11,035,890</b>	<b>\$11,222,867</b>	<b>\$11,222,989</b>
General Fund	2,612,837	2,613,001	3,151,601	3,199,006	3,199,083
State/Other Special Rev. Funds	687,139	692,274	377,756	363,205	363,238
Federal Spec. Rev. Funds	7,021,039	7,225,567	7,506,533	7,660,656	7,660,668
<b>Total Funds</b>	<b>\$10,321,015</b>	<b>\$10,530,842</b>	<b>\$11,035,890</b>	<b>\$11,222,867</b>	<b>\$11,222,989</b>
<b>Total Ongoing</b>	<b>\$10,321,015</b>	<b>\$10,530,842</b>	<b>\$11,035,890</b>	<b>\$11,222,867</b>	<b>\$11,222,989</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-55.

### Funding

This program is primarily federally funded. Title IV-D eligible expenditures are funded with federal funds and state funds. The non-IV-D federal funding is an incentive payment for reaching specified federal benchmarks. State match for the Title IV-D spending comes from the child support state special revenue fund and the general fund.

## 69010 - Department Of Public Health & Human Services 05-Child Support Enforcement Division

### State Special Revenue

State special revenue is generated primarily from the retention of collections made on behalf of TANF participants in addition to small amounts from applications, genetic testing, and federal tax offset fees. Any child support recovered on behalf of TANF recipients is retained by the state at the state share according to the Federal Medical Assistance Percentage (FMAP). No revenue is retained from non-TANF collections, which are simply collected and sent on to the custodial parent.

### Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	3,151,601	3,151,601	6,303,202	98.52 %	11,035,890	11,035,890	22,071,780	98.33 %
SWPL Adjustments	311,592	311,034	622,626	9.73 %	916,445	914,805	1,831,250	8.16 %
PL Adjustments	(264,187)	(263,552)	(527,739)	(8.25)%	(729,468)	(727,706)	(1,457,174)	(6.49)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$3,199,006</b>	<b>\$3,199,083</b>	<b>\$6,398,089</b>		<b>\$11,222,867</b>	<b>\$11,222,989</b>	<b>\$22,445,856</b>	

### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2020-----					-----Fiscal 2021-----				
		General	State	Federal	Total		General	State	Federal	Total
	FTE	Fund	Special	Special	Funds	FTE	Fund	Special	Special	Funds
DP 1 - Personal Services	0.00	311,592	0	604,853	916,445	0.00	311,034	0	603,771	914,805
DP 50 - Personal Services Adjustment	(8.50)	(220,271)	(14,551)	(365,481)	(600,303)	(8.50)	(219,741)	(14,518)	(364,592)	(598,851)
DP 52 - DET FTE Restore	(2.00)	(43,916)	0	(85,249)	(129,165)	(2.00)	(43,811)	0	(85,044)	(128,855)
Grand Total All Present Law Adjustments	(10.50)	\$47,405	(\$14,551)	\$154,123	\$186,977	(10.50)	\$47,482	(\$14,518)	\$154,135	\$187,099

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

### DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

### DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 8.50 FTE.

### DP 52 - DET FTE Restore -

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	7,379,146	7,226,962	(152,184)	(2.06)%
Operating Expenses	15,807,626	16,865,331	1,057,705	6.69 %
Debt Service	11,352	11,352	0	0.00 %
<b>Total Expenditures</b>	<b>\$23,198,124</b>	<b>\$24,103,645</b>	<b>\$905,521</b>	<b>3.90 %</b>
General Fund	8,591,910	8,757,763	165,853	1.93 %
State/Other Special Rev. Funds	1,817,891	1,835,465	17,574	0.97 %
Federal Spec. Rev. Funds	12,788,323	13,510,417	722,094	5.65 %
<b>Total Funds</b>	<b>\$23,198,124</b>	<b>\$24,103,645</b>	<b>\$905,521</b>	<b>3.90 %</b>
<b>Total Ongoing</b>	<b>\$23,198,124</b>	<b>\$24,103,645</b>	<b>\$905,521</b>	<b>3.90 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

### Page Reference

Legislative Budget Analysis, B-58.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	60.00	60.00	52.00	52.00
Personal Services	3,122,418	3,415,097	3,964,049	3,613,278	3,613,684
Operating Expenses	8,223,142	8,168,487	7,639,139	8,662,616	8,202,715
Debt Service	6,940	5,676	5,676	5,676	5,676
<b>Total Expenditures</b>	<b>\$11,352,500</b>	<b>\$11,589,260</b>	<b>\$11,608,864</b>	<b>\$12,281,570</b>	<b>\$11,822,075</b>
General Fund	4,288,447	4,364,678	4,227,232	4,479,970	4,277,793
State/Other Special Rev. Funds	901,416	932,627	885,264	931,518	903,947
Federal Spec. Rev. Funds	6,162,637	6,291,955	6,496,368	6,870,082	6,640,335
<b>Total Funds</b>	<b>\$11,352,500</b>	<b>\$11,589,260</b>	<b>\$11,608,864</b>	<b>\$12,281,570</b>	<b>\$11,822,075</b>
<b>Total Ongoing</b>	<b>\$11,352,500</b>	<b>\$11,589,260</b>	<b>\$11,608,864</b>	<b>\$12,281,570</b>	<b>\$11,822,075</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-59.

### Funding

Business & Financial Services Division (BFSD) receives general fund, state special revenue, and federal funds through a complicated, federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefiting or serving other programs in the department. The general fund, like the state special revenue and federal state special revenue received from the cost allocation formula is used to support internal BFSD functions.

## 69010 - Department Of Public Health & Human Services06-Business and Financial Services Division

Nearly all BFSD activities are funded with indirect revenues from all fund types. The exception to this are facility reimbursement activities. General funds are used to support facility reimbursement staff who are responsible for collecting private funds, private insurance, Medicaid, and Medicare from patients receiving services at DPHHS facilities. Funds collected reimburse the general fund as well as state special funds used to support facilities such as the Montana Chemical Dependency Center (MCDC) cost recovery fund. In FY 2018, BFSD collected \$17.9 million for facility reimbursements, most of which are deposited into the general fund.

### Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	4,227,232	4,227,232	8,454,464	96.54 %	11,608,864	11,608,864	23,217,728	96.32 %
SWPL Adjustments	497,466	294,691	792,157	9.05 %	1,130,603	669,751	1,800,354	7.47 %
PL Adjustments	(244,728)	(244,130)	(488,858)	(5.58)%	(457,897)	(456,540)	(914,437)	(3.79)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$4,479,970</b>	<b>\$4,277,793</b>	<b>\$8,757,763</b>		<b>\$12,281,570</b>	<b>\$11,822,075</b>	<b>\$24,103,645</b>	

### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	90,389	12,326	102,713	205,428	0.00	89,970	12,269	102,238	204,477
DP 2 - Fixed Costs	0.00	407,051	55,507	462,557	925,115	0.00	204,689	27,912	232,600	465,201
DP 3 - Inflation Deflation	0.00	26	4	30	60	0.00	32	4	37	73
DP 50 - Personal Services Adjustment	(8.00)	(244,728)	(33,372)	(278,099)	(556,199)	(8.00)	(244,130)	(33,291)	(277,421)	(554,842)
DP 55 - SWPL Fixed Cost Adjustment	0.00	0	11,789	86,513	98,302	0.00	0	11,789	86,513	98,302
Grand Total All Present Law Adjustments	(8.00)	\$252,738	\$46,254	\$373,714	\$672,706	(8.00)	\$50,561	\$18,683	\$143,967	\$213,211

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

### DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

### DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 8.00 FTE at Business & Financial Services Division.

DP 55 - SWPL Fixed Cost Adjustment -

The legislature adopted an increase to the Statewide Cost Allocation Plan (SWCAP).



**Program Budget Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	25,841,724	27,640,942	1,799,218	6.96 %
Operating Expenses	18,591,998	19,542,020	950,022	5.11 %
Equipment & Intangible Assets	953,482	433,482	(520,000)	(54.54)%
Grants	43,520,762	43,205,990	(314,772)	(0.72)%
Benefits & Claims	30,998,363	32,032,572	1,034,209	3.34 %
Transfers	1,540,200	1,540,200	0	0.00 %
<b>Total Expenditures</b>	<b>\$121,446,529</b>	<b>\$124,395,206</b>	<b>\$2,948,677</b>	<b>2.43 %</b>
General Fund	7,252,464	7,748,458	495,994	6.84 %
State/Other Special Rev. Funds	32,114,223	33,396,867	1,282,644	3.99 %
Federal Spec. Rev. Funds	82,079,842	83,249,881	1,170,039	1.43 %
<b>Total Funds</b>	<b>\$121,446,529</b>	<b>\$124,395,206</b>	<b>\$2,948,677</b>	<b>2.43 %</b>
<b>Total Ongoing</b>	<b>\$121,446,529</b>	<b>\$124,395,206</b>	<b>\$2,948,677</b>	<b>2.43 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Page Reference**

Legislative Budget Analysis, B-62.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	179.02	179.02	177.96	177.96
Personal Services	13,321,936	12,476,327	13,365,397	13,822,789	13,818,153
Operating Expenses	10,562,225	8,826,165	9,765,833	9,770,454	9,771,566
Equipment & Intangible Assets	456,181	736,741	216,741	216,741	216,741
Grants	17,629,700	21,917,767	21,602,995	21,602,995	21,602,995
Benefits & Claims	11,628,288	14,982,077	16,016,286	16,016,286	16,016,286
Transfers	536,528	770,100	770,100	770,100	770,100
<b>Total Expenditures</b>	<b>\$54,134,858</b>	<b>\$59,709,177</b>	<b>\$61,737,352</b>	<b>\$62,199,365</b>	<b>\$62,195,841</b>
General Fund	3,488,898	3,492,124	3,760,340	3,874,668	3,873,790
State/Other Special Rev. Funds	14,359,297	15,613,679	16,500,544	16,699,587	16,697,280
Federal Spec. Rev. Funds	36,286,663	40,603,374	41,476,468	41,625,110	41,624,771
<b>Total Funds</b>	<b>\$54,134,858</b>	<b>\$59,709,177</b>	<b>\$61,737,352</b>	<b>\$62,199,365</b>	<b>\$62,195,841</b>
<b>Total Ongoing</b>	<b>\$54,134,858</b>	<b>\$59,709,177</b>	<b>\$61,737,352</b>	<b>\$62,199,365</b>	<b>\$62,195,841</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

Legislative Budget Analysis, B-63.

