

Agency Budget Comparison

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	153,877,358	(3,878,031)	(2.46)%
Benefits & Claims	3,404,074,849	3,505,414,466	101,339,617	2.98 %
Transfers	6,836,463	6,367,802	(468,661)	(6.86)%
Debt Service	621,946	584,014	(37,932)	(6.10)%
Total Expenditures	\$4,192,030,629	\$4,308,628,400	\$116,597,771	2.78 %
General Fund	1,027,745,961	1,135,090,711	107,344,750	10.44 %
State/Other Special Rev. Funds	326,141,234	354,855,513	28,714,279	8.80 %
Federal Spec. Rev. Funds	2,838,143,434	2,818,682,176	(19,461,258)	(0.69)%
Total Funds	\$4,192,030,629	\$4,308,628,400	\$116,597,771	2.78 %
Total Ongoing	\$4,167,787,742	\$4,302,434,408	\$134,646,666	3.23 %
Total OTO	\$24,242,887	\$6,193,992	(\$18,048,895)	(74.45)%

Agency Description

The mission of the Department of Public Health and Human Services (DPHHS) is to improve and protect the health, well-being, and self-reliance of all Montanans. DPHHS administers a wide spectrum of programs including: public assistance, Medicaid, foster care and adoption, nursing home licensing, long-term care, aging services, alcohol and drug abuse programs, mental health services, vocational rehabilitation, disability services, child support enforcement activities, and public health functions, such as communicable disease control and preservation of public health through chronic disease prevention.

Agency Highlights

Department of Public Health and Human Services Major Budget Highlights
<ul style="list-style-type: none"> • The 2021 biennium HB 2 budget is 2.8% higher than the 2019 biennium budget and totals \$4,308.6 million <ul style="list-style-type: none"> ◦ The FY 2020 HB 2 budget is a 1.2% decrease from the FY 2019 base, while the FY 2021 budget is a 2.9% increase from the FY 2019 base • Reduction of Department of Public Health and Human Services (DPHHS) FTE by a net 99.46 for the 2021 biennium, including: <ul style="list-style-type: none"> ◦ The transfer of 18.00 FTE from the Boulder campus (formerly the Montana Developmental Center) to the Child and Family Services Division ◦ The elimination of 2 vacant psychiatrist positions at the Montana State Hospital (MSH) and transfer of the appropriations for those positions to operating expenses at MSH ◦ The addition of 18.00 FTE for the medical marijuana program in the Quality Assurance Division • Caseload funding increases, including an increase of \$28.9 million general fund, for the Child and Family Services Division and a restriction on 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 • Present law increases, driven by caseload, for the state's traditional (non-expansion) Medicaid program total a \$45.8 million increase for the 2021 biennium over the 2019 base. • Funding for provider rate increases (0.91% in FY 2020, 1.83% in FY 2021) • 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 appropriation of \$11.0 million general fund and \$22.9 million state special revenue to provide the state matching funds for CHIP in the 2021 biennium • Appropriation of \$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 • Shifting of \$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 • Direction that \$3.5 million in funds from the Montana Telecommunications Access Program (MTAP) be used for: <ul style="list-style-type: none"> ◦ 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 • Direction of \$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 • Appropriation of \$2.4 million general fund (and matching federal funds) to increase Medicaid provider rates for developmental disability service providers

- Exemption of non-critical access hospitals from the provider rate increase discussed above and direction that the funds saved be used for substance use disorder treatment provider rates in the Addictive and Mental Disorders Division
- Redirection of \$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
- Restriction of 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

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

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	76,838,679	77,038,679
Benefits & Claims	1,532,392,278	1,663,553,795	1,740,521,054	1,710,587,273	1,794,827,193
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
Total Expenditures	\$1,909,407,901	\$2,056,760,993	\$2,135,269,636	\$2,110,468,568	\$2,198,159,832
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	175,251,050	179,604,463
Federal Spec. Rev. Funds	1,271,743,351	1,399,675,338	1,438,468,096	1,385,747,707	1,432,934,469
Total Funds	\$1,909,407,901	\$2,056,760,993	\$2,135,269,636	\$2,110,468,568	\$2,198,159,832
Total Ongoing	\$1,898,402,029	\$2,045,223,811	\$2,122,563,931	\$2,107,363,872	\$2,195,070,536
Total OTO	\$11,005,872	\$11,537,182	\$12,705,705	\$3,104,696	\$3,089,296

Summary of Legislative Action

Actions taken by the 66th Legislature that impact DPHHS include:

HB 2 - General Appropriations Act

- Medicaid caseload funding
- Caseload funding increases for the Child and Family Services Division
- Restriction of the budget for the Child and Family Services Division
- General fund support for the programs funded by the shrinking Tobacco Health and Medicaid Initiatives fund
- Additional state funds (in the form of general fund and state special funds) for CHIP due to declining federal matching rates
- Restriction of the nursing home budget in the Senior and Long-Term Care Division to either nursing homes or the Big Sky Waiver

Agency Discussion

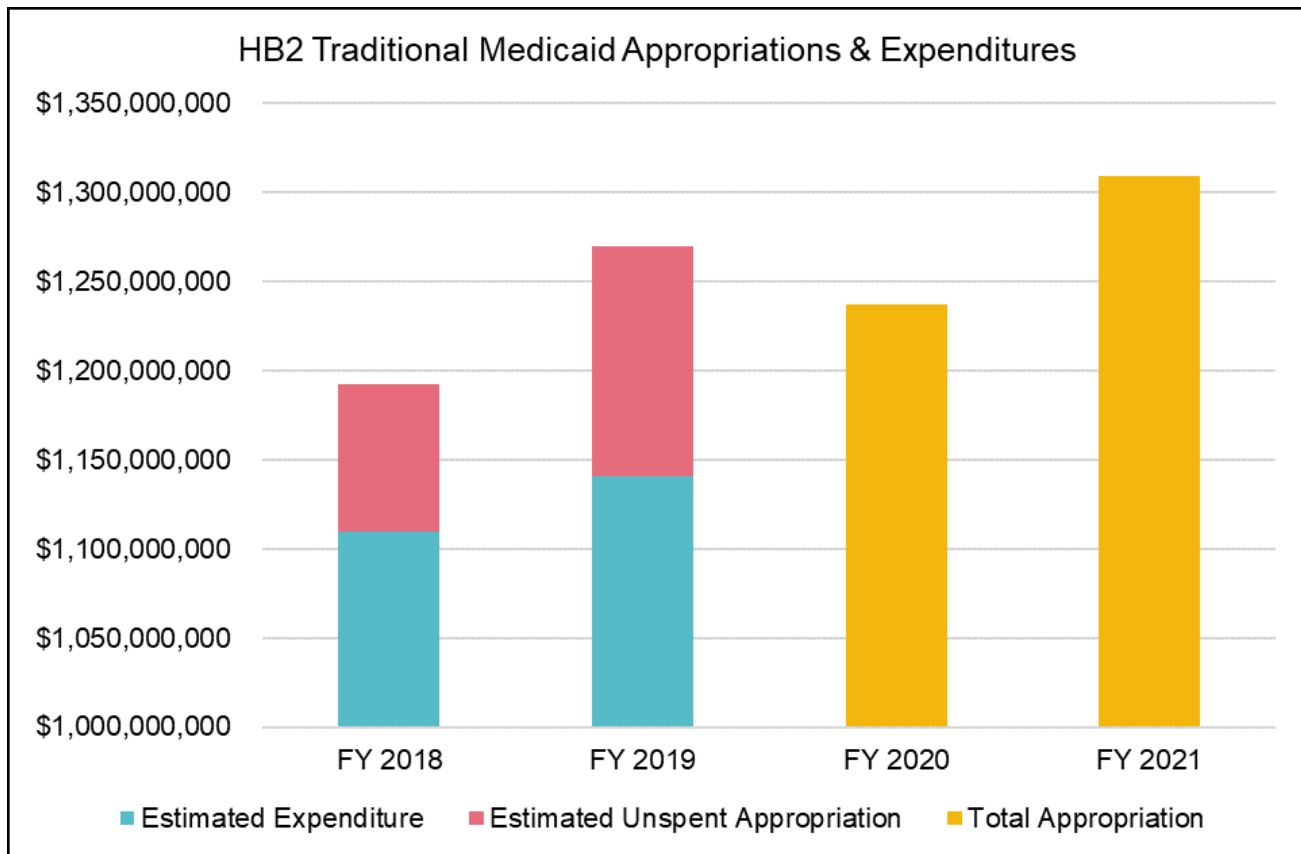
Several areas of the DPHHS budget were significantly impacted by legislative actions:

Traditional Medicaid

The legislative budget for HB 2 Medicaid benefits and services (excluding Medicaid Expansion) in the 2021 biennium totals \$2,547.0 million (see table below). Note that this amount does not include Indian Health Services (IHS) Medicaid expenditures as these expenditures were made statutory in the 2017 session. These expenditures are made in the Developmental Services Division (DSD), Health Resources Division (HRD), Senior and Long-Term Care Division (SLTC), and Addictive and Mental Disorders Division (AMDD).

2021 Biennium HB 2 Medicaid Budget (Benefits Only)			
	FY 2020	FY 2021	Total
Developmental Services Division	\$277,291,986	294,231,374	\$571,523,360
Health Resources Division	613,537,666	651,927,831	1,265,465,497
Senior and Long-Term Care Division	280,827,726	293,814,756	574,642,482
Addictive and Mental Disorders Division	65,556,671	69,771,296	135,327,967
Total	\$1,237,214,049	\$1,309,745,257	\$2,546,959,306

The chart below illustrates Medicaid actual and estimated spending and Medicaid appropriations for the 2019 and 2021 biennia. Like the table above the chart below excludes IHS spending.



Medicaid Expansion

The 2019 Legislature passed HB 658 which will extend Medicaid expansion in Montana. HB 658 includes an appropriation and therefore is not included in the agency totals in this report. Prior to HB 658 Medicaid expansion has been statutorily appropriated. Under present law, expansion appropriations will be included in HB 2 beginning in the 2023 biennium.

HB 658 will become effective July 1, 2019 and has a termination date of June 30, 2025. HB 658 includes several changes to expansion including: establishing community engagement requirements, revising eligibility verification procedures, establishing an employer grant program, and enacting fees on health service corporations and on hospital outpatient revenue, in addition to others.

The table below contains a summary of Medicaid expansion expenditures.

