



## HEALTH AND HUMAN SERVICES INTERIM BUDGET COMMITTEE

---

### 67th Montana Legislature

#### SENATE MEMBERS

Charlene Devine  
Carl Glimm  
Bob Keenan  
Mary McNally

#### HOUSE MEMBERS

Mary Caferro  
Frank Garner  
Terry Moore  
Matt Regier

#### COMMITTEE STAFF

Bethany McDowell James - Secretary  
Brian Hannan - OBPP Staffer  
Joshua Poulette - Fiscal Analyst

## MINUTES LOG

June 15, 2022  
Capitol Room 102/Zoom  
Helena, Montana

Please note: This document is a Minutes Log and provides annotation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video recording of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of the meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at <https://leg.mt.gov>. From the home page, select the "Committees" drop down menu at the top, then select Administrative or Interim, and the appropriate committee. The written minutes log can be located by expanding the accordion menu for the date of the meeting. Links to the audio/video files can be located by selecting the Video/Audio button on the same page, then the "past/current recordings" button. From there, use the calendar to select the date of the meeting you wish to view/listen to. The written Minutes Log, along with links to the audio and video recordings, is listed by meeting date on the interim committee's web page. Each of the Exhibits is linked and can be viewed by clicking on the Exhibit of interest. All Exhibits are public information and may be printed. Please contact the Legislative Services Division at 406-444-3064 for more information.

#### **MEMBERS PRESENT:**

Rep. Matt Regier, Chair (R)  
Rep. Mary Caferro (D)  
Rep. Frank Garner (R)  
Sen. Bob Keenan (R)  
Sen. Mary McNally (D)  
Rep. Terry Moore (R)

#### **MEMBERS EXCUSED:**

Sen. Carl Glimm (R)

#### **MEMBERS ABSENT:**

#### **STAFF PRESENT:**

Joshua Poulette, Fiscal Analyst  
Bethany McDowell James, Secretary  
Brian Hannan, OBPP Staffer

#### **AGENDA ([Attachment 1](#))**

#### **VISITORS' LIST ([Attachment 2](#))**

## **COMMITTEE ACTION**

### **CALL TO ORDER/ROLL CALL**

10:02:50 Rep. Matt Regier-R called the meeting to order at 10:02 AM. The committee secretary took roll.

## **PANEL: DPHHS UPDATES - Adam Meier, Director; Kim Aiken, CFO**

### **Financial Update from Ms. Aiken**

10:07:36 Ms. Aiken (Exhibit 1)

10:12:06 Rep. Caferro joined the meeting.

### **Committee Questions**

10:13:58 Rep. Garner asked about Montana State Hospital (MSH) funding projections.

10:17:15 Rep. Garner asked about a timeline for projected changes.

10:18:37 Rep. Regier asked about reduction in costs for contract labor.

10:21:53 Rep. Regier asked about HUF payments.

10:23:53 Rep. Regier asked about appropriated funds and upper-payment limits.

10:24:22 Darci Wiebe and Renee Quintana, Operations of Research Section at DPHHS, answered Rep. Regier's question.

10:28:05 Rep. Caferro asked Ms. Aiken about the budget for Intensive Behavioral Centers (IBC).

10:29:51 Rep. Caferro asked Ms. Aiken about plans for the enhanced FMAP.

10:31:18 Rep. Caferro asked about a required monthly report that is part of the contract for the MSH.

10:32:13 Rep. Caferro asked Mr. Meier about HUF payments for children's hospitals.

10:35:56 Rep. Caferro asked for specifics about the Children's Hospital.

10:38:00 Rep. Regier asked about inflation effects at DPHHS.

## **MONTANA STATE HOSPITAL (MSH) UPDATE**

10:43:23 Mr. Meier

### **Committee Questions**

10:49:53 Rep. Garner asked about ongoing quality improvement at the facility.

10:52:49 Rep. Garner commented on the outcomes that the funding aims to produce.

10:54:17 Rep. Garner commented on meeting care-mission benchmarks as well as financial benchmarks.

10:54:41 Rep. Caferro asked about the total budget for the project at the hospital.

10:57:30 Rep. Caferro asked about a date for implementing contracts.

10:59:37 Rep. Caferro asked about impacts on patient safety.

## **INTENSIVE BEHAVIORAL CENTER (IBC) UPDATE**

11:01:08 Mr. Meier

### **Committee Questions**

- 11:06:51 Rep. Moore asked about out-of-state populations.  
11:07:29 Rep. Regier asked about the current residents at IBC.

### **MEDICAID ENROLLMENT AND REDETERMINATION UPDATE**

11:08:42 Mr. Meier

#### **Committee Questions**

- 11:13:25 Rep. Regier asked about removing out-of-state addresses.  
11:13:58 Rep. Regier asked about an eligibility timeline for Lexis Nexis.  
11:17:23 Rep. Caferro asked about enrollment and communication for Medicaid recipients.  
11:18:51 Rep. Regier asked about the programs that disenrollment affects.