**Funding**

The 2021 biennium Public Health and Safety Division (PHSD) budget request is funded by general fund, state special revenue, and federal funds. General fund is used to fund a portion of each of the major functions discussed above. There are over 75 funding sources that support PHSD, with the majority being federal categorical grants that fund specific activities. The single largest federal source supports the Women, Infants, and Children (WIC) nutrition program. The major sources of state special revenue are:

- Tobacco settlement funds and tobacco settlement trust fund interest
- Public health laboratory fees
- Insurance fees for a genetics program - \$1 annually for each Montana resident insured under any individual or group disability or health insurance policy
- Licensing fees for food manufacturers or food sales establishments - 5.0% of an annual license fee of \$115, and penalties for failure to renew licenses in a timely manner

**Program Budget Summary by Category**

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	3,760,340	3,760,340	7,520,680	97.06 %	61,737,352	61,737,352	123,474,704	99.26 %
SWPL Adjustments	136,366	135,432	271,798	3.51 %	531,672	527,977	1,059,649	0.85 %
PL Adjustments	(22,038)	(21,982)	(44,020)	(0.57)%	(69,659)	(69,488)	(139,147)	(0.11)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$3,874,668</b>	<b>\$3,873,790</b>	<b>\$7,748,458</b>		<b>\$62,199,365</b>	<b>\$62,195,841</b>	<b>\$124,395,206</b>	

**Present Law Adjustments -**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	135,730	210,284	181,037	527,051	0.00	134,603	207,934	179,707	522,244
DP 3 - Inflation Deflation	0.00	636	62	3,923	4,621	0.00	829	77	4,827	5,733
DP 50 - Personal Services Adjustment	(1.06)	(22,038)	(11,303)	(36,318)	(69,659)	(1.06)	(21,982)	(11,275)	(36,231)	(69,488)
<b>Grand Total All Present Law Adjustments</b>	<b>(1.06)</b>	<b>\$114,328</b>	<b>\$199,043</b>	<b>\$148,642</b>	<b>\$462,013</b>	<b>(1.06)</b>	<b>\$113,450</b>	<b>\$196,736</b>	<b>\$148,303</b>	<b>\$458,489</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

**DP 1 - Personal Services -**

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

**DP 3 - Inflation Deflation -**

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 1.06 FTE.

**Program Budget Comparison**

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	14,016,675	16,423,354	2,406,679	17.17 %
Operating Expenses	2,984,801	4,951,711	1,966,910	65.90 %
Equipment & Intangible Assets	1,050	1,050	0	0.00 %
Grants	1,169,882	1,169,882	0	0.00 %
<b>Total Expenditures</b>	<b>\$18,172,408</b>	<b>\$22,545,997</b>	<b>\$4,373,589</b>	<b>24.07 %</b>
General Fund	4,736,100	5,121,673	385,573	8.14 %
State/Other Special Rev. Funds	680,782	4,687,735	4,006,953	588.58 %
Federal Spec. Rev. Funds	12,755,526	12,736,589	(18,937)	(0.15)%
<b>Total Funds</b>	<b>\$18,172,408</b>	<b>\$22,545,997</b>	<b>\$4,373,589</b>	<b>24.07 %</b>
<b>Total Ongoing</b>	<b>\$18,172,408</b>	<b>\$22,545,997</b>	<b>\$4,373,589</b>	<b>24.07 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

**Page Reference**

Legislative Budget Analysis, B-70.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	104.23	104.23	118.23	118.23
Personal Services	5,941,627	6,812,916	7,203,759	8,211,602	8,211,752
Operating Expenses	1,189,170	1,401,371	1,583,430	2,453,035	2,498,676
Equipment & Intangible Assets	0	525	525	525	525
Grants	568,569	584,941	584,941	584,941	584,941
<b>Total Expenditures</b>	<b>\$7,699,366</b>	<b>\$8,799,753</b>	<b>\$9,372,655</b>	<b>\$11,250,103</b>	<b>\$11,295,894</b>
General Fund	2,246,016	2,246,032	2,490,068	2,560,497	2,561,176
State/Other Special Rev. Funds	261,493	291,555	389,227	2,320,439	2,367,296
Federal Spec. Rev. Funds	5,191,857	6,262,166	6,493,360	6,369,167	6,367,422
<b>Total Funds</b>	<b>\$7,699,366</b>	<b>\$8,799,753</b>	<b>\$9,372,655</b>	<b>\$11,250,103</b>	<b>\$11,295,894</b>
<b>Total Ongoing</b>	<b>\$7,699,366</b>	<b>\$8,799,753</b>	<b>\$9,372,655</b>	<b>\$11,250,103</b>	<b>\$11,295,894</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

Legislative Budget Analysis, B-71.

**Funding**

Quality Assurance Division (QAD) is funded by a variety of federal funds accounting for 56.5% of the proposed total. QAD activities pertaining to certifications, licensure, and program compliance are supported by 12 different federal funding sources, some of which support more than one function.

Federal Medicaid and Medicare funds are used to support multiple activities including certification of nursing homes and home health services, a department of Justice fraud surveillance contract, federal match for the Recovery Audit Program, the nurse aide registry, and more. Clinical laboratory improvements amendments (CLIA) supports reviews of laboratories that wish to qualify for federal funding. Rural hospital flexibility grants are used to help local hospitals maintain their critical access hospital (CAH) status.

General fund is used to support 22.7% of program costs with state special supporting the remaining 20.8%. General fund supports a wide range of administrative functions including:

- State match for eligible Medicaid costs
- Title IV-E (foster care)
- Federal discretionary child care funds
- Community residential facilities
- Program compliance

State special revenues include:

- Alcohol taxes allocated to QAD are used to fund staff and operational costs for the Chemical Dependency Licensure Program
- Lien and estate funds are used to support services to pursue recoveries for Medicaid costs, mainly for nursing home services
- Medical marijuana registry fees are used to cover the cost of maintaining the registry
- Recovery audit contract funds are used to support audits performed by the program to identify waste, fraud, or abuse in Medicaid

#### Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,490,068	2,490,068	4,980,136	97.24 %	9,372,655	9,372,655	18,745,310	83.14 %
SWPL Adjustments	156,450	156,916	313,366	6.12 %	373,696	371,472	745,168	3.31 %
PL Adjustments	(86,021)	(85,808)	(171,829)	(3.35)%	1,503,752	1,551,767	3,055,519	13.55 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$2,560,497</b>	<b>\$2,561,176</b>	<b>\$5,121,673</b>		<b>\$11,250,103</b>	<b>\$11,295,894</b>	<b>\$22,545,997</b>	

#### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	152,619	69,828	141,166	363,613	0.00	152,160	69,453	137,346	358,959
DP 3 - Inflation Deflation	0.00	3,831	437	5,815	10,083	0.00	4,756	542	7,215	12,513
DP 50 - Personal Services Adjustment	(4.00)	(86,021)	(10,865)	(271,174)	(368,060)	(4.00)	(85,808)	(10,838)	(270,499)	(367,145)
DP 8001 - Medical Marijuana	18.00	0	1,871,812	0	1,871,812	18.00	0	1,918,912	0	1,918,912
<b>Grand Total All Present Law Adjustments</b>	<b>14.00</b>	<b>\$70,429</b>	<b>\$1,931,212</b>	<b>(\$124,193)</b>	<b>\$1,877,448</b>	<b>14.00</b>	<b>\$71,108</b>	<b>\$1,978,069</b>	<b>(\$125,938)</b>	<b>\$1,923,239</b>

\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 4.00 FTE at Quality Assurance Division.

DP 8001 - Medical Marijuana -

The legislature adopted an increase of 18.00 FTE, operating expenses and personal services, for the biennium to provide existing services for the Medical Marijuana Program in the Quality Assurance Division.