HELP Act Medicaid Expansion Expenditures						
	FY 2016	FY 2017	FY 2018	DPHHS	HB 658	
				Estimate ¹	FY 2020	FY 2021
General Fund						
Benefits and Administration	\$5,603,410	\$24,810,836	\$42,633,784	\$39,987,699	\$31,657,493	\$40,174,374
Supplemental Payments	-	-	-	-	-	-
subtotal	5,603,410	24,810,836	42,633,784	39,987,699	31,657,493	40,174,374
State Special Revenue						
Benefits and Administration	-	-	-	-	33,165,464	35,200,535
Supplemental Payments ²	-	-	-	-	25,776,425	26,613,993
subtotal	-	-	-	-	58,941,889	61,814,528
Federal Funds						
Benefits and Administration	137,061,972	403,675,669	517,586,943	539,196,331	562,447,343	571,658,286
Supplemental Payments	-	145,845,885	155,400,833	174,920,041	217,278,228	216,176,522
subtotal	137,061,972	549,521,554	672,987,775	714,116,372	779,725,571	787,834,808
Grand Total	\$142,665,382	\$574,332,390	\$715,621,560	\$754,104,071	\$870,324,953	\$889,823,710

¹As reported in the April 2019 DPHHS Budget Status Report.

²Prior to the 2021 biennium, the state match for hospital supplemental payments was under the HB 2 Medicaid appropriation.

Personal Services

The 2019 Legislature reduced total FTE at DPHHS by 99.46. Positions totaling 117.46 FTE were reduced across all DPHHS divisions while 18.00 new FTE were added at Quality Assurance Division (QAD). The largest FTE reduction occurred at Developmental Services Division (DSD) where positions totaling 31.00 FTE were reduced. In addition, the legislature approved the transfer of 18.00 FTE from DSD to Child & Family Services Division (CFSD) resulting in a net decrease of 49.00 FTE at DSD. The transfer of FTE also resulted in a net increase of 13.75 FTE at CFSD.

The legislature reduced FTE at Addictive and Mental Disorders Division by a total of 15.50. This includes 2.00 psychiatrist FTE at the Montana State Hospital where funding was moved to operations to reflect historical department expenditures for contracted psychiatrists. The FTE added at QAD will be used to support the seed to sale tracking system in the medical marijuana program.

DPHHS FTE by Division						
	2019 Biennium	FTE Reductions	FTE Transfers	New FTE	Total Changes	2021 Biennium
Disability Employment & Transitions	140.97	(6.90)			(6.90)	134.07
Human & Community Services	488.30	(9.75)			(9.75)	478.55
Child & Family Services	416.72	(4.25)	18.00		13.75	430.47
Directors Office	60.50	(3.00)			(3.00)	57.50
Child Support Division	140.31	(10.50)			(10.50)	129.81
Business & Financial Services	60.00	(8.00)			(8.00)	52.00
Public Health & Safety	179.02	(1.06)			(1.06)	177.96
Quality Assurance Division	104.23	(4.00)		18.00	14.00	118.23
Technology Services	66.60	(6.50)			(6.50)	60.10
Developmental Services	206.91	(31.00)	(18.00)		(49.00)	157.91
Health Resources	51.62	(9.00)			(9.00)	42.62
Medicaid & Health Services	15.00	(6.00)			(6.00)	9.00
Management & Fair Hearings	30.00	(1.00)			(1.00)	29.00
Senior & Long Term Care	216.73	(1.00)			(1.00)	215.73
Addictive & Mental Disorders	757.25	(15.50)			(15.50)	741.75
Total	2934.16	(117.46)		18.00	(99.46)	2834.70

A total of 101.46 FTE out of the 117.46 FTE reduced at DPHHS are positions that had been vacant for more than one year. The remainder of the total, 16.00 FTE, were an additional reduction at the Boulder Campus (formerly the Montana Developmental Center). The total FTE reduction at DPHHS resulted in a decrease in personal services of \$13.3 million total funds including \$9.8 million in general fund during the 2021 biennium.

Medicaid and CHIP Funding Issues

Montana's federal fiscal year (FFY) 2020 FMAP is lower than the FFY 2019 FMAP: the rate has dropped from 65.54% to 64.78%. This reduction is a result of comparing the per capita income for Montana to the per capita income for the United States. This decrease in rate will increase the state funds required for Medicaid match. In order to account for this change in FMAP the legislature adopted decision packages that increase general fund expenditures by \$8.5 million and state special fund expenditures by \$3.6 million while reducing federal fund expenditures by \$12.1 million.

CHIP has federal matching rates that are higher than those under traditional Medicaid. The enhanced federal medical assistance percentage (E-FMAP) for CHIP was increased by 23 percentage points, from about 76.0% to about 99.0%, for the 2016-2019 period. This E-FMAP increase declines in future years before going away, which will leave Montana at the standard E-FMAP rate of about 75.35% in 2021 and beyond. This decrease in the matching rate for CHIP lead 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 remaining state matching funds for CHIP in the 2021 biennium will come from the CHIP state special revenue fund (\$21.2 million), which has built up a significant balance over the last several years and brings in about \$4.0 million in revenue every year due to the state tobacco settlement. The CHIP state special revenue fund will be depleted at the end of the 2021 biennium due to this higher level of state contribution required for CHIP.

The Medicaid and health initiatives state special revenue fund supports a variety of programs (both Medicaid and non-Medicaid) across DPHHS. The fund has featured increasing expenditures and shrinking revenues over the last decade and is projected to be depleted by the end of FY 2019. The legislature appropriated \$16.1 million general fund over the 2021 biennium to support the anticipated shortfall in this fund over the 2021 biennium. The Medicaid and health initiatives state special revenue fund is funded through the state tobacco tax, which is a declining revenue source.

DPHHS Institutions

DPHHS currently operates a total of six facilities. The Southwest Veterans' Home will open in FY 2021. HB 669, passed by the 2019 Legislature directs the department to hire a contractor to operate the new facility, similar to the Eastern Montana Veterans' Home. The table below shows a biennial summary of the 2021 biennium appropriation for DPHHS facilities. The average daily population is based on FY 2018. The personal services costs for facilities are just under 31.6% of the 2021 personal services request for the entire agency.

State Facilities 2021 Biennium Executive Request				
Facility	ADP ¹	Personal Services	All Other	Annual Per Person Cost
Montana State Hospital	219	\$72,405,502	\$18,655,786	\$207,902
Boulder Campus	12	8,883,524	1,352,596	426,505
Mental Health Nursing Care Center	86	16,559,143	7,271,250	139,034
Montana Chemical Dependency Center	35	7,890,183	3,334,867	161,187
Montana Veterans' Home	108	17,087,369	8,284,641	117,889
Eastern Montana Veterans' Home		137,642	6,488,658	
Southwest Veterans' Home			4,605,262	
Total	459	\$122,825,721	\$38,899,140	\$210,503
1 - Average Daily Population				

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	25.17 %
State Special Total	352,355,513	2,500,000	0	8,495,884	363,351,397	8.06 %
Federal Special Total	2,814,988,184	3,693,992	0	193,417,760	3,012,099,936	66.78 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$4,302,434,408	\$6,193,992	\$0	\$201,913,644	\$4,510,542,044	
Percent - Total All Sources	95.39 %	0.14 %	0.00 %	4.48 %		

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 federal statutory appropriations in the table above are almost entirely for the Indian Health Services (IHS) Medicaid program. There is \$4.3 million in federal statutory appropriation for Title X family planning. State special revenue statutory appropriations are associated with earmarked alcohol funds (\$4.9 million) and Montana State Hospital revenue (\$3.5 million) in AMDD.

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 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	98.53 %
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)	(0.72)%
New Proposals	3,582,870	9,909,627	13,492,497	1.19 %	22,518,986	48,853,153	71,372,139	1.66 %
Total Budget	\$549,469,811	\$585,620,900	\$1,135,090,711		\$2,110,468,568	\$2,198,159,832	\$4,308,628,400	

Other Legislation

HB 529 - "Revising requirements related to waiting list for waiver services"

HB 529 requires DPHHS to establish by formal rule the procedures related to individuals on the waiting list for the Big Sky waiver in SLTC.

HB 658 - "Generally revise healthcare laws and permanently expand Medicaid"

HB 658 renews the Medicaid expansion program in Montana and makes several significant changes to the program (see detailed description above). The appropriations for Medicaid expansion are within HB 658 but will move into the HB 2 base in the next biennium.

HB 660 - "Create Mobile Crisis Unit Grant Program"

HB 660 appropriates \$500,000 general fund to DPHHS to establish a matching grant program with local governments to establish mobile crisis units. This appropriation is one-time-only.

HB 669 - "Implement the provisions of section B of the general appropriations act"

HB 669 carries out several significant legislative actions related to the Section B budget. It creates two state special revenue accounts, one for extended employment and targeted case management and one for funding 100 additional slots in the Big Sky waiver. HB 669 directs that the upcoming Southwest Veterans' Home in Butte be operated with a contracted private vendor. HB 669 also authorizes expenditures from the FY 2021 appropriation in FY 2020 if Medicaid caseload is higher than budgeted, and states that the executive does not need to create a second-year mitigation plan in the case of such a transfer in the 2021 biennium. HB 669 also reduces the Medicaid provider rate increase for physicians by \$600,000 to fund the health information exchange project in the 2021 biennium. This bill also changes the statute for the Older Montanans' Trust Fund and the Montana Telecommunications Access Program to permit transfers to the state special revenue funds described above and directs those transfers.

HB 680 - "Establishing a caseload cap on DD targeted case management services"

HB 680 limits the average caseload size for developmental disability targeted case management service providers to 35. This bill includes an appropriation of \$1.0 million general fund and \$1.8 million federal funds for the 2021 biennium and directs that this appropriation be part of the base moving forward.

HB 696 - "Appropriating funds for suicide prevention"

HB 696 appropriates \$500,000 in state special revenue over the 2021 biennium for suicide prevention grants. This appropriation is not ongoing.

SB 30 - "Allowing peer support services to be reimbursed under Medicaid"

SB 30 creates a new reimbursable Medicaid service, peer support services, and funds this service with \$2.5 million state special revenue (transferred from the medical marijuana state special revenue account) and appropriates \$4.6 million federal matching funds.

SB 265 - "Generally revise medical marijuana laws"

SB 265 temporarily increases the tax on marijuana product providers from 2.0% to 4.0% and establishes tiered fees for canopies. SB 265 limits the amount of marijuana and marijuana infused products that can be purchased to 1 ounce in possession, a maximum of 5 ounces purchased per month, and no more than 1 ounce purchased per day. The bill mandates that the state laboratory issue licenses for testing laboratories and establishes requirements for testing labs and the inspection of testing labs. Any unspent balance exceeding \$250,000 is to be transferred to a pain management education and treatment special revenue account.