### **PROVIDER RATE STUDY UPDATE**

11:19:41 Mr. Meier

#### **Committee Questions**

- 11:28:14 Rep. Garner commented on DPHHS presenting at the next IBC-B meeting.  
11:29:10 Rep. Regier asked about applicants who may have been overlooked.

### **STATUS AND FUTURE OF TITLE X FAMILY PLANNING EXPENDITURES**

11:30:21 Mr. Meier

#### **Committee Questions**

- 11:31:51 Rep. Regier asked about FTE associated with Title X.

### **RED TAPE RELIEF UPDATE**

11:32:43 Mr. Meier

#### **Committee Questions**

- 11:39:58 Rep. Caferro asked about the source of funding for ESSER.  
11:40:29 Rep. Moore commented on public response to rule modification and government efficiency.  
11:43:08 Rep. Regier asked about workload continuity.

### **PROVIDER RELATIONS AND CHIEF EMPLOYMENT AND TRAINING OFFICER POSITIONS UPDATE**

11:43:33 Mr. Meier

#### **Committee Questions**

- 11:46:31 Rep. Regier asked about expanding employment training.

### **INTRODUCTION TO MIKE RANDOL, MEDICAID DIRECTOR**

11:47:12 Mr. Randol

#### **Committee Questions for Panel/Presenter**

for Mr. Randol

- 11:48:38 Sen. Keenan asked Mr. Randol about managed care and the opportunities that Montana might have for managed care instead of fee for service.

11:50:57 Sen. McNally asked Mr. Randol about formal meetings at his previous department.  
11:53:29 Rep. Caferro asked about managed care in previous states where Mr. Randol worked.  
11:55:10 Rep. Caferro asked about provider opinions in other states.  
11:55:49 Rep. Caferro asked Mr. Randol about his involvement in implementing managed care.  
11:57:12 Rep. Caferro asked Mr. Randol about managed care for certain populations.  
11:58:36 Rep. Caferro asked Mr. Randol his perspective on the success of managed care in the previous communities where he worked.  
12:01:04 Rep. Caferro commented on Montana's history with managed care. She asked Mr. Randol about his priorities for Montana's Medicaid program.  
12:04:53 Sen. Keenan asked Mr. Randol about his experience with Magellan Behavioral Health.

### **LUNCH**

12:05:33 Reconvene at 12:30:48

### **Public Comment on DPHHS Updates**

12:31:23 Mary Windecker, Behavioral Health Alliance of Montana

### **RECESS**

12:35:37 Reconvene at 13:02:12

### **DPHHS UPDATES BY DIVISION**

#### **PANEL: Behavioral Health and Developmental Disabilities Division Update – Rebecca de Camara, Division Administrator; Adam Meier, DPHHS Director; Mike Randol, Medicaid Director**

13:03:01 Ms. de Camara ([Exhibit 2](#))

### **Committee Questions**

13:32:05 Rep. Garner asked about the revenues and budget for certain initiatives.  
13:32:37 Brian Hannan, Office of Budget and Program Planning, responded to Rep. Garner's question.  
13:33:53 Rep. Garner asked about the \$6 million budget.  
13:35:28 Rep. Garner asked for an outline of the grants described by Ms. de Camara.  
13:35:49 Rep. Regier asked about grants allocated from the \$6 million budget.  
13:36:41 Josh Poulette, LFD Fiscal Analyst for IBC-B, responded to Rep. Regier's question. (Chart can be viewed in the video recording at 13:36:45)  
13:37:36 Rep. Regier asked about the HEART fund's involvement with marijuana money.  
13:39:11 Ms. Aiken responded to Rep. Regier's question.  
13:39:59 Rep. Moore asked about FTE at DPHHS.  
13:42:26 Rep. Moore asked about connecting successful programs to appropriations funds.  
13:46:21 Sen. Keenan asked about GEAR funding.  
13:47:55 Sen. Keenan asked how current initiatives will affect schools.  
13:49:08 Rep. Caferro asked about the number of school districts that participated in CSCT programs before the 2021 legislative session.

- 13:50:10 Rep. Caferro asked about the benefit package for children receiving CSCT services.
- 13:50:30 Rep. Regier asked about the Angel Initiative.
- 13:52:21 Rep. Regier asked about FTE vacancies.
- 13:53:06 Rep. Regier asked about remote work limitations.
- 13:55:09 Rep. Regier asked the panel about addressing employee vacancies. He followed by asking about contract labor.