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	10,004,639	10,740,856	736,217	7.36 %
Operating Expenses	51,613,504	51,424,757	(188,747)	(0.37)%
Equipment & Intangible Assets	418,412	418,412	0	0.00 %
Debt Service	182,532	182,532	0	0.00 %
<b>Total Expenditures</b>	<b>\$62,219,087</b>	<b>\$62,766,557</b>	<b>\$547,470</b>	<b>0.88 %</b>
General Fund	24,061,838	25,622,685	1,560,847	6.49 %
State/Other Special Rev. Funds	3,531,942	2,983,001	(548,941)	(15.54)%
Federal Spec. Rev. Funds	34,625,307	34,160,871	(464,436)	(1.34)%
<b>Total Funds</b>	<b>\$62,219,087</b>	<b>\$62,766,557</b>	<b>\$547,470</b>	<b>0.88 %</b>
<b>Total Ongoing</b>	<b>\$62,219,087</b>	<b>\$62,766,557</b>	<b>\$547,470</b>	<b>0.88 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

### Page Reference

Legislative Budget Analysis, B-76.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	66.60	66.60	60.10	60.10
Personal Services	5,201,722	4,910,043	5,094,596	5,370,494	5,370,362
Operating Expenses	24,602,003	26,090,169	25,523,335	25,711,066	25,713,691
Equipment & Intangible Assets	0	209,206	209,206	209,206	209,206
Debt Service	0	91,266	91,266	91,266	91,266
<b>Total Expenditures</b>	<b>\$29,803,725</b>	<b>\$31,300,684</b>	<b>\$30,918,403</b>	<b>\$31,382,032</b>	<b>\$31,384,525</b>
General Fund	11,109,247	11,431,017	12,630,821	12,810,810	12,811,875
State/Other Special Rev. Funds	1,900,982	2,145,944	1,385,998	1,491,379	1,491,622
Federal Spec. Rev. Funds	16,793,496	17,723,723	16,901,584	17,079,843	17,081,028
<b>Total Funds</b>	<b>\$29,803,725</b>	<b>\$31,300,684</b>	<b>\$30,918,403</b>	<b>\$31,382,032</b>	<b>\$31,384,525</b>
<b>Total Ongoing</b>	<b>\$29,803,725</b>	<b>\$31,300,684</b>	<b>\$30,918,403</b>	<b>\$31,382,032</b>	<b>\$31,384,525</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-77.

### Funding

Technology Services Division (TSD) receives general fund, state special revenue, and federal funds through a federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefitting or serving other programs in the department. About 40.8% of TSD HB 2 authority is general fund, while federal funds and state special comprise around 54.4% and 4.8% respectively.

**Program Budget Summary by Category**

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	12,630,821	12,630,821	25,261,642	98.59 %	30,918,403	30,918,403	61,836,806	98.52 %
SWPL Adjustments	371,224	371,812	743,036	2.90 %	994,838	996,004	1,990,842	3.17 %
PL Adjustments	(191,235)	(190,758)	(381,993)	(1.49)%	(531,209)	(529,882)	(1,061,091)	(1.69)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$12,810,810</b>	<b>\$12,811,875</b>	<b>\$25,622,685</b>		<b>\$31,382,032</b>	<b>\$31,384,525</b>	<b>\$62,766,557</b>	

**Present Law Adjustments -**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Total Funds
DP 1 - Personal Services	0.00	290,559	258,274	258,274	807,107	0.00	290,032	257,808	257,808	805,648
DP 2 - Fixed Costs	0.00	80,353	16,818	89,696	186,867	0.00	81,393	17,035	90,855	189,283
DP 3 - Inflation Deflation	0.00	312	276	276	864	0.00	387	343	343	1,073
DP 50 - Personal Services Adjustment	(5.50)	(162,581)	(144,517)	(144,517)	(451,615)	(5.50)	(162,175)	(144,155)	(144,155)	(450,485)
DP 52 - DET FTE Restore	(1.00)	(28,654)	(25,470)	(25,470)	(79,594)	(1.00)	(28,583)	(25,407)	(25,407)	(79,397)
<b>Grand Total All Present Law Adjustments</b>	<b>(6.50)</b>	<b>\$179,989</b>	<b>\$105,381</b>	<b>\$178,259</b>	<b>\$463,629</b>	<b>(6.50)</b>	<b>\$181,054</b>	<b>\$105,624</b>	<b>\$179,444</b>	<b>\$466,122</b>

\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

**DP 1 - Personal Services -**

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

**DP 2 - Fixed Costs -**

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

**DP 3 - Inflation Deflation -**

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

**DP 50 - Personal Services Adjustment -**

The legislature adopted a reduction of 5.50 FTE at Technology Services Division.



DP 52 - DET FTE Restore -

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	31,853,071	21,150,440	(10,702,631)	(33.60)%
Operating Expenses	10,512,495	8,754,263	(1,758,232)	(16.73)%
Benefits & Claims	550,158,260	584,412,034	34,253,774	6.23 %
Debt Service	37,932	0	(37,932)	(100.00)%
<b>Total Expenditures</b>	<b>\$592,561,758</b>	<b>\$614,316,737</b>	<b>\$21,754,979</b>	<b>3.67 %</b>
General Fund	175,911,970	180,083,878	4,171,908	2.37 %
State/Other Special Rev. Funds	13,049,383	14,348,494	1,299,111	9.96 %
Federal Spec. Rev. Funds	403,600,405	419,884,365	16,283,960	4.03 %
<b>Total Funds</b>	<b>\$592,561,758</b>	<b>\$614,316,737</b>	<b>\$21,754,979</b>	<b>3.67 %</b>
<b>Total Ongoing</b>	<b>\$591,361,758</b>	<b>\$614,316,737</b>	<b>\$22,954,979</b>	<b>3.88 %</b>
<b>Total OTO</b>	<b>\$1,200,000</b>	<b>\$0</b>	<b>(\$1,200,000)</b>	<b>(100.00)%</b>

### Page Reference

Legislative Budget Analysis, B-80.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	206.91	206.91	157.91	157.91
Personal Services	13,525,559	14,270,845	17,582,226	10,573,383	10,577,057
Operating Expenses	4,478,855	4,751,885	5,760,610	4,382,405	4,371,858
Benefits & Claims	261,236,516	275,156,713	275,001,547	283,626,598	300,785,436
Debt Service	37,932	37,932	0	0	0
<b>Total Expenditures</b>	<b>\$279,278,862</b>	<b>\$294,217,375</b>	<b>\$298,344,383</b>	<b>\$298,582,386</b>	<b>\$315,734,351</b>
General Fund	85,116,321	85,393,284	90,518,686	88,087,786	91,996,092
State/Other Special Rev. Funds	6,560,592	6,560,891	6,488,492	7,046,482	7,302,012
Federal Spec. Rev. Funds	187,601,949	202,263,200	201,337,205	203,448,118	216,436,247
<b>Total Funds</b>	<b>\$279,278,862</b>	<b>\$294,217,375</b>	<b>\$298,344,383</b>	<b>\$298,582,386</b>	<b>\$315,734,351</b>
<b>Total Ongoing</b>	<b>\$278,799,072</b>	<b>\$293,617,375</b>	<b>\$297,744,383</b>	<b>\$298,582,386</b>	<b>\$315,734,351</b>
<b>Total OTO</b>	<b>\$479,790</b>	<b>\$600,000</b>	<b>\$600,000</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-82.

### Funding

The legislature adopted a total budget of \$614.3 million for Developmental Services Division (DSD) during the 2021 biennium.

Just under 68.3% of the total budget is federal funds. The Developmental Disabilities Program (DDP) and Childrens Mental Health Bureau (CMHB) provide Medicaid services to the Developmental Disabilities (DD) population which are funded at the Federal Medicaid Assistance Percentage (FMAP) with general fund used to cover the state match.

Additional federal funds include the social services block grant and early intervention which are special education grants for infants and families provided by the U.S. Department of Education.

General fund comprises 29.3% of the DSD budget. In addition to funding the state portion of Medicaid benefits, general fund is used for the Intensive Behavior Center (IBC) in Boulder.

### Program Budget Summary by Category

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	89,918,686	89,918,686	179,837,372	99.86 %	297,744,383	297,744,383	595,488,766	96.94 %
SWPL Adjustments	(4,335,441)	(4,346,957)	(8,682,398)	(4.82)%	(4,051,194)	(4,059,882)	(8,111,076)	(1.32)%
PL Adjustments	1,763,085	4,148,088	5,911,173	3.28 %	(3,217,405)	8,086,436	4,869,031	0.79 %
New Proposals	741,456	2,276,275	3,017,731	1.68 %	8,106,602	13,963,414	22,070,016	3.59 %
<b>Total Budget</b>	<b>\$88,087,786</b>	<b>\$91,996,092</b>	<b>\$180,083,878</b>		<b>\$298,582,386</b>	<b>\$315,734,351</b>	<b>\$614,316,737</b>	

### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(4,254,180)	2,529	278,662	(3,972,989)	0.00	(4,254,413)	2,499	280,784	(3,971,130)
DP 2 - Fixed Costs	0.00	(83,669)	0	0	(83,669)	0.00	(95,530)	0	0	(95,530)
DP 3 - Inflation Deflation	0.00	2,408	0	3,056	5,464	0.00	2,986	0	3,792	6,778
DP 50 - Personal Services Adjustment	(29.00)	(1,224,621)	0	(490,819)	(1,715,440)	(29.00)	(1,222,547)	0	(489,638)	(1,712,185)
DP 52 - DET FTE Restore	(2.00)	(51,692)	0	(75,675)	(127,367)	(2.00)	(51,569)	0	(75,494)	(127,063)
DP 10001 - Medicaid Waiver FMAP - DSD	0.00	2,647,821	0	(2,647,821)	0	0.00	2,371,975	0	(2,371,975)	0
DP 10002 - Medicaid Core Services FMAP - DSD	0.00	577,979	0	(577,979)	0	0.00	425,305	0	(425,305)	0
DP 10003 - Medicaid Waiver Caseload - DSD	0.00	4,233,838	0	7,828,379	12,062,217	0.00	4,241,187	0	7,925,155	12,166,342
DP 10004 - Medicaid Core Caseload - DSD	0.00	(4,420,240)	0	(8,198,202)	(12,618,442)	0.00	(1,616,263)	0	(3,016,190)	(4,632,453)
DP 10011 - Med Fed Caseload	0.00	0	0	(818,373)	(818,373)	0.00	0	0	2,391,795	2,391,795
<b>Grand Total All Present Law Adjustments</b>	<b>(31.00)</b>	<b>(\$2,572,356)</b>	<b>\$2,529</b>	<b>(\$4,698,772)</b>	<b>(\$7,268,599)</b>	<b>(31.00)</b>	<b>(\$198,869)</b>	<b>\$2,499</b>	<b>\$4,222,924</b>	<b>\$4,026,554</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 29.00 FTE at Developmental Services Division.