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	76,838,679	(3,675,000)	80,513,679	77,038,679	(3,475,000)	(7,150,000)
Benefits & Claims	1,740,521,054	1,704,679,881	1,710,587,273	5,907,392	1,798,201,747	1,794,827,193	(3,374,554)	2,532,838
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
Total Costs	\$2,135,269,636	\$2,118,434,151	\$2,110,468,568	(\$7,965,583)	\$2,216,228,650	\$2,198,159,832	(\$18,068,818)	(\$26,034,401)
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	175,251,050	(5,262,609)	197,388,916	179,604,463	(17,784,453)	(23,047,062)
Federal Spec. Rev. Funds	1,438,468,096	1,386,074,281	1,385,747,707	(326,574)	1,438,652,471	1,432,934,469	(5,718,002)	(6,044,576)
Total Funds	\$2,135,269,636	\$2,118,434,151	\$2,110,468,568	(\$7,965,583)	\$2,216,228,650	\$2,198,159,832	(\$18,068,818)	(\$26,034,401)
Total Ongoing	\$2,122,563,931	\$2,118,434,151	\$2,107,363,872	(\$11,070,279)	\$2,216,228,650	\$2,195,070,536	(\$21,158,114)	(\$32,228,393)
Total OTO	\$12,705,705	\$0	\$3,104,696	\$3,104,696	\$0	\$3,089,296	\$3,089,296	\$6,193,992

The legislative budget is \$26.0 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 \$23.0 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 \$6.0 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

Language and Statutory Authority

The following language is adopted by the legislature for HB 2:

"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."

"Both Behavioral Health Peer Support Services and Mobile Crisis Units are contingent upon passage and approval of an act that amends 50-46-345 to allow for transfers for peer support services or mobile crisis units from that account and provides transfers for one or more of those items. If SB 30 is passed and approved and provides funding for peer support services, Peer Support Services is void. If HB 660 is passed and approved and provides funding for mobile crisis units, Mobile Crisis Units is void."

Program Budget Comparison

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 %	
Total Expenditures	\$57,761,815	\$58,390,722	\$628,907	1.09 %	
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 %	
Total Funds	\$57,761,815	\$58,390,722	\$628,907	1.09 %	
Total Ongoing	\$57,761,815	\$58,390,722	\$628,907	1.09 %	
Total OTO	\$0	\$0	\$0	0.00 %	

Program Description

The Disability Employment and Transitions Division (DET) is composed of two bureaus: Vocational Rehabilitation and Blind Services, and Disability Determination Services. The Montana Telecommunications Access Program (MTAP) is administratively attached to DET. In addition, DET includes several small programs serving Montanans with disabilities and their families.

Program Highlights

Disability Employment and Transitions Division Major Budget Highlights
<p>The 2021 biennial appropriation increased by 1.1% or \$628,907 in total funds when compared with the 2019 biennium.</p> <p>The increase in appropriation was primarily due to:</p> <ul style="list-style-type: none"> • A 39.9% increase in state special revenue authority primarily due to an \$800,000 transfer from the Montana Telecommunications Access Program (MTAP) to increase funding for Extended Employment within the Vocational Rehabilitation program <p>Total FTE at DET were reduced by 6.90 leaving a total of 134.07 FTE during the 2021 biennium.</p>

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

69010 - Department of Public Health & Human Services 01-Disability Employment & Transitions

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
Total Expenditures	\$23,962,284	\$28,908,733	\$28,853,082	\$29,153,005	\$29,237,717
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
Total Funds	\$23,962,284	\$28,908,733	\$28,853,082	\$29,153,005	\$29,237,717
Total Ongoing	\$23,962,284	\$28,908,733	\$28,853,082	\$29,153,005	\$29,237,717
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The legislature adopted a reduction of 6.90 FTE at Disability Employment and Transitions Division. Additional changes include an increase of \$400,000 during each year of the 2021 biennium to fund Extended Employment within the Vocational Rehabilitation program. A total of \$3.5 million in excess funds was transferred from MTAP for multiple purposes including:

- \$800,000 for extended employment at DET
- \$2.7 million for targeted case management for adults and children with mental illness at Addictive and Mental Disorders Division (AMDD) and Developmental Services Division (DSD)

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 01-Disability Employment & Transitions Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	12,074,075	0	0	12,074,075	20.68 %
02159 Handicapped Telecommunications	1,808,299	0	0	1,808,299	69.01 %
02434 02 Indirect Activity Prog 01	12,163	0	0	12,163	0.46 %
02365 MTAP Transfer	800,000	0	0	800,000	30.53 %
State Special Total	\$2,620,462	\$0	\$0	\$2,620,462	4.49 %
03234 Promise Grant	0	0	0	0	0.00 %
03588 93.802 - Disabil Deter Adm 100	11,571,754	0	0	11,571,754	26.48 %
03604 84.126 - Rehab-Sec110 A 78.7%	26,283,385	0	0	26,283,385	60.15 %
03365 03 Indirect Activity Prog 01	1,456,256	0	0	1,456,256	3.33 %
03554 84.169 - Independent Living 90	456,421	0	0	456,421	1.04 %
03555 84.177 - Indep Living Old BLIN	427,995	0	0	427,995	0.98 %
03557 84.187 - Vic Sup Employment	728,988	0	0	728,988	1.67 %
03558 84.224 - Mon Tech 100%	852,060	0	0	852,060	1.95 %
03559 84.265 - In Service Training 9	28,602	0	0	28,602	0.07 %
03024 Soc Sec - Trust Funds	1,890,724	0	0	1,890,724	4.33 %
03226 VR Supported Empl VI-B Youth	0	0	0	0	0.00 %
Federal Special Total	\$43,696,185	\$0	\$0	\$43,696,185	74.83 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$58,390,722	\$0	\$0	\$58,390,722	

69010 - Department of Public Health & Human Services01-Disability Employment & Transitions

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 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 Telecommunications Access Program (MTAP)

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 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	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 %
Total Budget	\$6,018,809	\$6,055,266	\$12,074,075		\$29,153,005	\$29,237,717	\$58,390,722	

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 based on the discussion and action of each subcommittee.

	-----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).

69010 - Department of Public Health & Human Services01-Disability Employment & Transitions

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 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
Total	0.00	\$17,812	\$400,000	\$23,469	\$441,281	0.00	\$54,281	\$400,000	\$71,525	\$525,806

**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.

69010 - Department of Public Health & Human Services01-Disability Employment & Transitions

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

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 %
Total Expenditures	\$651,299,315	\$662,128,395	\$10,829,080	1.66 %
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 %
Total Funds	\$651,299,315	\$662,128,395	\$10,829,080	1.66 %
Total Ongoing	\$645,299,041	\$662,128,395	\$16,829,354	2.61 %
Total OTO	\$6,000,274	\$0	(\$6,000,274)	(100.00)%

Program Description

Human and Community Services Division (HCSD) administers multiple public assistance programs that fall into one of three categories: public assistance, early childhood services, or intergovernmental human services.

HCSD public assistance responsibilities include both eligibility determinations and program administration. HCSD public assistance programs include:

- Temporary Assistance for Needy Families (TANF), which is a federal block grant that provides monthly payments to low-income families and children who meet income and resource eligibility standards
- Supplemental Nutrition Assistance (SNAP), which provides benefits to eligible families to supplement their food budget
- Refugee assistance
- Medicaid eligibility determinations, which are provided by HCSD for more than 38 Medicaid programs, spread across the entire agency, for children, pregnant women, seniors, disabled persons, and other eligible adults

HCSD early childhood programs include:

- TANF funds for child care, working caretaker relatives, and low-income working families
- The Child and Adult Care Food Program, which provides reimbursement to child care providers for the cost of meals served to eligible children and adults
- The Head Start State Collaboration grant

Intergovernmental Human Services include:

- The Low-Income Energy Assistance Program (LIEAP)
- Weatherization programs
- Community Services Block Grant, which is a federal grant managed by HCSD through a partnership with 10 Human Resource Development Councils (HRDC's) throughout the state, intended to support community-based activities to reduce poverty
- The Emergency Solutions Grant, which provides federal funding for emergency shelter and homelessness prevention

HCSD Fiscal Bureau coordinates, analyzes, implements, and monitors the division budget; purchases supplies and equipment; and assists with grant reporting, contracts, and leases.

Statutory Authority is in Title 53, Chapter 2, part 2 MCA and 45 CFR.

Program Highlights

Human and Community Services Division Major Budget Highlights
<p>The legislature increased the Human and Community Services Division budget by 1.7% or \$10.8 million in total funds for the 2021 biennium. Changes at HCSD include:</p> <ul style="list-style-type: none"> • A reduction of 9.75 FTE • An increase of \$1.1 million in federal funds for the Indian Health Services Bureau grant funding associated with the Low-Income Energy Assistance Program (LIEAP) • An increase of \$7.9 million in child care federal authority

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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
Total Expenditures	\$311,299,678	\$323,392,930	\$327,906,385	\$331,065,624	\$331,062,771
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
Total Funds	\$311,299,678	\$323,392,930	\$327,906,385	\$331,065,624	\$331,062,771
Total Ongoing	\$308,512,888	\$320,392,930	\$324,906,111	\$331,065,624	\$331,062,771
Total OTO	\$2,786,790	\$3,000,000	\$3,000,274	\$0	\$0

Program Narrative

The total budget for HCSD is \$331.1 million during each year of the 2021 biennium. The general fund budget was reduced by 1.6% or \$1.1 million while the state special appropriation increased by 18.2% or \$793,753 during the 2021 biennium. Total FTE were reduced by 9.75. Federal funding, which comprises 89.1% of the HCSD budget increased by 1.9% or \$11.8 million. The increase in federal funds was primarily due to an increase of two grants including \$1.1 million for the Indian Health Services Bureau for the Low-Income Energy Assistance Program (LIEAP) and an increase of \$7.9 million in child care federal authority.