**Disability and Employment and Transitions Division Update – Chanda Hermanson, Administrator**

13:58:21 Ms. Hermanson ([Exhibit 3](#))

**Committee Questions**

- 14:08:56 Rep. Garner asked about authorization for FTEs.
- 14:10:26 Rep. Regier asked about appropriations for MTAP.
- 14:13:30 Rep. Regier asked about departmental effects of FTE vacancies and their goals for addressing those vacancies.
- 14:17:12 Rep. Regier asked about potential problems for the division.
- 14:17:26 Rep. Caferro asked about FTE funding.

**Human and Community Services Division – Gene Hermanson, Administrator**

14:18:23 Mr. Hermanson ([Exhibit 4](#))

**Committee Questions**

- 14:27:57 Rep. Caferro asked about the National Accuracy Clearinghouse.
- 14:29:02 Rep. Caferro asked about funds carried over from an IT project related to energy assistance.
- 14:32:22 Rep. Caferro asked about the Weatherization Assistance Program (WAP) waiting list.
- 14:35:47 Rep. Regier asked about FTE vacancies and vacancy projections.
- 14:36:47 Rep. Regier asked about contract labor to fill FTE vacancies.

**QUARTERLY FINANCIAL REPORT – Josh Poulette, LFD Fiscal Analyst (With Input/Output Expenditures from Kim Aiken, DPHHS)**

14:38:36 Mr. Poulette ([Exhibit 5](#))

**Committee Questions**

- 14:40:35 Rep. Regier asked for clarification on the document.
- 14:41:10 Rep. Regier asked about a lack of utilization for certain funds.
- 14:41:59 Rep. Regier asked about state special revenue in the document. (See exhibit 5)
- 14:46:33 Sen. McNally asked about unspent money for childcare.
- 14:47:15 Ms. Aiken responded to Sen. McNally's question.
- 14:48:31 Sen. McNally asked about a potential end date for spending. She followed by asking for assurance that the money will be spent in Montana.
- 14:50:05 Mr. Meier responded to Sen. McNally's question.
- 14:51:25 Sen. McNally commented on other states allocating unspent money.
- 14:54:09 Rep. Garner asked Mr. Meier about childcare dollars.

- 14:55:45 Rep. Regier asked Mr. Hannan about appropriating unspent federal funds.
- 14:56:57 Rep. Regier asked about deadline items.
- 14:58:49 Rep. Caferro asked for clarification on ARPA and CARES 2 data.
- 15:00:21 Rep. Caferro asked about allocating unspent funds towards programs like SNAP. She followed by asking for additional information on the benefit amount.
- 15:04:45 Rep. Moore asked about the inclusion of the Behavioral Health and Developmental Disabilities in Mr. Poulette's document. (See exhibit 5)
- 15:08:48 Rep. Regier asked about personal service savings information related to contract labor.
- 15:09:20 Rep. Regier asked for more accurate information regarding personal service savings and contract labor expenses to be given before the next legislative session.
- 15:10:19 Ms. Aiken responded to Rep. Regier's question.
- 15:14:36 Rep. Regier asked for clarification on the document. (See exhibit 5)
- 15:15:50 Rep. Regier asked about Medicaid expansion dollars.
- 15:18:07 Rep. Regier asked for clarification between two documents. (See exhibit 1 and exhibit 5)
- 15:21:39 Rep. Regier asked about traditional Medicaid population and reauthorization effects on FY23 budget. He followed by asking about Medicaid expansion during a recession.

**EXECUTIVE PLANNING PROCESS OVERVIEW - Brian Hannan, OBPP**

- 15:31:28 Mr. Hannan (Exhibit 6)

**DISCUSSION ON MONTANA STATE HOSPITAL (MSH) AND COMMUNITY SETTINGS**

- 15:37:50 Rep. Regier asked for discussion on MSH.
- 15:39:29 Sen. Keenan commented on Ms. de Camara's presentation.
- 15:42:29 Rep. Garner commented on changes being made at the hospital and their immediate and long-term needs.
- 15:44:02 Rep. Caferro commented on different services associated with one line item.
- 15:45:11 Rep. Regier commented on community benefit from health care providers and charity care.

**DISCUSSION ON ZERO-BASE BUDGET FOR A SINGLE DIVISION**

- 15:47:37 Rep. Regier commented on the Interim Budget Committees' roles going into session. He followed by describing zero-base budget for divisions.
- 15:48:40 Sen. Keenan described zero-base budgeting and commented on zero-base budgeting for different agencies.
- 15:51:33 Rep. Moore commented on a sample case for zero-base budgeting and implementing a starting point.
- 15:53:51 Rep. Garner commented on the objectives for zero-base budgeting.

**ADJOURNMENT**

- 15:57:59 Sen. Regier adjourned the meeting at 15:57:59 (3:57pm).