DP 52 - DET FTE Restore -

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

DP 10001 - Medicaid Waiver FMAP - DSD -

The legislature adopted a present law adjustment including an increase in general fund of \$2.6 million in FY 2020 and \$2.4 million in FY 2021 with federal fund reductions in equal amounts for each year. The funds will be used to maintain existing services for the Medicaid waiver in the Developmental Services Division due to a reduction in the Federal Medicaid Assistance Percentage.

DP 10002 - Medicaid Core Services FMAP - DSD -

The legislature adopted a present law adjustment including an increase in general fund of \$577,979 in FY 2020 and \$425,305 in FY 2021 with federal fund reductions in equal amounts for each year. The funds will be used to maintain existing services for the Medicaid programs in the Developmental Services Division due to a reduction in the Federal Medicaid Assistance Percentage (FMAP).

DP 10003 - Medicaid Waiver Caseload - DSD -

The legislature adopted a present law increase of \$24.2 million in total funds. Funds will be used to cover caseload growth in the Developmental Services Division Medicaid Waiver. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. The biennial funding is \$8.5 million in general fund, and \$15.8 million in federal funds.

**69010 - Department Of Public Health & Human Services      10-Developmental Services Division****DP 10004 - Medicaid Core Caseload - DSD -**

The legislature adopted a present law decrease of \$17.3 million in total funds. Funds are for caseload in Medicaid Core at Developmental Services Division. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for care. The biennial funding decrease is \$6.0 million in general fund, and \$11.2 million in federal funds.

**DP 10011 - Med Fed Caseload -**

The legislature adopted a present law increase in federal funds of \$1.6 million over the biennium. Funds will be used to cover a caseload increase in the Developmental Disabilities Division - Children's Mental Health bureau which covers children receiving comprehensive school and community treatment services. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for care.

**New Proposals -**

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 10005 - PRI - Medicaid Core PRI - DSD	0.00	307,406	0	570,145	877,551	0.00	978,489	0	1,826,009	2,804,498
DP 10006 - PRI - Medicaid Waiver- DSD	0.00	392,867	0	726,414	1,119,281	0.00	1,182,637	0	2,209,896	3,392,533
DP 10007 - PRI - Non-Medicaid - DSD	0.00	34,230	5,461	56,462	96,153	0.00	109,940	11,021	172,073	293,034
DP 10009 - PRI - Medicaid Federal - DSD	0.00	0	0	356,250	356,250	0.00	0	0	1,137,932	1,137,932
DP 10012 - Transfer of Existing FTE - DSD	(18.00)	(1,193,047)	0	0	(1,193,047)	(18.00)	(1,194,791)	0	0	(1,194,791)
DP 10014 - Move MDC Operations funding to DD Waiver	0.00	0	0	1,854,696	1,854,696	0.00	0	0	1,839,296	1,839,296
DP 10015 - Increase provider rates for DD Medicaid	0.00	1,200,000	0	2,225,635	3,425,635	0.00	1,200,000	0	2,207,155	3,407,155
DP 10016 - Transfer from MTAP for TCM for mental illness	0.00	0	550,000	1,020,083	1,570,083	0.00	0	800,000	1,483,757	2,283,757
<b>Total</b>	<b>(18.00)</b>	<b>\$741,456</b>	<b>\$555,461</b>	<b>\$6,809,685</b>	<b>\$8,106,602</b>	<b>(18.00)</b>	<b>\$2,276,275</b>	<b>\$811,021</b>	<b>\$10,876,118</b>	<b>\$13,963,414</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

**DP 10005 - PRI - Medicaid Core PRI - DSD -**

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for Medicaid Core programs in the Developmental Services Division. The increase is \$3.7 million in total funds over the biennium including \$1.3 million in general fund.

**DP 10006 - PRI - Medicaid Waiver- DSD -**

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for Medicaid Waiver programs in the Developmental Services Division. The increase is \$4.5 million in total funds over the biennium including \$1.6 million in general fund.

DP 10007 - PRI - Non-Medicaid - DSD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for Non-Medicaid program providers in the Developmental Services Division. The increase is \$389,187 in total funds over the biennium including \$144,170 in general fund.

DP 10009 - PRI - Medicaid Federal - DSD -

The legislature adopted a 0.9% provider rate increase in FY 2020 and a 1.8% increase in FY 2021 for the Medicaid Federal program providers in the Developmental Services Division. The increase is \$1.5 million in federal funds over the biennium.

DP 10012 - Transfer of Existing FTE - DSD -

The legislature adopted a transfer of 18.00 FTE from Developmental Services Division to Child and Family Services Division.

DP 10014 - Move MDC Operations funding to DD Waiver -

The legislature adopted a reduction of \$1.0 million in operating expenses at the Intensive Behavior Center during each year of the 2021 biennium and appropriated \$1.0 million general fund and \$1.9 million in federal funds in FY 2020 and \$1.0 million general fund and \$1.8 million federal funds during FY 2021 to the developmentally disabled (0208) waiver in order to reduce the waitlist for DD waiver services.

DP 10015 - Increase provider rates for DD Medicaid -

The legislature adopted an increase for Medicaid provider rates including Medicaid Core and Medicaid Waiver at Developmental Services Division. The increase to the general fund appropriation is \$1.2 million general fund and \$2.2 million federal funds in FY 2020 and \$1.2 million general fund and \$2.2 million federal funds in FY 2021. The total general fund increase is \$2.4 million, the total federal fund increase is \$4.4 million for a biennium total fund increase of \$6.8 million.

DP 10016 - Transfer from MTAP for TCM for mental illness -

The legislature appropriated \$550,000 state special revenue and \$1.0 million in federal funds in FY 2020 and \$800,000 state special revenue and \$1.5 million in federal funds in FY 2021 for targeted youth case management.

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	6,786,097	6,774,548	(11,549)	(0.17)%
Operating Expenses	20,600,632	22,057,107	1,456,475	7.07 %
Grants	0	600,000	600,000	0.00 %
Benefits & Claims	1,454,637,239	1,459,795,696	5,158,457	0.35 %
<b>Total Expenditures</b>	<b>\$1,482,023,968</b>	<b>\$1,489,227,351</b>	<b>\$7,203,383</b>	<b>0.49 %</b>
General Fund	315,374,390	384,598,837	69,224,447	21.95 %
State/Other Special Rev. Funds	143,407,188	146,058,684	2,651,496	1.85 %
Federal Spec. Rev. Funds	1,023,242,390	958,569,830	(64,672,560)	(6.32)%
<b>Total Funds</b>	<b>\$1,482,023,968</b>	<b>\$1,489,227,351</b>	<b>\$7,203,383</b>	<b>0.49 %</b>
<b>Total Ongoing</b>	<b>\$1,482,023,968</b>	<b>\$1,489,227,351</b>	<b>\$7,203,383</b>	<b>0.49 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

### Page Reference

Legislative Budget Analysis, B-93.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	51.62	51.62	42.62	42.62
Personal Services	2,772,480	3,209,972	3,576,125	3,387,844	3,386,704
Operating Expenses	9,606,163	10,090,909	10,509,723	11,028,532	11,028,575
Grants	0	0	0	200,000	400,000
Benefits & Claims	626,411,423	702,716,645	751,920,594	707,937,976	751,857,720
<b>Total Expenditures</b>	<b>\$638,790,066</b>	<b>\$716,017,526</b>	<b>\$766,006,442</b>	<b>\$722,554,352</b>	<b>\$766,672,999</b>
General Fund	142,595,072	147,582,255	167,792,135	180,025,799	204,573,038
State/Other Special Rev. Funds	65,772,778	71,700,419	71,706,769	72,891,377	73,167,307
Federal Spec. Rev. Funds	430,422,216	496,734,852	526,507,538	469,637,176	488,932,654
<b>Total Funds</b>	<b>\$638,790,066</b>	<b>\$716,017,526</b>	<b>\$766,006,442</b>	<b>\$722,554,352</b>	<b>\$766,672,999</b>
<b>Total Ongoing</b>	<b>\$638,790,066</b>	<b>\$716,017,526</b>	<b>\$766,006,442</b>	<b>\$722,554,352</b>	<b>\$766,672,999</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-94.

### Funding

The 2021 biennium Health Resources Division (HRD) HB 2 budget is funded by general fund, state special revenue, and federal funds. General fund pays for the state Medicaid match, state CHIP match, and Medicare buy-in.

Refer to the state special revenue fund balance table in the DPHHS Budget Analysis Agency Summary for detail on the major state special funds used for DPHHS programs. HRD functions supported by state special revenue sources and the major source of funds are:

#### State Medicaid match

- Hospital utilization fee - \$50 per day assessed for each day of an inpatient stay
- Tobacco revenue from the health and Medicaid initiatives account
- Insurance tax proceeds allocated to the Healthy Montana Kids (HMK) account
- Tobacco settlement trust fund interest

#### State CHIP match

- Insurance tax proceeds allocated to the HMK account
- Tobacco state special revenue from the health and Medicaid initiatives account
- Tobacco settlement trust fund interest
- Tobacco settlement funds

#### Big Sky Rx (premium assistance for low-income persons to purchase Medicare Part D drug coverage)

- Tobacco revenue from the health and Medicaid initiatives account

#### Federal funding sources include:

- Federal Medicaid matching funds: some at a 50.0% match (Medicaid program administration), some at 100.0% (IHS), and some at the FMAP rate (about 65.0% depending on the year)
- Federal CHIP matching funds - 90.3% in FY 2020, 78.9% in FY 2021

### Program Budget Summary by Category

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	167,792,135	167,792,135	335,584,270	87.26 %	766,006,442	766,006,442	1,532,012,884	102.87 %
SWPL Adjustments	163,677	162,208	325,885	0.08 %	521,598	518,724	1,040,322	0.07 %
PL Adjustments	11,375,225	33,962,487	45,337,712	11.79 %	(46,991,570)	(9,868,165)	(56,859,735)	(3.82)%
New Proposals	694,762	2,656,208	3,350,970	0.87 %	3,017,882	10,015,998	13,033,880	0.88 %
<b>Total Budget</b>	<b>\$180,025,799</b>	<b>\$204,573,038</b>	<b>\$384,598,837</b>		<b>\$722,554,352</b>	<b>\$766,672,999</b>	<b>\$1,489,227,351</b>	

### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.