69010 - Department of Public Health & Human Services02-Human & Community Services Division

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 02-Human & Community Services Division						
Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	66,817,556	0	0	66,817,556	10.09 %	
02375 02 Indirect Activity Prog 02	2,670,967	0	0	2,670,967	51.92 %	
02515 School Lunch OPI/Warehouse	0	0	0	0	0.00 %	
02597 Healthy Montana Kids Plan	0	0	0	0	0.00 %	
02688 6901-TANF Overpayments	130,000	0	0	130,000	2.53 %	
02698 69010-Prevention&Stabilization	1,665,164	0	0	1,665,164	32.37 %	
02772 Tobacco Hlth and Medicaid Init	71,090	0	0	71,090	1.38 %	
02931 Food Stamp Recoupment Account	0	0	0	0	0.00 %	
02974 Univ Low-Income Energy Assist	607,478	0	0	607,478	11.81 %	
State Special Total	\$5,144,699	\$0	\$0	\$5,144,699	0.78 %	
03135 HOPWA TriState HELP CFDA14.241	1,040,000	0	0	1,040,000	0.18 %	
03181 10.561 Food Stamp Perf. Bonus	0	0	0	0	0.00 %	
03204 Energy Conservation: Exxon	0	0	0	0	0.00 %	
03236 Child Nutrition	23,116,858	0	0	23,116,858	3.92 %	
03250 Child Care Manditory/MOE	3,597,650	0	0	3,597,650	0.61 %	
03251 Child Care Admin	988,911	0	0	988,911	0.17 %	
03252 Child Care Matching	11,040,374	0	0	11,040,374	1.87 %	
03323 Energy Conservation: Stripper	0	0	0	0	0.00 %	
03573 93.569 - CSBG Adm	6,513,581	0	0	6,513,581	1.10 %	
03576 LAUNCH Grant	0	0	0	0	0.00 %	
03580 6901-93.778 - Med Adm 50%	1,314,744	0	0	1,314,744	0.22 %	
03666 Aging - Caregiver III-E	0	0	0	0	0.00 %	
03677 6901-CACFP 10.558 & 10.560	1,620,184	0	0	1,620,184	0.27 %	
03678 6901-Food Stamp Benefits	345,533,644	0	0	345,533,644	58.55 %	
03679 6901-HOPWA CFDA#14-241	1,004,578	0	0	1,004,578	0.17 %	
03382 03 Indirect Activity Prog 02	33,157,176	0	0	33,157,176	5.62 %	
03426 CHIP Program Fed	0	0	0	0	0.00 %	
03467 6901-Homeless Mgmt Info System	154,350	0	0	154,350	0.03 %	
03518 93.044 - Aging Sup S & Train 1	0	0	0	0	0.00 %	
03519 93.045 - Aging Meals 100%	117,198	0	0	117,198	0.02 %	
03530 6901-Foster Care 93.658	2,149,146	0	0	2,149,146	0.36 %	
03539 93.600 Headstart	254,842	0	0	254,842	0.04 %	
03544 10.561 - FS E & T - 50%	33,571	0	0	33,571	0.01 %	
03545 10.561 - FS E & T - 100%	532,091	0	0	532,091	0.09 %	
03546 10.561 - FS Adm - Fed Exp 50%	1,779,022	0	0	1,779,022	0.30 %	
03547 10.568 - Emerg Food Assist 100	458,684	0	0	458,684	0.08 %	
03548 10.569 - Food Distr - Fed Exp	5,301,108	0	0	5,301,108	0.90 %	
03550 14.231 - Emerg Shelter - HUD 5	1,400,628	0	0	1,400,628	0.24 %	
03552 81.042 - Weather Ben 100%	5,402,720	0	0	5,402,720	0.92 %	
03553 Housing Preservation Grant	90,200	0	0	90,200	0.02 %	
03571 93.566 - Off Ref Reset Adm 10	0	0	0	0	0.00 %	
03572 93.568 - LIEAP Blk Grt Adm	40,680,111	0	0	40,680,111	6.89 %	
03063 Preschool Development	(44,930)	0	0	(44,930)	(0.01)%	
03066 81.042 BPA	994,680	0	0	994,680	0.17 %	
03074 Aging - Nutrition Services HDM	0	0	0	0	0.00 %	
03096 Discretionary Child Care	39,772,450	0	0	39,772,450	6.74 %	
03103 TANF Administration	0	0	0	0	0.00 %	
03109 TANF Benefits	60,820,960	0	0	60,820,960	10.31 %	
03826 Healthy Montana Teen Parents 2	(1,498)	0	0	(1,498)	(0.00)%	
03965 CSFP	1,343,107	0	0	1,343,107	0.23 %	
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %	
03503 FD PIR Infrastructure	0	0	0	0	0.00 %	
Federal Special Total	\$590,166,140	\$0	\$0	\$590,166,140	89.13 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$662,128,395	\$0	\$0	\$662,128,395		

69010 - Department of Public Health & Human Services02-Human & Community Services Division

The majority of HB 2 funding at HCSD is federal funding comprising over 89.1%. Federal funds are used for the provision of benefits including the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, child care, and others. State funds are primarily used to cover personal services and maintenance of effort (MOE) requirements for the receipt of federal funds.

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	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 %
Total Budget	\$33,331,909	\$33,485,647	\$66,817,556		\$331,065,624	\$331,062,771	\$662,128,395	

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 based on the discussion and action of each subcommittee.

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 Indian reservations.

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.

Program Budget Comparison

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 %
Total Expenditures	\$179,466,296	\$206,376,079	\$26,909,783	14.99 %
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 %
Total Funds	\$179,466,296	\$206,376,079	\$26,909,783	14.99 %
Total Ongoing	\$162,823,683	\$206,376,079	\$43,552,396	26.75 %
Total OTO	\$16,642,613	\$0	(\$16,642,613)	(100.00)%

Program Description

The Child and Family Services Division (CFSD) administers child protective services, child abuse and neglect services, prevention services, domestic violence grants, and other programs designed to keep children safe and families strong with the overarching goal of improving safety, permanency, and well-being for children. CFSD is composed of three bureaus and six regions that administer programs and are advised by Local Family Services Advisory Councils, which serve as the link between local communities and DPHHS. CFSD is the primary user of the statewide Child and Adult Protective Services (CAPS) computer system. Statutory Authority - Titles 41, 42 and 52, MCA 45 CFR, Parts 1355, 1356, 1357 and 1370.

Program Highlights

Child & Family Services Division Major Budget Highlights
<ul style="list-style-type: none"> • The legislative budget for CFSD is a 15.0% increase over the CFSD appropriation for the last biennium (and a 19.3% increase in general fund) • CFSD added 35.00 FTE from other DPHHS divisions during FY 2018 to total 416.72 FTE for FY 2019. The legislative budget adds a net additional 13.75 FTE in the 2021 biennium to total 430.47 FTE • The CFSD budget is restricted to use in this division • Montana has experienced a significant increase in child victimization rates (and related foster care cases) over the past decade

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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

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
Total Expenditures	\$94,366,863	\$94,912,188	\$84,554,108	\$100,619,687	\$105,756,392
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
Total Funds	\$94,366,863	\$94,912,188	\$84,554,108	\$100,619,687	\$105,756,392
Total Ongoing	\$86,629,671	\$87,175,006	\$75,648,677	\$100,619,687	\$105,756,392
Total OTO	\$7,737,192	\$7,737,182	\$8,905,431	\$0	\$0

Program Narrative

CFSD received a budgetary increase of 15.0% over the 2019 biennium budget, including a 19.3% increase in general fund. The legislature also restricted the CFSD budget, meaning that transfers may not be made from the CFSD appropriation to other DPHHS programs. This significant budgetary increase is driven by projected future child welfare caseload increases into the 2021 biennium. Montana has experienced rapidly rising rates of child abuse and neglect (CAN) over the last decade.

Funding

The following table shows program funding by source of authority.

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

Department of Public Health & Human Services, 03-Child and Family Services Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	121,435,749	0	0	121,435,749	58.80 %	
02209 Third Party Contributions-F.C.	3,612,060	0	0	3,612,060	92.89 %	
02375 02 Indirect Activity Prog 02	(36,673)	0	0	(36,673)	(0.94)%	
02473 Assault Intervention & Trtmnt	169,002	0	0	169,002	4.35 %	
02483 Adoption Services / SA	0	0	130,000	130,000	3.34 %	
02496 Family Preservation Conference	14,166	0	0	14,166	0.36 %	
State Special Total	\$3,758,555	\$0	\$130,000	\$3,888,555	1.88 %	
03185 CASEWORKER VISITS	0	0	0	0	0.00 %	
03224 Access & Visitation Grt 93.597	191,100	0	0	191,100	0.24 %	
03579 93.667 - SSBG - Benefits	2,016,024	0	0	2,016,024	2.48 %	
03593 03 Indirect Activity Prog 03	18,694,595	0	0	18,694,595	23.03 %	
03382 03 Indirect Activity Prog 02	(403,395)	0	0	(403,395)	(0.50)%	
03458 6901 - Chafee - ETV 93.599	353,952	0	0	353,952	0.44 %	
03522 93.556 - Family Preservation	1,779,874	0	0	1,779,874	2.19 %	
03526 93.643 - Child Justice	199,296	0	0	199,296	0.25 %	
03527 93.645 - IV-B CWS	0	0	0	0	0.00 %	
03529 IV-E Guardianship	4,859,851	0	0	4,859,851	5.99 %	
03530 6901-Foster Care 93.658	25,045,601	0	0	25,045,601	30.85 %	
03531 6901-Subsidized Adopt 93.659	21,499,733	0	0	21,499,733	26.48 %	
03532 93.669 - Child Abuse	277,752	0	0	277,752	0.34 %	
03533 93.671 - Domestic Violence	1,579,890	0	0	1,579,890	1.95 %	
03536 93.674 - IV-E Independent Livi	1,134,622	0	0	1,134,622	1.40 %	
03103 TANF Administration	0	0	0	0	0.00 %	
03109 TANF Benefits	3,952,880	0	0	3,952,880	4.87 %	
03964 Adoption Incentive Funds	0	0	0	0	0.00 %	
Federal Special Total	\$81,181,775	\$0	\$0	\$81,181,775	39.31 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$206,376,079	\$0	\$130,000	\$206,506,079		

The Child and Family Services Division 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.

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 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 %
Total Budget	\$59,266,154	\$62,169,595	\$121,435,749		\$100,619,687	\$105,756,392	\$206,376,079	

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 based on the discussion and action of each subcommittee.

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

	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
Grand Total All Present Law Adjustments	(4.25)	\$16,018,535	(\$18,359)	\$7,613,556	\$23,613,732	(4.25)	\$18,177,621	(\$18,314)	\$9,576,698	\$27,736,005

*"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.

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

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
Total	18.00	\$956,110	\$0	\$401,168	\$1,357,278	18.00	\$1,700,465	\$0	\$671,245	\$2,371,710

*"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.

69010 - Department of Public Health & Human Services 03-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 subsidized adoption 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 subsidized guardianship 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 grants and contracts 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.

Language and Statutory Authority

The CFSD budget includes \$130,000 state special revenue statutory authority tied to adoption services.

Program Budget Comparison

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)%
Total Expenditures	\$18,684,440	\$17,421,240	(\$1,263,200)	(6.76)%
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)%
Total Funds	\$18,684,440	\$17,421,240	(\$1,263,200)	(6.76)%
Total Ongoing	\$18,284,440	\$17,421,240	(\$863,200)	(4.72)%
Total OTO	\$400,000	\$0	(\$400,000)	(100.00)%

Program Description

The Director's Office provides overall policy development and administrative guidance for the department. Included in the Director's Office are legal affairs, personnel services, public information, the Prevention Resource Center, and the AmeriCorps *VISTA Program. The Montana Health Coalition is administratively attached.

Statutory Authority - Title 2, Chapter 15, part 22 and Title 53, Chapter 19, part 3, MCA.

Program Highlights

Director's Office Major Budget Highlights
<ul style="list-style-type: none"> • There is a new appropriation of \$600,000 general fund to the Director's Office to fund efforts related to healthcare data access (HB 669) • FTE in the Director's Office were reduced by a net of 3.00 FTE relative to the 2019 biennium

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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
Total Expenditures	\$9,236,872	\$10,106,324	\$8,578,116	\$8,713,074	\$8,708,166
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
Total Funds	\$9,236,872	\$10,106,324	\$8,578,116	\$8,713,074	\$8,708,166
Total Ongoing	\$9,234,772	\$9,906,324	\$8,378,116	\$8,713,074	\$8,708,166
Total OTO	\$2,100	\$200,000	\$200,000	\$0	\$0

Program Narrative

The legislature appropriated a total of \$600,000 general fund to the Director's Office to improve data access and help in the creation of the Montana Health Information Exchange (HB 669). These funds were made available by temporarily exempting physicians from Medicaid provider rate increases.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 04-Director's Office Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	7,245,775	0	0	7,245,775	41.59 %
02089 Child Abuse & Neglect Program	296,066	0	0	296,066	12.78 %
02099 69010-VISTA-Community Cost Shr	112,398	0	0	112,398	4.85 %
02362 No Kid Hungry SSR	0	0	0	0	0.00 %
02377 02 Indirect Activity Prog 04	908,779	0	0	908,779	39.22 %
02772 Tobacco Hlth and Medicaid Init	0	0	0	0	0.00 %
02987 Tobacco Interest	1,000,000	0	0	1,000,000	43.15 %
State Special Total	\$2,317,243	\$0	\$0	\$2,317,243	13.30 %
03578 NKH Americorp	0	0	0	0	0.00 %
03580 6901-93.778 - Med Adm 50%	0	0	0	0	0.00 %
03594 03 Indirect Activity Prog 04	6,933,631	0	0	6,933,631	88.23 %
03534 93.672 - Child Abuse Challenge	493,440	0	0	493,440	6.28 %
03072 69010-CNS-Grants-VISTA	431,151	0	0	431,151	5.49 %
Federal Special Total	\$7,858,222	\$0	\$0	\$7,858,222	45.11 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$17,421,240	\$0	\$0	\$17,421,240	

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.

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 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 %
Total Budget	\$3,624,167	\$3,621,608	\$7,245,775		\$8,713,074	\$8,708,166	\$17,421,240	

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 based on the discussion and action of each subcommittee.

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)
Grand Total All Present Law Adjustments	(3.00)	\$184,788	\$20,792	\$129,378	\$334,958	(3.00)	\$182,229	\$20,451	\$127,370	\$330,050

**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 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

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 %	
Total Expenditures	\$21,566,732	\$22,445,856	\$879,124	4.08 %	
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 %	
Total Funds	\$21,566,732	\$22,445,856	\$879,124	4.08 %	
Total Ongoing	\$21,566,732	\$22,445,856	\$879,124	4.08 %	
Total OTO	\$0	\$0	\$0	0.00 %	

Program Description

The purpose of the Child Support Enforcement Division (CSED) is to pursue and obtain financial and medical support for children by establishing, enforcing, and collecting financial obligations from non-custodial parents. Program staff locates absent parents, identifies assets, establishes paternity, and ensures obligated parents maintain medical health insurance coverage for their dependent children.

Statutory Authority - Title 40, Chapter 5, MCA, and are mandated by the federal government in accordance with Title IV-D of the Social Security Act, 42 USC 651 et seq., and 45 CFR, Chapter 3.

Program Highlights

Child Support Enforcement Division Major Budget Highlights
<ul style="list-style-type: none"> • The budget for the Child Support Enforcement Division is increased by 4.1% compared to the 2019 biennium budget • FTE in the CSED were reduced by a net of 10.50 FTE relative to the 2019 biennium

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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

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
Total Expenditures	\$10,321,015	\$10,530,842	\$11,035,890	\$11,222,867	\$11,222,989
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
Total Funds	\$10,321,015	\$10,530,842	\$11,035,890	\$11,222,867	\$11,222,989
Total Ongoing	\$10,321,015	\$10,530,842	\$11,035,890	\$11,222,867	\$11,222,989
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The legislature increased the budget for CSED by 4.1% for all funds (and by 11.0% in general fund) compared to the 2019 biennium budget. The legislature also reduced the total FTE appropriated to this division by 10.50 FTE.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 05-Child Support Enforcement Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	6,398,089	0	0	6,398,089	28.50 %	
02089 Child Abuse & Neglect Program	(3,230)	0	0	(3,230)	(0.44)%	
02187 Child Support State Share	755,512	0	0	755,512	104.00 %	
02377 02 Indirect Activity Prog 04	(25,839)	0	0	(25,839)	(3.56)%	
State Special Total	\$726,443	\$0	\$0	\$726,443	3.24 %	
03269 Child Support Incentive	2,373,886	0	0	2,373,886	15.49 %	
03594 03 Indirect Activity Prog 04	(129,196)	0	0	(129,196)	(0.84)%	
03534 93.672 - Child Abuse Challenge	(3,230)	0	0	(3,230)	(0.02)%	
03570 93.563 - Child Support IVD 66%	13,099,244	0	0	13,099,244	85.50 %	
03072 69010-CNS-Grants-VISTA	(19,380)	0	0	(19,380)	(0.13)%	
Federal Special Total	\$15,321,324	\$0	\$0	\$15,321,324	68.26 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$22,445,856	\$0	\$0	\$22,445,856		

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.

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

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

Percentage (FMAP). No revenue is retained from non-TANF collections, which are simply collected and sent on to the custodial parent.

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 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	3,151,601	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 %
Total Budget	\$3,199,006	\$3,199,083	\$6,398,089		\$11,222,867	\$11,222,989	\$22,445,856	

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 based on the discussion and action of each subcommittee.

	-----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	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

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 %
Total Expenditures	\$23,198,124	\$24,103,645	\$905,521	3.90 %
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 %
Total Funds	\$23,198,124	\$24,103,645	\$905,521	3.90 %
Total Ongoing	\$23,198,124	\$24,103,645	\$905,521	3.90 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The Business and Financial Services Division (BFSD) provides leadership and guidance in the development and implementation of accounting policies, procedures, and best business practices that support the mission of the Operations Branch.

Statutory Authority - Business and Financial Services Division - Title 17, Chapter 1, part 1, and Chapter 2, MCA, and 45 CFR Subtitle A, Part 92, Subpart C92.2, and Title 50 Chapter 15 MCA.

Program Highlights

Business and Financial Services Division Major Budget Highlights
<p>The budget at Business and Financial Services Division (BFSD) increased by 3.9%, or \$905,521 compared to the 2019 biennium</p> <ul style="list-style-type: none"> • Over 79.7% of the biennial increase was due to an increase in federal fund authority totaling \$722,094 • The legislature reduced personal services during the biennium by 2.1% primarily due to the reduction of 8.00 FTE

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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

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
Total Expenditures	\$11,352,500	\$11,589,260	\$11,608,864	\$12,281,570	\$11,822,075
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
Total Funds	\$11,352,500	\$11,589,260	\$11,608,864	\$12,281,570	\$11,822,075
Total Ongoing	\$11,352,500	\$11,589,260	\$11,608,864	\$12,281,570	\$11,822,075
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The Business and Financial Services Division is the centralized business center for the Department of Public Health and Human Services. All fixed costs for services provided by the Department of Administration are funded in BFSD including legislative audit. All of the funding at BFSD is derived through indirect activities which are funds received from other DPHHS divisions for services provided by BFSD. Over 79.7% of the 3.9% biennial increase in total funds was due to an increase in federal authority.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 06-Business and Financial Services Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	8,757,763	0	0	8,757,763	36.33 %	
02382 02 Indirect Activity Prog 06	1,835,465	0	0	1,835,465	100.00 %	
02597 Healthy Montana Kids Plan	0	0	0	0	0.00 %	
State Special Total	\$1,835,465	\$0	\$0	\$1,835,465	7.61 %	
03580 6901-93.778 - Med Adm 50%	0	0	0	0	0.00 %	
03591 03 Indirect Activity Prog 06	13,510,417	0	0	13,510,417	100.00 %	
03382 03 Indirect Activity Prog 02	0	0	0	0	0.00 %	
03426 CHIP Program Fed	0	0	0	0	0.00 %	
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %	
Federal Special Total	\$13,510,417	\$0	\$0	\$13,510,417	56.05 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$24,103,645	\$0	\$0	\$24,103,645		

Business & Financial Services Division 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.

Nearly all BFSD activities are funded with indirect revenues from all fund types. The exception to this is facility reimbursement activities. General funds are used to support facility reimbursement staff who are responsible for collecting private funds, private

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

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.

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 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 %
Total Budget	\$4,479,970	\$4,277,793	\$8,757,763		\$12,281,570	\$11,822,075	\$24,103,645	

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 based on the discussion and action of each subcommittee.