Present Law Adjustments										
-----Fiscal 2020-----						-----Fiscal 2021-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	163,588	105,742	252,089	521,419	0.00	162,097	107,254	249,151	518,502
DP 3 - Inflation Deflation	0.00	89	0	90	179	0.00	111	0	111	222
DP 50 - Personal Services Adjustment	(9.00)	(315,178)	(2,271)	(392,251)	(709,700)	(9.00)	(314,389)	(2,265)	(391,269)	(707,923)
DP 11933 - CHIP FMAP Adjustment RST - HRD	0.00	0	10,427,378	(10,708,378)	(281,000)	0.00	11,000,000	12,467,061	(24,548,061)	(1,081,000)
DP 11949 - Tobacco Medicaid Fund Support	0.00	7,741,105	(6,000,000)	0	1,741,105	0.00	8,394,126	(6,200,000)	0	2,194,126
DP 11950 - Adjust 02772 Authority - HRD	0.00	0	(1,741,105)	0	(1,741,105)	0.00	0	(2,194,126)	0	(2,194,126)
DP 11980 - Adopt LFD Medicaid Caseload	0.00	(2,871,673)	0	(5,356,617)	(8,228,290)	0.00	(6,717,491)	0	(12,420,660)	(19,138,151)
DP 11991 - Medicaid Core - HRD	0.00	585,765	232,727	1,531,022	2,349,514	0.00	14,800,649	290,413	28,466,440	43,557,502
DP 11992 - Medicaid Core HUF & GME - HRD	0.00	0	(341,490)	(28,238,695)	(28,580,185)	0.00	0	(1,126,618)	(28,571,820)	(29,698,438)
DP 11993 - HMK Caseload - HRD	0.00	0	(1,516,817)	(14,040,281)	(15,557,098)	0.00	0	(2,006,933)	(7,437,458)	(9,444,391)
DP 11994 - Medicaid Federal Services - HRD	0.00	0	0	503,407	503,407	0.00	0	0	1,410,715	1,410,715
DP 11995 - Medicaid Other Services - HRD	0.00	3,511,782	0	0	3,511,782	0.00	5,233,521	0	0	5,233,521
DP 11996 - Medicaid Ben Core FMAP - HRD	0.00	2,723,424	0	(2,723,424)	0	0.00	1,566,071	0	(1,566,071)	0
<b>Grand Total All Present Law Adjustments</b>	<b>(9.00)</b>	<b>\$11,538,902</b>	<b>\$1,164,164</b>	<b>(\$59,173,038)</b>	<b>(\$46,469,972)</b>	<b>(9.00)</b>	<b>\$34,124,695</b>	<b>\$1,334,786</b>	<b>(\$44,808,922)</b>	<b>(\$9,349,441)</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

#### DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

#### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

#### DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 9.00 FTE.

#### DP 11933 - CHIP FMAP Adjustment RST - HRD -

The legislature adopted a present law adjustment to provide sufficient state matching funds for the CHIP program under HMK in the 2021 biennium. This change package compensates for a decreased federal matching rate for CHIP. These funds are restricted to funding the state portion of CHIP.

#### DP 11949 - Tobacco Medicaid Fund Support -

The legislature appropriated general fund to support the programs funded by the Tobacco Medicaid and Health Initiative fund, which is anticipated to have a shortfall in each year of the 2021 biennium. These funds are restricted to programs supported by the Tobacco Health and Medicaid Initiatives fund.

DP 11950 - Adjust 02772 Authority - HRD -

The legislature reduced spending authority associated with the Tobacco Health and Medicaid Initiative state special revenue account to match anticipated revenues in the 2021 biennium.

DP 11980 - Adopt LFD Medicaid Caseload -

The legislature adopted a funding estimate for Medicaid caseload that is lower than the executive request by \$9.6 million general fund and \$17.8 million federal funds.

DP 11991 - Medicaid Core - HRD -

The legislature adopted a present law adjustment for caseload growth in the Health Resources Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 11992 - Medicaid Core HUF & GME - HRD -

The legislature adopted a present law adjustment for caseload growth in the Health Resources Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 11993 - HMK Caseload - HRD -

The legislature adopted a present law adjustment for caseload growth in the Health Resources Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 11994 - Medicaid Federal Services - HRD -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid School Based Services program in the Health Resources Division.

DP 11995 - Medicaid Other Services - HRD -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid Clawback program in the Health Resources Division.

DP 11996 - Medicaid Ben Core FMAP - HRD -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid programs in the Health Resources Division.

**New Proposals -**

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 11205 - Montana Healthcare Information Exchange (Restricted)	0.00	0	0	0	0	0.00	0	0	0	0
DP 11206 - Physician Reimbursement	0.00	0	0	0	0	0.00	0	0	0	0
DP 11989 - PRI Medicaid Core - HRD	0.00	1,144,352	0	2,118,683	3,263,035	0.00	3,609,117	0	6,740,495	10,349,612
DP 11990 - PRI - Non-Medicaid - HRD	0.00	0	20,444	183,993	204,437	0.00	0	125,752	493,543	619,295
DP 33012 - Exempt non-critical access hospitals from PRI for SUD	0.00	(449,590)	0	0	(449,590)	0.00	(952,909)	0	0	(952,909)
<b>Total</b>	<b>0.00</b>	<b>\$694,762</b>	<b>\$20,444</b>	<b>\$2,302,676</b>	<b>\$3,017,882</b>	<b>0.00</b>	<b>\$2,656,208</b>	<b>\$125,752</b>	<b>\$7,234,038</b>	<b>\$10,015,998</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

**DP 11205 - Montana Healthcare Information Exchange (Restricted) -**

This change package reduces the provider rate increase for physicians by \$200,000 in FY 2020 and \$400,000 in FY 2021 and appropriates the funding for a Health Information Exchange system.

**DP 11206 - Physician Reimbursement -**

This change package is for the Medicaid physician reimbursement provider rate increase.

**DP 11989 - PRI Medicaid Core - HRD -**

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Medicaid Core programs in the Health Resources Division. The legislature exempted non-critical access hospitals from this increase (DP 33012).

**DP 11990 - PRI - Non-Medicaid - HRD -**

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Medicaid Core programs in the Health Resources Division.

**DP 33012 - Exempt non-critical access hospitals from PRI for SUD -**

The legislature adopted an exemption to the provider rate increase for non-critical access hospitals and appropriated the funding for substance use disorder treatment.

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	1,922,859	2,098,499	175,640	9.13 %
Operating Expenses	21,429,569	21,188,023	(241,546)	(1.13)%
Grants	14,743,771	14,520,498	(223,273)	(1.51)%
Benefits & Claims	10,149	5,098	(5,051)	(49.77)%
Transfers	6,200	6,200	0	0.00 %
<b>Total Expenditures</b>	<b>\$38,112,548</b>	<b>\$37,818,318</b>	<b>(\$294,230)</b>	<b>(0.77)%</b>
General Fund	6,034,266	4,922,558	(1,111,708)	(18.42)%
State/Other Special Rev. Funds	299,722	404,116	104,394	34.83 %
Federal Spec. Rev. Funds	31,778,560	32,491,644	713,084	2.24 %
<b>Total Funds</b>	<b>\$38,112,548</b>	<b>\$37,818,318</b>	<b>(\$294,230)</b>	<b>(0.77)%</b>
<b>Total Ongoing</b>	<b>\$38,112,548</b>	<b>\$37,818,318</b>	<b>(\$294,230)</b>	<b>(0.77)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

### Page Reference

Legislative Budget Analysis, B-109.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	15.00	15.00	9.00	9.00
Personal Services	972,282	1,097,377	825,482	1,048,183	1,050,316
Operating Expenses	9,433,422	10,835,594	10,593,975	10,594,008	10,594,015
Grants	2,728,222	7,483,522	7,260,249	7,260,249	7,260,249
Benefits & Claims	3,419	7,600	2,549	2,549	2,549
Transfers	675	3,100	3,100	3,100	3,100
<b>Total Expenditures</b>	<b>\$13,138,020</b>	<b>\$19,427,193</b>	<b>\$18,685,355</b>	<b>\$18,908,089</b>	<b>\$18,910,229</b>
General Fund	3,667,542	3,667,542	2,366,724	2,460,827	2,461,731
State/Other Special Rev. Funds	38,564	97,707	202,015	201,485	202,631
Federal Spec. Rev. Funds	9,431,914	15,661,944	16,116,616	16,245,777	16,245,867
<b>Total Funds</b>	<b>\$13,138,020</b>	<b>\$19,427,193</b>	<b>\$18,685,355</b>	<b>\$18,908,089</b>	<b>\$18,910,229</b>
<b>Total Ongoing</b>	<b>\$13,138,020</b>	<b>\$19,427,193</b>	<b>\$18,685,355</b>	<b>\$18,908,089</b>	<b>\$18,910,229</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-110.