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

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 %
Total Expenditures	\$121,446,529	\$124,395,206	\$2,948,677	2.43 %
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 %
Total Funds	\$121,446,529	\$124,395,206	\$2,948,677	2.43 %
Total Ongoing	\$121,446,529	\$124,395,206	\$2,948,677	2.43 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The mission of the Public Health and Safety Division (PHSD) is to protect and improve the health of Montanans by advancing conditions for healthy living. The division provides a wide range of public health services to individuals and communities that are aimed at prevention of disease and promotion of health. Services are provided through nearly 500 contracts with a broad range of private and public providers, including local and tribal public health departments, clinics, hospitals, and other community-based organizations. Programs administered by the division include, but are not limited to:

- Clinical and environmental laboratory services
- Chronic and communicable disease prevention and control
- Maternal and child health services
- Public health emergency preparedness
- Public health system improvement
- Vital records
- Epidemiology and scientific support
- Emergency Medical Services and trauma services

Statutory authority for public health functions is in Title 50, MCA, including local public health activities. Rules concerning public health programs are in Title 37 of the Administrative Rules of Montana. Specific citations include: Title V of the Social Security Act; Family Planning Title X of the federal Public Health Service Act and 42 CFR, Subpart A, Part 59; WIC P. L. 95-627, Child Nutrition Act of 1966, and 7CFR part 246.

Program Highlights

Public Health & Safety Division Major Budget Highlights
<ul style="list-style-type: none"> • The PHSD 2021 biennium budget is 2.4% higher than the 2019 biennium appropriated budget. This change is driven by present law increases • PHSD has approximately 75 different funding sources. Most of these sources are federal grants

- The legislature reduced FTE in PHSD by a net of 1.06 FTE relative to the 2019 biennium

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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
Total Expenditures	\$54,134,858	\$59,709,177	\$61,737,352	\$62,199,365	\$62,195,841
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
Total Funds	\$54,134,858	\$59,709,177	\$61,737,352	\$62,199,365	\$62,195,841
Total Ongoing	\$54,134,858	\$59,709,177	\$61,737,352	\$62,199,365	\$62,195,841
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The most significant legislative action with the PHSD budget was the adoption of DP 50, which reduced FTE in this program by a total of 1.06. The legislature also adopted the personal services budget changes and inflation changes for PHSD.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 07-Public Health & Safety Division					
Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	7,748,458	0	0	7,748,458	6.02 %
02199 DHES Food & Consumer	13,928	0	0	13,928	0.04 %
02366 Public Health Laboratory	6,743,682	0	0	6,743,682	20.19 %
02379 02 Indirect Activity Prog 07	775,108	0	0	775,108	2.32 %
02419 Vital Statistics	818,465	0	0	818,465	2.45 %
02462 Food/Lodging License	2,368,549	0	0	2,368,549	7.09 %
02512 BRFS SURVEY FEES	113,210	0	0	113,210	0.34 %
02765 Insurance Policies Fees SB278	2,581,744	0	0	2,581,744	7.73 %
02772 Tobacco Hlth and Medicaid Init	51,338	0	0	51,338	0.15 %
02773 Childrens Special Health Svc.	926,474	0	0	926,474	2.77 %
02790 6901-Statewide Tobacco Sttimnt	17,057,879	0	0	17,057,879	51.08 %
02987 Tobacco Interest	1,946,490	0	0	1,946,490	5.83 %
State Special Total	\$33,396,867	\$0	\$0	\$33,396,867	25.95 %
03139 PPHF Immunization Capacity	0	0	0	0	0.00 %
03146 10.577 WIC BF PEER COUNSELING	416,580	0	0	416,580	0.48 %
03159 Tuberculosis Grant	333,760	0	0	333,760	0.38 %
03246 WIC Admin	10,170,267	0	0	10,170,267	11.62 %
03273 Primary Care Services	317,048	0	0	317,048	0.36 %
03274 Ryan White Act - Title II	1,753,602	0	0	1,753,602	2.00 %
03275 Adult Viral Hepatitis Prevent	44,506	0	0	44,506	0.05 %
03310 ACA MDCC INCNT FOR PREV OF CD	224,554	0	0	224,554	0.26 %
03328 Afford Care Act MIECHVP Frmla	0	0	0	0	0.00 %
03575 School Health Program - Basic	1,083,771	0	0	1,083,771	1.24 %
03596 03 Indirect Activity Prog 07	2,052,361	0	0	2,052,361	2.34 %
03602 BRFS Program	922,877	0	0	922,877	1.05 %
03603 PHEP Suppl. for Ebola Prep #2	0	0	0	0	0.00 %
03606 ELC Ebola Supplement	0	0	0	0	0.00 %
03607 Tobacco Control Program	1,685,121	0	0	1,685,121	1.92 %
03610 Hospital Preparedness Ebola	0	0	0	0	0.00 %
03612 WIC Infrastructure Breastfeed	0	0	0	0	0.00 %
03668 WIC Infrastructure Participant	0	0	0	0	0.00 %
03690 6901-Rape Prev & Educ 93.126	392,978	0	0	392,978	0.45 %
03712 6901-Cancer Registries 93.283	573,708	0	0	573,708	0.66 %
03713 6901-WIC Farmer Market 10.572	104,388	0	0	104,388	0.12 %
03788 MT Disability & Health	604,158	0	0	604,158	0.69 %
03336 Food Inspection Program	187,750	0	0	187,750	0.21 %
03346 Highway Safety/EMS Cont	0	0	0	0	0.00 %
03362 Data Integration	180,120	0	0	180,120	0.21 %
03366 EMSC SPROC	403,032	0	0	403,032	0.46 %
03371 Improving Arthritis Outcomes	807,134	0	0	807,134	0.92 %
03380 C&Y wSpecial Health Care Needs	0	0	0	0	0.00 %
03392 Colorectal Cancer Screening	1,416,574	0	0	1,416,574	1.62 %
03402 Addressing Asthma	739,782	0	0	739,782	0.84 %
03415 Breast and Cervical Health	4,266,876	0	0	4,266,876	4.87 %
03420 Early Hearing Deficit Intrv	275,120	0	0	275,120	0.31 %
03535 WIC EBT Implementation	0	0	0	0	0.00 %
03540 Ryan White Treatment Rebate	1,591,502	0	0	1,591,502	1.82 %
03541 State Loan Repayment Program	144,228	0	0	144,228	0.16 %
03551 Preventive Health Block Grant	1,580,663	0	0	1,580,663	1.81 %
03569 ACA-ELC Non-PPHF	836,431	0	0	836,431	0.96 %
03004 EMS Data Injury	222,498	0	0	222,498	0.25 %
03014 MT Retail Food Academy	114,176	0	0	114,176	0.13 %
03026 Family Planning Title X	0	0	4,305,296	4,305,296	4.92 %
03027 WIC (Women Infants & Children)	19,900,358	0	0	19,900,358	22.73 %
03031 Maternal & Child Health	4,560,426	0	0	4,560,426	5.21 %
03057 Newborn Hearing Screening	508,456	0	0	508,456	0.58 %
03823 Oral Health Workforce	675,555	0	0	675,555	0.77 %
03827 Personal Resp Education Prgm	351,088	0	0	351,088	0.40 %
03829 PUB HLTH DIAB-HRTD-OBES-SCHLTH	2,987,352	0	0	2,987,352	3.41 %
03903 Emergency Preparedness	7,911,776	0	0	7,911,776	9.04 %
03904 Bioterr. Hospital Preparedness	1,835,830	0	0	1,835,830	2.10 %
03929 Seroprevalence/Surveillance	0	0	0	0	0.00 %
03933 Affordable Care Act ELC	1,226,816	0	0	1,226,816	1.40 %
03936 Vaccination Program	804,040	0	0	804,040	0.92 %
03937 STD Program	636,184	0	0	636,184	0.73 %
03938 Aids Fed. Cat. #13.118	2,343,660	0	0	2,343,660	2.68 %
03969 Ryan White ADAP Shortfall	2,135,280	0	0	2,135,280	2.44 %
03979 69010 Comprehnsv Cancer Contrl	553,878	0	0	553,878	0.63 %

03104 DLI MOU Adult Lead	0	0	0	0	0.00 %
03206 MIECHV - Service Delivery	1,486,960	0	0	1,486,960	1.70 %
03417 PRAMS Pregnancy Risk Assessment	323,358	0	0	323,358	0.37 %
03023 Ryan White Part B Supplemental	0	0	0	0	0.00 %
03062 MT EHR Project - Title X Sust	0	0	0	0	0.00 %
03082 Environmental Health Program	0	0	0	0	0.00 %
03379 WIC Infratr Facility Renovatn	0	0	0	0	0.00 %
03418 Immunization Program	1,563,299	0	0	1,563,299	1.79 %
03831 Prescription Drug Overdose	0	0	0	0	0.00 %
Federal Special Total	\$83,249,881	\$0	\$4,305,296	\$87,555,177	68.03 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$124,395,206	\$0	\$4,305,296	\$128,700,502	

The 2021 biennium Public Health and Safety Division budget 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

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 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 %
Total Budget	\$3,874,668	\$3,873,790	\$7,748,458		\$62,199,365	\$62,195,841	\$124,395,206	

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 based on the discussion and action of each subcommittee.

	-----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)
Grand Total All Present Law Adjustments	(1.06)	\$114,328	\$199,043	\$148,642	\$462,013	(1.06)	\$113,450	\$196,736	\$148,303	\$458,489

*"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

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 %
Total Expenditures	\$18,172,408	\$22,545,997	\$4,373,589	24.07 %
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)%
Total Funds	\$18,172,408	\$22,545,997	\$4,373,589	24.07 %
Total Ongoing	\$18,172,408	\$22,545,997	\$4,373,589	24.07 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The Quality Assurance Division (QAD) promotes and protects the safety and well-being of people in Montana by providing responsive and independent assessment and monitoring of human services. This includes activities related to licensing, fraud investigations, fair hearings, ensuring federal compliance, and operating the medical marijuana registry. The division has field offices in Anaconda, Billings, Bozeman, Great Falls, Havre, Kalispell, Miles City, and Missoula.

Statutory Authority - Quality Assurance Division - 42 U.S.C. 1818 and 42 U.S.C. 1919; 45 U.S.C.; Title 50, Chapter 5, parts 1 and 2; Title 50, Chapter 5, part 11; Title 52, Chapter 2, part 7; and Title 53, Chapter 2, section 501, MCA; CFR 21, CFR 49, CFR 10; P.L. 102-359 (10-27-92).