## 69010 - Department Of Public Health & Human Services12-Medicaid & Health Services Management

### Funding

The Medicaid and Health Services Management Division (MHSM) receives general fund, state special revenue fund, and federal special revenue fund authority. The majority of MHSM funding is federal authority from Medicaid administration (50%-90% federal match) or indirect activity from the cost allocation plan (CAP). General fund is used for Medicaid administration.

### Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,366,724	2,366,724	4,733,448	96.16 %	18,685,355	18,685,355	37,370,710	98.82 %
SWPL Adjustments	300,044	300,423	600,467	12.20 %	710,053	710,950	1,421,003	3.76 %
PL Adjustments	(205,941)	(205,416)	(411,357)	(8.36)%	(487,319)	(486,076)	(973,395)	(2.57)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$2,460,827</b>	<b>\$2,461,731</b>	<b>\$4,922,558</b>		<b>\$18,908,089</b>	<b>\$18,910,229</b>	<b>\$37,818,318</b>	

### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	300,027	834	409,159	710,020	0.00	300,403	1,977	408,530	710,910
DP 3 - Inflation Deflation	0.00	17	0	16	33	0.00	20	0	20	40
DP 50 - Personal Services Adjustment	(6.00)	(205,941)	(1,364)	(280,014)	(487,319)	(6.00)	(205,416)	(1,361)	(279,299)	(486,076)
<b>Grand Total All Present Law Adjustments</b>	<b>(6.00)</b>	<b>\$94,103</b>	<b>(\$530)</b>	<b>\$129,161</b>	<b>\$222,734</b>	<b>(6.00)</b>	<b>\$95,007</b>	<b>\$616</b>	<b>\$129,251</b>	<b>\$224,874</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

### DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

### DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 6.00 FTE.

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	4,371,069	5,368,730	997,661	22.82 %
Operating Expenses	516,779	569,787	53,008	10.26 %
Equipment & Intangible Assets	10,480	10,480	0	0.00 %
Transfers	71,861	0	(71,861)	(100.00)%
<b>Total Expenditures</b>	<b>\$4,970,189</b>	<b>\$5,948,997</b>	<b>\$978,808</b>	<b>19.69 %</b>
General Fund	1,976,902	2,390,831	413,929	20.94 %
State/Other Special Rev. Funds	119,491	153,379	33,888	28.36 %
Federal Spec. Rev. Funds	2,873,796	3,404,787	530,991	18.48 %
<b>Total Funds</b>	<b>\$4,970,189</b>	<b>\$5,948,997</b>	<b>\$978,808</b>	<b>19.69 %</b>
<b>Total Ongoing</b>	<b>\$4,970,189</b>	<b>\$5,948,997</b>	<b>\$978,808</b>	<b>19.69 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

### Page Reference

Legislative Budget Analysis, B-113.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	30.00	30.00	29.00	29.00
Personal Services	1,910,648	2,102,000	2,269,069	2,684,954	2,683,776
Operating Expenses	290,734	231,928	284,851	284,889	284,898
Equipment & Intangible Assets	0	5,240	5,240	5,240	5,240
Transfers	71,861	71,861	0	0	0
<b>Total Expenditures</b>	<b>\$2,273,243</b>	<b>\$2,411,029</b>	<b>\$2,559,160</b>	<b>\$2,975,083</b>	<b>\$2,973,914</b>
General Fund	947,525	947,626	1,029,276	1,195,649	1,195,182
State/Other Special Rev. Funds	47,959	51,107	68,384	76,701	76,678
Federal Spec. Rev. Funds	1,277,759	1,412,296	1,461,500	1,702,733	1,702,054
<b>Total Funds</b>	<b>\$2,273,243</b>	<b>\$2,411,029</b>	<b>\$2,559,160</b>	<b>\$2,975,083</b>	<b>\$2,973,914</b>
<b>Total Ongoing</b>	<b>\$2,273,243</b>	<b>\$2,411,029</b>	<b>\$2,559,160</b>	<b>\$2,975,083</b>	<b>\$2,973,914</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

Legislative Budget Analysis, B-114.

### Funding

Management and Fair Hearings (MFH) receives general fund, state special revenue, and federal funds through a federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefiting or serving other programs in the department. General funds are used to meet the

match requirement for federally funded activities. About 40.2% of MFH's HB 2 authority is general fund while federal funds and state special comprise around 57.2% and 2.6% respectively.

### Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,029,276	1,029,276	2,058,552	86.10 %	2,559,160	2,559,160	5,118,320	86.04 %
SWPL Adjustments	195,089	194,552	389,641	16.30 %	487,714	486,369	974,083	16.37 %
PL Adjustments	(28,716)	(28,646)	(57,362)	(2.40)%	(71,791)	(71,615)	(143,406)	(2.41)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$1,195,649</b>	<b>\$1,195,182</b>	<b>\$2,390,831</b>		<b>\$2,975,083</b>	<b>\$2,973,914</b>	<b>\$5,948,997</b>	

### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	195,070	9,753	282,853	487,676	0.00	194,529	9,726	282,067	486,322
DP 3 - Inflation Deflation	0.00	19	0	19	38	0.00	23	0	24	47
DP 50 - Personal Services Adjustment	(1.00)	(28,716)	(1,436)	(41,639)	(71,791)	(1.00)	(28,646)	(1,432)	(41,537)	(71,615)
<b>Grand Total All Present Law Adjustments</b>	<b>(1.00)</b>	<b>\$166,373</b>	<b>\$8,317</b>	<b>\$241,233</b>	<b>\$415,923</b>	<b>(1.00)</b>	<b>\$165,906</b>	<b>\$8,294</b>	<b>\$240,554</b>	<b>\$414,754</b>

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

### DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

### DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 1.00 FTE at Management and Fair Hearings Division.

## Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	25,635,761	27,302,642	1,666,881	6.50 %
Operating Expenses	18,006,803	24,734,681	6,727,878	37.36 %
Equipment & Intangible Assets	62,186	62,186	0	0.00 %
Grants	27,993,194	27,993,194	0	0.00 %
Benefits & Claims	566,227,393	571,406,066	5,178,673	0.91 %
Transfers	8,000	8,000	0	0.00 %
Debt Service	152,568	152,568	0	0.00 %
<b>Total Expenditures</b>	<b>\$638,085,905</b>	<b>\$651,659,337</b>	<b>\$13,573,432</b>	<b>2.13 %</b>
General Fund	144,712,031	142,828,792	(1,883,239)	(1.30) %
State/Other Special Rev. Funds	79,258,346	93,434,660	14,176,314	17.89 %
Federal Spec. Rev. Funds	414,115,528	415,395,885	1,280,357	0.31 %
<b>Total Funds</b>	<b>\$638,085,905</b>	<b>\$651,659,337</b>	<b>\$13,573,432</b>	<b>2.13 %</b>
<b>Total Ongoing</b>	<b>\$638,085,905</b>	<b>\$651,659,337</b>	<b>\$13,573,432</b>	<b>2.13 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

## Page Reference

Legislative Budget Analysis, B-117.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	216.73	216.73	215.73	215.73
Personal Services	12,696,464	12,553,643	13,082,118	13,649,726	13,652,916
Operating Expenses	7,563,720	8,617,936	9,388,867	10,530,975	14,203,706
Equipment & Intangible Assets	0	31,093	31,093	31,093	31,093
Grants	12,939,820	13,996,597	13,996,597	13,996,597	13,996,597
Benefits & Claims	256,568,674	271,673,103	294,554,290	279,151,650	292,254,416
Transfers	0	4,000	4,000	4,000	4,000
Debt Service	61,716	76,284	76,284	76,284	76,284
<b>Total Expenditures</b>	<b>\$289,830,394</b>	<b>\$306,952,656</b>	<b>\$331,133,249</b>	<b>\$317,440,325</b>	<b>\$334,219,012</b>
General Fund	68,460,888	69,648,406	75,063,625	69,795,780	73,033,012
State/Other Special Rev. Funds	34,023,878	36,643,574	42,614,772	44,995,148	48,439,512
Federal Spec. Rev. Funds	187,345,628	200,660,676	213,454,852	202,649,397	212,746,488
<b>Total Funds</b>	<b>\$289,830,394</b>	<b>\$306,952,656</b>	<b>\$331,133,249</b>	<b>\$317,440,325</b>	<b>\$334,219,012</b>
<b>Total Ongoing</b>	<b>\$289,830,394</b>	<b>\$306,952,656</b>	<b>\$331,133,249</b>	<b>\$317,440,325</b>	<b>\$334,219,012</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Page Reference

Legislative Budget Analysis, B-118.



**Funding**

The Senior and Long-Term Care Division (SLTC) is funded by general fund, state special revenue, and federal special revenue funds.

The general fund supports:

- State Medicaid match
- Aging services
- Adult protective services
- Administrative costs

General fund expenditures can increase due to:

- Provider rate increases for Medicaid and aging services
- Direct care worker wage increases
- An increased number of Medicaid enrollees
- Higher costs of care for Medicaid enrollees
- Higher state Medicaid matching costs due to the reduction in the federal match rate (FMAP)

Most state revenue sources are used as a match for Medicaid services, including:

- Nursing home utilization fee
- Health and Medicaid initiative tobacco tax revenue
- County intergovernmental transfer revenues (IGT)

Other state special revenue sources are used to fund the Montana Veterans' Homes including:

- Cigarette taxes
- Payments for facility services

***Nursing Home Utilization Fee***

A portion of the state Medicaid match for nursing homes is paid from a fee assessed for each day of nursing home care. Historically, the number of days of nursing home care has fallen steadily since the mid-1990s, with the exception of FY 2010 and FY 2014.