Program Highlights

Quality Assurance Division Major Budget Highlights
<p>The legislature approved a 24.1% increase in total funds at Quality Assurance Division during the 2021 biennium, as compared to the 2019 biennium. Personal services were increased by 17.2 % while operating costs increased by 65.9%. The increase was primarily due to:</p> <ul style="list-style-type: none"> • An increase of 18.00 FTE including personal services and associative operations costs within the Medical Marijuana Program to continue seed-to-sale tracking and testing activities required by SB 333 (2017 session) • State special revenue authority increased by 588.6%, most of which is associated with the medical marijuana state special fund • The legislature removed 4.00 FTE at QAD that had been vacant for more than one year

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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
Total Expenditures	\$7,699,366	\$8,799,753	\$9,372,655	\$11,250,103	\$11,295,894
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
Total Funds	\$7,699,366	\$8,799,753	\$9,372,655	\$11,250,103	\$11,295,894
Total Ongoing	\$7,699,366	\$8,799,753	\$9,372,655	\$11,250,103	\$11,295,894
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The 2021 Legislature approved a total fund increase of 24.1% at Quality Assurance Division as compared to the 2019 biennium. Most of the increase is due to an increase of 18.00 FTE within the medical marijuana program. Total FTE at QAD increased by 14.00. The general fund appropriation increased by 8.1% primarily due to the statewide present law adjustment for personal services. Increases to the medical marijuana appropriation were associated with SB 333, passed during the 2017 legislature.

SB 333

The 2017 Legislature passed SB 333 revising the Montana Medical Marijuana Act. Notable aspects of the bill required the department to institute a seed to sale tracking system, institute licensing of dispensaries and endorsements for chemical manufacturing, license testing laboratories, establish testing requirements, and required testing of samples collected during inspections.

SB 333 appropriated \$1.96 million to DPHHS from the medical marijuana state special revenue account for fiscal years 2018 and 2019 for the administration of the Montana Medical Marijuana Act. In addition, MCA 50-46-344 established license fees for providers and authorized the department to revise the fees to "adequately fund the administration of the Montana Medical Marijuana Act and the seed to sale tracking system".

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 08-Quality Assurance Division						
Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	5,121,673	0	0	5,121,673	22.72 %	
02034 Earmarked Alcohol Funds	180,870	0	0	180,870	3.86 %	
02043 Med Provider Revalidation Fees	0	0	0	0	0.00 %	
02380 02 Indirect Activity Prog 08	30,444	0	0	30,444	0.65 %	
02497 6901-Lien & Estate - SLTCD	144,632	0	0	144,632	3.09 %	
02566 Medical Marijuana	4,140,261	0	0	4,140,261	88.32 %	
02585 Recovery Audit Contract	191,528	0	0	191,528	4.09 %	
02597 Healthy Montana Kids Plan	0	0	0	0	0.00 %	
State Special Total	\$4,687,735	\$0	\$0	\$4,687,735	20.79 %	
03251 Child Care Admin	343,546	0	0	343,546	2.70 %	
03303 Title 18 CLIA	287,018	0	0	287,018	2.25 %	
03580 6901-93.778 - Med Adm 50%	1,785,208	0	0	1,785,208	14.02 %	
03597 03 Indirect Activity Prog 08	2,280,012	0	0	2,280,012	17.90 %	
03335 FDA Mammography Inspections	60,260	0	0	60,260	0.47 %	
03359 Recovery Audit Program	282,668	0	0	282,668	2.22 %	
03426 CHIP Program Fed	0	0	0	0	0.00 %	
03530 6901-Foster Care 93.658	176,826	0	0	176,826	1.39 %	
03096 Discretionary Child Care	2,144,820	0	0	2,144,820	16.84 %	
03934 Title 19	662,928	0	0	662,928	5.20 %	
03935 Title 18	3,205,817	0	0	3,205,817	25.17 %	
03948 T-19 OBRA Nurse Aid	224,742	0	0	224,742	1.76 %	
03960 Rural Hospital Flexibility Prog	1,282,744	0	0	1,282,744	10.07 %	
Federal Special Total	\$12,736,589	\$0	\$0	\$12,736,589	56.49 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$22,545,997	\$0	\$0	\$22,545,997		

The Quality Assurance Division is funded primarily with federal funds, accounting for 56.5% of the total. General fund supports 22.7% of program costs with the remaining costs supported by state special revenues. General fund supports some administrative functions, such as program compliance and support services. State special revenue includes alcohol taxes allocated to DPHHS, lien and estate recoveries for Medicaid services, marijuana registry fees, and indirect cost recovery funds. Federal funding is made up of 12 separate sources, including Medicaid administrative funding and indirect activity funds.

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 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 %
Total Budget	\$2,560,497	\$2,561,176	\$5,121,673		\$11,250,103	\$11,295,894	\$22,545,997	

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 based on the discussion and action of each subcommittee.

	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Present Law Adjustments										
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
Grand Total All Present Law Adjustments	14.00	\$70,429	\$1,931,212	(\$124,193)	\$1,877,448	14.00	\$71,108	\$1,978,069	(\$125,938)	\$1,923,239

*"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

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 %
Total Expenditures	\$62,219,087	\$62,766,557	\$547,470	0.88 %
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)%
Total Funds	\$62,219,087	\$62,766,557	\$547,470	0.88 %
Total Ongoing	\$62,219,087	\$62,766,557	\$547,470	0.88 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

Technology Service Division (TSD) provides a wide range of technology platforms that support DPHHS. The division is comprised of three bureaus organized in areas of project management, database functions, and network/communication systems. TSD services include programming, help desk functions, database support, web development, enterprise architecture, project and contract management, security, and network management.

Statutory Authority - Technology Services Division - Title 17 and Title 40, MCA, and Title IV of the Social Security Act, Section 06, P.L. 96-265.

Program Highlights

Technology Services Division Major Budget Highlights
<p>The legislature approved an increase of less than 0.9% in total funds at Technology Services Division during the 2021 biennium, as compared to the 2019 biennium.</p> <ul style="list-style-type: none"> • The increase was primarily due to an increase of 7.4% in personal services • The legislature reduced total FTE at TSD by 6.50 as compared to the 2019 biennium

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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
Total Expenditures	\$29,803,725	\$31,300,684	\$30,918,403	\$31,382,032	\$31,384,525
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
Total Funds	\$29,803,725	\$31,300,684	\$30,918,403	\$31,382,032	\$31,384,525
Total Ongoing	\$29,803,725	\$31,300,684	\$30,918,403	\$31,382,032	\$31,384,525
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The legislature increased the appropriation at TSD by 0.9% during the 2021 biennium. The increase in appropriation was primarily due to an increase in personal services of 7.4%. Most of the personal services increase was the result of DP 1 totaling \$1.6 million which was offset by a reduction of 6.50 FTE totaling \$1.1 million.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 09-Technology Services Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	25,622,685	0	0	25,622,685	40.82 %	
02381 02 Indirect Activity Prog 09	2,983,001	0	0	2,983,001	100.00 %	
02597 Healthy Montana Kids Plan	0	0	0	0	0.00 %	
State Special Total	\$2,983,001	\$0	\$0	\$2,983,001	4.75 %	
03580 6901-93.778 - Med Adm 50%	0	0	0	0	0.00 %	
03598 03 Indirect Activity Prog 09	34,160,871	0	0	34,160,871	100.00 %	
03426 CHIP Program Fed	0	0	0	0	0.00 %	
03570 93.563 - Child Support IVD 66%	0	0	0	0	0.00 %	
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %	
Federal Special Total	\$34,160,871	\$0	\$0	\$34,160,871	54.43 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$62,766,557	\$0	\$0	\$62,766,557		

Technology Services Division 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.

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 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	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 %
Total Budget	\$12,810,810	\$12,811,875	\$25,622,685		\$31,382,032	\$31,384,525	\$62,766,557	

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 based on the discussion and action of each subcommittee.

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	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)
Grand Total All Present Law Adjustments	(6.50)	\$179,989	\$105,381	\$178,259	\$463,629	(6.50)	\$181,054	\$105,624	\$179,444	\$466,122

**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 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

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)%
Total Expenditures	\$592,561,758	\$614,316,737	\$21,754,979	3.67%
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%
Total Funds	\$592,561,758	\$614,316,737	\$21,754,979	3.67%
Total Ongoing	\$591,361,758	\$614,316,737	\$22,954,979	3.88%
Total OTO	\$1,200,000	\$0	(\$1,200,000)	(100.00)%

Program Description

The role of the Developmental Services Division (DSD) is to facilitate efficient delivery of effective services to adults and children with developmental disabilities and children with serious emotional disturbances. The division facilitates a wide range of services, all with the underlying goal of assisting Montanans with disabilities in living full lives within their community. The division includes the Developmental Disabilities Program, the Intensive Behavior Center (IBC) at Boulder, and the Children’s Mental Health Bureau. The division provides or contracts for institutional care, inpatient care, residential services, home and community based services, and case management.

The Developmental Disabilities Program operates two home and community based Medicaid waivers, the state’s Individuals with Disabilities Education Act (IDEA) early intervention program, and the Intensive Behavior Center (IBC) in Boulder. These services include transportation, residential and work habilitation, adaptive equipment, and some medical services not covered by the state Medicaid plan.

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

Program Highlights

Developmental Services Division Major Budget Highlights
<p>The legislature approved a 3.7% total fund increase at Developmental Services Division during the 2021 biennium as compared to the 2019 biennium. The increase in appropriation was primarily due to a 6.2% increase in benefits and claims, or \$34.3 million, which was offset by a decrease of \$10.7 million in personal services, or 33.6%. The largest factors effecting expenditures include:</p> <ul style="list-style-type: none"> • A reduction of 31.00 FTE primarily from the Boulder Campus (formerly the Montana Developmental Center resulting in a decrease of \$3.7 million total funds • Medicaid waiver caseload increased by \$24.2 million total funds and was offset by a decrease in Medicaid core caseload totaling \$17.3 million • \$1.0 million in general fund was reduced from the operations budget at the Boulder Campus and appropriated to the 0208 developmentally disabled waiver at DSD along with associated federal funds totaling \$3.7 million • The legislature approved an increase of \$6.8 million during the 2021 biennium for Medicaid provider rates at Developmental Services Division • The legislature transferred \$1.4 million out of the Montana Telecommunications Access Program (MTAP) to DSD for targeted youth case management

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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
Total Expenditures	\$279,278,862	\$294,217,375	\$298,344,383	\$298,582,386	\$315,734,351
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
Total Funds	\$279,278,862	\$294,217,375	\$298,344,383	\$298,582,386	\$315,734,351
Total Ongoing	\$278,799,072	\$293,617,375	\$297,744,383	\$298,582,386	\$315,734,351
Total OTO	\$479,790	\$600,000	\$600,000	\$0	\$0

Program Narrative

The Developmental Services Division increased by 3.7% in total funds as compared to the 2019 biennium primarily due to an increase in benefits and claims. The increase was due primarily to an increase of \$41.1 million for Medicaid caseload and provider rate increases. The increase was offset by a \$17.3 million decrease for Medicaid core caseload.