***Cigarette Tax Revenue***

By statute, 8.3% of cigarette taxes collected are deposited into a state special revenue account for support of veterans' nursing home costs at state operated veterans' homes. Statute requires that funds in excess of \$2.0 million in the veterans' portion of the cigarette tax revenue be transferred to the general fund at the end of the fiscal year. Cigarette taxes are a declining revenue source. Services supported by the cigarette tax include:

- Operational costs of Montana veterans' homes
- Indirect administrative costs of DPHHS
- Long-range building projects

**Program Budget Summary by Category**

-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	75,063,625	75,063,625	150,127,250	105.11 %	331,133,249	331,133,249	662,266,498	101.63 %
SWPL Adjustments	(51,073)	(47,443)	(98,516)	(0.07)%	629,787	621,596	1,251,383	0.19 %
PL Adjustments	(5,793,404)	(3,798,243)	(9,591,647)	(6.72)%	(18,216,356)	(11,389,689)	(29,606,045)	(4.54)%
New Proposals	576,632	1,815,073	2,391,705	1.67 %	3,893,645	13,853,856	17,747,501	2.72 %
<b>Total Budget</b>	<b>\$69,795,780</b>	<b>\$73,033,012</b>	<b>\$142,828,792</b>		<b>\$317,440,325</b>	<b>\$334,219,012</b>	<b>\$651,659,337</b>	

**Present Law Adjustments -**

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2020-----					-----Fiscal 2021-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(61,529)	610,185	80,278	628,934	0.00	(60,418)	611,200	81,197	631,979
DP 2 - Fixed Costs	0.00	0	(11,052)	0	(11,052)	0.00	0	(25,155)	0	(25,155)
DP 3 - Inflation Deflation	0.00	10,456	0	1,449	11,905	0.00	12,975	0	1,797	14,772
DP 52 - DET FTE Restore	(1.00)	(30,663)	0	(30,663)	(61,326)	(1.00)	(30,591)	0	(30,590)	(61,181)
DP 22001 - Medicaid Ben Core FMAP - SLTC	0.00	1,279,384	0	(1,279,384)	0	0.00	1,154,175	0	(1,154,175)	0
DP 22003 - Medicaid Waiver FMAP - SLTC	0.00	(1,908,621)	0	1,908,621	0	0.00	(2,032,394)	0	2,032,394	0
DP 22004 - Medicaid Waiver Services - SLTC	0.00	(2,614,169)	0	(4,839,977)	(7,454,146)	0.00	(2,597,770)	0	(4,856,376)	(7,454,146)
DP 22005 - Medicaid Core Services - SLTC	0.00	(2,556,371)	0	(5,108,910)	(7,665,281)	0.00	(306,708)	0	(610,756)	(917,464)
DP 22006 - Medicaid Other Services FMAP - SLTC	0.00	37,036	1,525,341	(1,562,377)	0	0.00	15,045	1,486,784	(1,501,829)	0
DP 22007 - Medicaid Other Services - SLTC	0.00	0	(1,299,249)	(2,405,484)	(3,704,733)	0.00	0	(1,291,099)	(2,413,634)	(3,704,733)
DP 22008 - EMVH Per Diem	0.00	0	0	179,989	179,989	0.00	0	0	221,603	221,603
DP 22009 - MVH Per Diem	0.00	0	461,266	0	461,266	0.00	0	461,517	36,840	498,357
DP 22010 - Medicaid Federal Services - SLTC	0.00	0	0	27,875	27,875	0.00	0	0	27,875	27,875
<b>Grand Total All Present Law Adjustments</b>	<b>(1.00)</b>	<b>(\$5,844,477)</b>	<b>\$1,286,491</b>	<b>(\$13,028,583)</b>	<b>(\$17,586,569)</b>	<b>(1.00)</b>	<b>(\$3,845,686)</b>	<b>\$1,243,247</b>	<b>(\$8,165,654)</b>	<b>(\$10,768,093)</b>

\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

**DP 1 - Personal Services -**

The legislature adopted the present law personal services budget requested by the executive.

**DP 2 - Fixed Costs -**

The legislature adopted adjustments to provide the funding required in the proposed budget to pay for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

**DP 3 - Inflation Deflation -**

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

**DP 52 - DET FTE Restore -**

The legislature restored 7.00 FTE at Disability Employment and Transitions Division, cut by previous action, and reduced overall FTE at DPHHS by 6.00 FTE across other divisions. Reductions include 2.00 FTE at Child Support Enforcement

Division, 1.00 FTE at Technology Services Division, 2.00 FTE at Developmental Services Division, and 1.00 FTE at Senior and Long-Term Care Division.

DP 22001 - Medicaid Ben Core FMAP - SLTC -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid programs in the Senior and Long-Term Care Division. The change package requests a general fund increase with offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 22003 - Medicaid Waiver FMAP - SLTC -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid programs in the Senior and Long-Term Care Division. The change package requests a general fund decrease with offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 22004 - Medicaid Waiver Services - SLTC -

The legislature adopted a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 22005 - Medicaid Core Services - SLTC -

The legislature adopted a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

DP 22006 - Medicaid Other Services FMAP - SLTC -

The legislature adopted a present law adjustment to maintain existing services for the Medicaid programs in the Senior and Long-Term Care Division. The change package requests a general fund and state special revenue fund increase with offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 22007 - Medicaid Other Services - SLTC -

The legislature adopted a present law change package to align county fiscal participation for the Intergovernmental Transfer (IGT) program in the Senior and Long-Term Care Division.

DP 22008 - EMVH Per Diem -

The legislature adopted a present law adjustment to increase federal authority for the federal Veterans Administration per diem rates that will be reimbursed for the nursing facility days of care at the Eastern Montana Veterans Home. The VA per diem rate increases effective October 1st of each year.

DP 22009 - MVH Per Diem -

The legislature adopted a present law adjustment to increase federal authority from the federal Veterans Administration for per diem rates and state authority from private pay, Medicare, and Medicaid per diem payments that will be reimbursed for the domiciliary and the nursing facility days of care at the Montana Veterans Home in the Senior and Long-Term Care Division for the 2021 biennium.

DP 22010 - Medicaid Federal Services - SLTC -

The legislature adopted a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover the change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

**New Proposals -**

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----						-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 22011 - PRI - Medicaid Waiver - SLTC	0.00	136,259	31,745	320,380	488,384	0.00	416,486	96,758	959,479	1,472,723
DP 22012 - PRI- Non-Medicaid - SLTC	0.00	57,024	0	0	57,024	0.00	172,741	0	0	172,741
DP 22015 - PRI - Medicaid Core - SLTC	0.00	383,349	241,532	1,308,118	1,932,999	0.00	1,225,846	736,650	4,016,599	5,979,095
DP 22016 - SW Veterans' Home Operating	0.00	0	500,000	0	500,000	0.00	0	3,000,000	1,105,262	4,105,262
DP 22333 - Trust Fund Big Sky Waiver Transfer - SLTC	0.00	0	320,608	594,630	915,238	0.00	0	748,085	1,375,950	2,124,035
<b>Total</b>	<b>0.00</b>	<b>\$576,632</b>	<b>\$1,093,885</b>	<b>\$2,223,128</b>	<b>\$3,893,645</b>	<b>0.00</b>	<b>\$1,815,073</b>	<b>\$4,581,493</b>	<b>\$7,457,290</b>	<b>\$13,853,856</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

**DP 22011 - PRI - Medicaid Waiver - SLTC -**

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Medicaid Waiver programs in the Senior and Long-Term Care Division.

**DP 22012 - PRI- Non-Medicaid - SLTC -**

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Non-Medicaid Waiver program providers in the Senior and Long-Term Care Division.

**DP 22015 - PRI - Medicaid Core - SLTC -**

The legislature adopted a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 Medicaid Waiver programs in the Senior and Long-Term Care Division.

**DP 22016 - SW Veterans' Home Operating -**

The legislature adopted funding for the Senior and Long-Term Care Division to operate the new Southwest Veterans' Home in Butte with an anticipated opening date of January 2021.

**DP 22333 - Trust Fund Big Sky Waiver Transfer - SLTC -**

The legislature adopted a change package to transfer funding from the Older Montanans' Trust Fund to fund additional waiver slots in the Big Sky Waiver.

### Program Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 18-19	Legislative Budget 20-21	Biennium Change	Biennium % Change
Personal Services	94,567,476	101,840,205	7,272,729	7.69 %
Operating Expenses	38,624,509	36,034,677	(2,589,832)	(6.71)%
Equipment & Intangible Assets	250,920	284,920	34,000	13.55 %
Grants	7,548,930	7,017,746	(531,184)	(7.04)%
Benefits & Claims	140,922,634	157,432,177	16,509,543	11.72 %
Transfers	311,800	45,000	(266,800)	(85.57)%
Debt Service	235,246	235,246	0	0.00 %
<b>Total Expenditures</b>	<b>\$282,461,515</b>	<b>\$302,889,971</b>	<b>\$20,428,456</b>	<b>7.23 %</b>
General Fund	143,286,437	159,043,992	15,757,555	11.00 %
State/Other Special Rev. Funds	38,306,218	40,485,710	2,179,492	5.69 %
Federal Spec. Rev. Funds	100,868,860	103,360,269	2,491,409	2.47 %
<b>Total Funds</b>	<b>\$282,461,515</b>	<b>\$302,889,971</b>	<b>\$20,428,456</b>	<b>7.23 %</b>
<b>Total Ongoing</b>	<b>\$282,461,515</b>	<b>\$302,889,971</b>	<b>\$20,428,456</b>	<b>7.23 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

### Page Reference

Legislative Budget Analysis, B-132.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Legislative Fiscal 2020	Legislative Fiscal 2021
FTE	0.00	757.25	757.25	741.75	741.75
Personal Services	46,391,142	46,524,928	48,042,548	50,929,798	50,910,407
Operating Expenses	21,379,223	21,094,498	17,530,011	18,009,508	18,025,169
Equipment & Intangible Assets	8,284	108,460	142,460	142,460	142,460
Grants	6,011,433	4,040,057	3,508,873	3,508,873	3,508,873
Benefits & Claims	59,807,020	66,310,457	74,612,177	76,285,548	81,146,629
Transfers	196,845	289,300	22,500	22,500	22,500
Debt Service	126,208	117,623	117,623	117,623	117,623
<b>Total Expenditures</b>	<b>\$133,920,155</b>	<b>\$138,485,323</b>	<b>\$143,976,192</b>	<b>\$149,016,310</b>	<b>\$153,873,661</b>
General Fund	68,338,122	68,353,910	74,932,527	78,737,980	80,306,012
State/Other Special Rev. Funds	17,896,874	19,249,240	19,056,978	20,085,539	20,400,171
Federal Spec. Rev. Funds	47,685,159	50,882,173	49,986,687	50,192,791	53,167,478
<b>Total Funds</b>	<b>\$133,920,155</b>	<b>\$138,485,323</b>	<b>\$143,976,192</b>	<b>\$149,016,310</b>	<b>\$153,873,661</b>
<b>Total Ongoing</b>	<b>\$133,920,155</b>	<b>\$138,485,323</b>	<b>\$143,976,192</b>	<b>\$149,016,310</b>	<b>\$153,873,661</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Page Reference

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## 69010 - Department Of Public Health & Human Services33-Addictive and Mental Disorders Division

### Funding

Addictive and Mental Disorder Division (AMDD) is funded by general fund, state special and federal funds. General funds are 52.5% of the total budget and are used to support:

- State adult mental health facility costs
- State Medicaid match
- Adult mental health community services
- Community chemical dependency group home services for adults with methamphetamine and other addictions

State special revenue funds account for 13.4% of the total HB2 budget and are used for:

- Montana chemical dependency center state facility costs
- Community chemical dependency services
- State Medicaid match for chemical dependency services

Federal funds are 34.1% of the total HB 2 budget and are used to support a variety of programs including:

- The federal portion of Medicaid administrative and benefits costs
- The Projects for Assistance in Transition from Homelessness Program (PATH)
- Mental health block grant
- Funds to evaluate the mental health needs of nursing home residents

### Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	74,932,527	74,932,527	149,865,054	94.23 %	143,976,192	143,976,192	287,952,384	95.07 %
SWPL Adjustments	2,897,916	2,898,688	5,796,604	3.64 %	2,888,066	2,881,539	5,769,605	1.90 %
PL Adjustments	311,439	1,067,472	1,378,911	0.87 %	(445,550)	1,982,857	1,537,307	0.51 %
New Proposals	596,098	1,407,325	2,003,423	1.26 %	2,597,602	5,033,073	7,630,675	2.52 %
<b>Total Budget</b>	<b>\$78,737,980</b>	<b>\$80,306,012</b>	<b>\$159,043,992</b>		<b>\$149,016,310</b>	<b>\$153,873,661</b>	<b>\$302,889,971</b>	

### Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 2021 biennium budget. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,861,820	150,610	(162,241)	2,850,189	0.00	2,840,264	149,740	(163,175)	2,826,829
DP 2 - Fixed Costs	0.00	25,514	680	0	26,194	0.00	45,292	(5,081)	0	40,211
DP 3 - Inflation Deflation	0.00	10,582	1,101	0	11,683	0.00	13,132	1,367	0	14,499
DP 50 - Personal Services Adjustment	(13.50)	(1,030,350)	0	(78,381)	(1,108,731)	(13.50)	(1,027,739)	0	(78,195)	(1,105,934)
DP 33001 - Medicaid Waiver Services - AMDD	0.00	0	(34,855)	(64,532)	(99,387)	0.00	0	(34,636)	(64,751)	(99,387)
DP 33002 - FMAP - AMDD	0.00	(108,660)	310,664	(202,004)	0	0.00	(201,422)	277,692	(76,270)	0
DP 33003 - Medicaid Core Services - AMDD	0.00	(136,963)	0	(253,580)	(390,543)	0.00	709,221	0	1,325,846	2,035,067
DP 33004 - Medicaid Federal Services - AMDD	0.00	0	0	(434,301)	(434,301)	0.00	0	0	(434,301)	(434,301)
DP 33005 - Overtime-Holiday-Differential MSH - AMDD	0.00	1,312,568	0	0	1,312,568	0.00	1,312,568	0	0	1,312,568
DP 33006 - Overtime-Holiday-Differential MMHNCC - AMDD	0.00	274,844	0	0	274,844	0.00	274,844	0	0	274,844
<b>Grand Total All Present Law Adjustments</b>	<b>(13.50)</b>	<b>\$3,209,355</b>	<b>\$428,200</b>	<b>(\$1,195,039)</b>	<b>\$2,442,516</b>	<b>(13.50)</b>	<b>\$3,966,160</b>	<b>\$389,082</b>	<b>\$509,154</b>	<b>\$4,864,396</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

### DP 1 - Personal Services -

The legislature adopted the present law personal services budget requested by the executive and made additional changes to personal services in DP 50.

### DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

### DP 50 - Personal Services Adjustment -

The legislature adopted a reduction of 13.50 FTE at Addictive and Mental Disorders Division.

### DP 33001 - Medicaid Waiver Services - AMDD -

The legislature adopted a decrease of \$198,774 in total funds for caseload growth in the Addictive and Mental Disorders Division. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. The biennial funding is a reduction of \$69,491 in state special revenue, and a reduction of \$129,283 in federal funds.

### DP 33002 - FMAP - AMDD -

The legislature adopted a federal fund reduction of \$202,004 in FY 2020 and \$76,270 in FY 2021 as well as a general fund reduction of \$108,660 in FY 2020 and a \$201,422 in FY 2021. The reductions are to be offset with a state special fund increase of \$310,664 in FY 2020 and \$277,692 in FY 2021. The adjustment will cover existing services for the Medicaid programs in the Addictive and Mental Disorders Division and is needed due to a reduction in the Federal Medicaid Assistance Percentage (FMAP).

### DP 33003 - Medicaid Core Services - AMDD -

The legislature adopted an increase of \$1.6 million in total funds over the biennium including \$572,258 in general fund and \$1.1 million in federal funds. The funds are for caseload growth in the Addictive and Mental Disorders Division. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

### DP 33004 - Medicaid Federal Services - AMDD -

The legislature adopted a reduction of federal funds of \$434,301 in FY 2020 and \$434,301 in FY 2021. The funds are for caseload growth in the Addictive and Mental Disorders Division. Caseload can include either an increase or decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care.

## 69010 - Department Of Public Health & Human Services33-Addictive and Mental Disorders Division

### TDP 33005 - Overtime-Holiday-Differential MSH - AMDD -

he legislature adopted an increase of \$2.6 million in general fund for the 2021 biennium to fund overtime at the Montana State Hospital, a 24/7 acute services facility. The additional general fund increase is in addition to what is approved in DP 1.

### DP 33006 - Overtime-Holiday-Differential MMHNCC - AMDD -

The legislature adopted an increase of \$549,688 in general fund for the 2021 biennium to fund overtime at the Montana Mental Health Nursing Care Center. The funding increase is in addition to what is requested in DP 1.

### **New Proposals -**

The "New Proposals" table shows new changes to spending.

New Proposals										
-----Fiscal 2020-----					-----Fiscal 2021-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 10016 - Transfer from MTAP for TCM for mental illness										
0.00	0	550,000	1,020,083	1,570,083	0.00	0	800,000	1,483,757	2,283,757	
DP 33007 - PRI - Medicaid Core - AMDD										
0.00	130,581	10,128	260,196	400,905	0.00	405,709	32,999	820,138	1,258,846	
DP 33008 - PRI - Medicaid Waiver - AMDD										
0.00	0	40,233	74,489	114,722	0.00	0	121,112	226,410	347,522	
DP 33009 - PRI - Non-Medicaid - AMDD										
0.00	15,927	0	46,375	62,302	0.00	48,707	0	141,332	190,039	
DP 33050 - Move funding for 2.00 FTE psychiatrists to operating exp										
(2.00)	0	0	0	0	(2.00)	0	0	0	0	
Total	(2.00)	\$146,508	\$600,361	\$1,401,143	\$2,148,012	(2.00)	\$454,416	\$954,111	\$2,671,637	\$4,080,164

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

### DP 10016 - Transfer from MTAP for TCM for mental illness -

The legislature appropriated \$550,000 state special revenue and \$1.0 million in federal funds in FY 2020 and \$800,000 state special revenue and \$1.5 million in federal funds in FY 2021 for targeted case management for adults with mental illness.

### DP 33007 - PRI - Medicaid Core - AMDD -

The legislature adopted an increase of \$1.7 million in total funds over the biennium including \$536,290 in general funds. Funding is for a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for Medicaid Core programs in the Addictive and Mental Disorders Division.

### DP 33008 - PRI - Medicaid Waiver - AMDD -

The legislature adopted an increase of \$462,244 in total funds over the biennium including \$161,345 in state special revenue. Funding is for a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for Medicaid Waiver programs in the Addictive and Mental Disorders Division.

### DP 33009 - PRI - Non-Medicaid - AMDD -

The legislature adopted an increase of \$252,341 in total funds over the biennium including \$64,634 in general fund. Funding is for a 0.91% provider rate increase in FY 2020 and a 1.83% increase in FY 2021 for Non-Medicaid program providers in the Addictive and Mental Disorders Division.



DP 33050 - Move funding for 2.00 FTE psychiatrists to operating exp -

The legislature adopted a reduction in personal services of 2.00 FTE at the Montana State Hospital and moved the personal services funding to operating expenses.