The personal services budget at DSD was reduced by 33.6% or \$10.7 million. This was primarily due to FTE movement associated with the closure of the Montana Developmental Center. The legislature also approved a transfer of an additional 18.00 FTE from the Boulder Campus (formerly Montana Developmental Center) to Child and Family Services Division resulting in an additional personal services decrease of \$2.4 million. Finally, 31.00 FTE were removed from DSD including 17.00 additional FTE from the Boulder Campus.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 10-Developmental Services Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	180,083,878	0	0	180,083,878	29.31 %	
02035 MDC Vocational	2,554	0	0	2,554	0.02 %	
02597 Healthy Montana Kids Plan	2,309,508	0	0	2,309,508	16.10 %	
02772 Tobacco Hlth and Medicaid Init	9,366,384	0	0	9,366,384	65.28 %	
02987 Tobacco Interest	1,320,048	0	0	1,320,048	9.20 %	
02365 MTAP Transfer	1,350,000	0	0	1,350,000	9.41 %	
State Special Total	\$14,348,494	\$0	\$0	\$14,348,494	2.34 %	
03579 93.667 - SSBG - Benefits	9,846,266	0	0	9,846,266	2.34 %	
03580 6901-93.778 - Med Adm 50%	5,425,583	0	0	5,425,583	1.29 %	
03583 93.778 - Med Ben Fmap	395,725,794	0	0	395,725,794	94.25 %	
03593 03 Indirect Activity Prog 03	(780,606)	0	0	(780,606)	(0.19)%	
03599 03 Indirect Activity Prog 10	6,470,814	0	0	6,470,814	1.54 %	
03705 SAMHSA Treatment Enhancement	0	0	0	0	0.00 %	
03556 84.181 - Part H - Early Interv	3,196,514	0	0	3,196,514	0.76 %	
03975 Medicaid Exp HELP Act Benefit	0	0	0	0	0.00 %	
Federal Special Total	\$419,884,365	\$0	\$0	\$419,884,365	68.35 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$614,316,737	\$0	\$0	\$614,316,737		

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

Just under 68.4% 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.

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 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	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 %
Total Budget	\$88,087,786	\$91,996,092	\$180,083,878		\$298,582,386	\$315,734,351	\$614,316,737	

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 based on the discussion and action of each subcommittee.

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
Grand Total All Present Law Adjustments	(31.00)	(\$2,572,356)	\$2,529	(\$4,698,772)	(\$7,268,599)	(31.00)	(\$198,869)	\$2,499	\$4,222,924	\$4,026,554

***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 over the biennium. 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.

DP 10004 - Medicaid Core Caseload - DSD -

The legislature adopted a present law decrease of \$17.3 million in total funds over the biennium. 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
Total	(18.00)	\$741,456	\$555,461	\$6,809,685	\$8,106,602	(18.00)	\$2,276,275	\$811,021	\$10,876,118	\$13,963,414

***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 services at the 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

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 %
Total Expenditures	\$1,482,023,968	\$1,489,227,351	\$7,203,383	0.49 %
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)%
Total Funds	\$1,482,023,968	\$1,489,227,351	\$7,203,383	0.49 %
Total Ongoing	\$1,482,023,968	\$1,489,227,351	\$7,203,383	0.49 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The Health Resources Division (HRD) administers Medicaid primary care services, Healthy Montana Kids (Medicaid and Children’s Health Insurance Program services for children in low-income families), the Montana Health and Economic Livelihood Partnership (HELP), and Big Sky Rx. The purpose of the division is to improve and protect the health and safety of Montanans.

The division reimburses private and public providers for a wide range of preventive, primary, and acute care services. The major service providers include: physicians, public health departments, clinics, hospitals, dentists, pharmacies, durable medical equipment, and mental health providers. The division develops tools, measurements, and reports necessary to allow management to administer and control programs and expenditures in the division, and to report those results in an accurate and timely manner to others. The majority of services in the division are funded through Medicaid. Medicaid is a voluntary state/federal partnership that reimburses for medical services for the aged, blind, disabled, children, and low-income families.

The division administers Healthy Montana Kids (HMK) as a separate health insurance program and contracts with Blue Cross Blue Shield to provide third party administrator services. HMK dental and eyeglasses benefits are reimbursed directly by the department. HMK is a voluntary state/federal partnership that reimburses for medical services for children at or below 261.0% of the federal poverty level.

The Montana Health and Economic Livelihood Partnership (HELP) Plan is administered by the division to provide Medicaid coverage to Montanans whose income is below 138.0% of the federal poverty level.

Big Sky Rx is a state funded program that helps Montanans, who are at or below 200.0% of poverty and who are eligible for the Medicare Part D prescription drug program, pay for their Medicare premium. Big Sky Rx eligibility is determined by division staff. A related program, PharmAssist, pays for prescription drug counseling by a pharmacist and provides drug information and technical assistance to all Montanans.

Program Highlights

Health Resources Division Major Budget Highlights
<ul style="list-style-type: none"> • The HRD 2021 biennium budget is 0.5% higher, or \$7.2 million, than the 2019 biennium budget <ul style="list-style-type: none"> ◦ The 2021 biennium budget is 22.0% higher, or \$69.2 million, in general fund than the 2019 biennium budget

- 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
- \$16.1 million general fund is provided over the 2021 biennium to support an anticipated shortfall in the Tobacco Health and Medicaid Initiative state special revenue fund
- FTE were reduced by 9.00, eliminating positions that were vacant for one year or more

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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
Total Expenditures	\$638,790,066	\$716,017,526	\$766,006,442	\$722,554,352	\$766,672,999
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
Total Funds	\$638,790,066	\$716,017,526	\$766,006,442	\$722,554,352	\$766,672,999
Total Ongoing	\$638,790,066	\$716,017,526	\$766,006,442	\$722,554,352	\$766,672,999
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The legislature performed a number of significant actions that impact the Health Resources Division budget. The passage of HB 658 reauthorized Medicaid expansion into the 2021 biennium which significantly impacts the budget for this program as well as the other Medicaid programs in DPHHS. The legislature appropriated \$11.0 million general fund (restricted) for the CHIP program due to the phase-in of a lower federal matching rate (from about 98.9% federal to 78.8% federal) over the 2021 biennium. The legislature also increased the state special revenue appropriation for the CHIP program in order to help meet the demand for additional state funds due to the lower federal match. Tobacco revenues (from both the sale of products and the tobacco settlement) support Medicaid expenditures in HRD. Shrinking revenues from tobacco necessitated legislative action to support Medicaid expenditures that have traditionally been funded by tobacco revenues: the legislature appropriated \$16.1 million general fund (restricted) for this purpose. The legislature adopted funding for provider rate increases (0.91% in FY 2020, 1.83% in FY 2021) in HRD, but exempted large hospitals from this increase (for Medicaid services) and directed those funds for substance use disorder treatment in the Addictive and Mental Disorders Division. The legislature also 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 in the Director's Office. Finally, the legislature reduced FTE in HRD by 9.00.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 11-Health Resources Division						
Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	384,598,837	0	0	384,598,837	22.92 %	
02053 Medicaid IGT's	448,578	0	0	448,578	0.31 %	
02142 Medicaid Third Party Revenue	1,604,792	0	0	1,604,792	1.10 %	
02164 MT Univ System Grad Med Ed	(330,602)	0	0	(330,602)	(0.23)%	
02311 02 Indirect Activity Prog 11	84,953	0	0	84,953	0.06 %	
02585 Recovery Audit Contract	1,000,000	0	0	1,000,000	0.68 %	
02597 Healthy Montana Kids Plan	55,687,485	0	0	55,687,485	38.13 %	
02772 Tobacco Hlth and Medicaid Init	13,638,385	0	0	13,638,385	9.34 %	
02789 6901-CHIP/MCHA Tobacco Sett Fd	21,965,515	0	0	21,965,515	15.04 %	
02987 Tobacco Interest	5,974,450	0	0	5,974,450	4.09 %	
02989 69010-Hospital Utilization Fee	45,985,128	0	0	45,985,128	31.48 %	
State Special Total	\$146,058,684	\$0	\$0	\$146,058,684	8.70 %	
03580 6901-93.778 - Med Adm 50%	13,213,482	0	0	13,213,482	1.15 %	
03582 93.778 - Med Ben 100%	0	0	189,112,462	189,112,462	16.48 %	
03583 93.778 - Med Ben Fmap	761,499,615	0	2	761,499,617	66.35 %	
03611 03 Indirect Activity Prog 11	1,177,890	0	0	1,177,890	0.10 %	
03426 CHIP Program Fed	182,678,843	0	0	182,678,843	15.92 %	
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %	
03975 Medicaid Exp HELP Act Benefit	0	0	0	0	0.00 %	
03977 Med Exp HELP Act Indian Health	0	0	0	0	0.00 %	
Federal Special Total	\$958,569,830	\$0	\$189,112,464	\$1,147,682,294	68.38 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$1,489,227,351	\$0	\$189,112,464	\$1,678,339,815		

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 - \$70 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

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 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	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 %
Total Budget	\$180,025,799	\$204,573,038	\$384,598,837		\$722,554,352	\$766,672,999	\$1,489,227,351	

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 based on the discussion and action of each subcommittee.

	-----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
Grand Total All Present Law Adjustments	(9.00)	\$11,538,902	\$1,164,164	(\$59,173,038)	(\$46,469,972)	(9.00)	\$34,124,695	\$1,334,786	(\$44,808,922)	(\$9,349,441)

**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)
Total	0.00	\$694,762	\$20,444	\$2,302,676	\$3,017,882	0.00	\$2,656,208	\$125,752	\$7,234,038	\$10,015,998

*"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 provides a Medicaid reimbursement provider rate increase for physicians.

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

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 %
Total Expenditures	\$38,112,548	\$37,818,318	(\$294,230)	(0.77)%
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 %
Total Funds	\$38,112,548	\$37,818,318	(\$294,230)	(0.77)%
Total Ongoing	\$38,112,548	\$37,818,318	(\$294,230)	(0.77)%
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The Medicaid and Health Services Management (MHSM) Division heads the Medicaid and Health Services Branch of DPHHS. The Medicaid Systems Support Program works in conjunction with the state Medicaid director and division administrators by providing oversight and guidance on management of the Medicaid programs. It also oversees the Medicaid Management Information System (MMIS) contractor that is responsible for the processing and payment of Medicaid claims. The Medicaid and Health Services Branch manager is attached to this program for budget purposes.

Program Highlights

Medicaid & Health Services Management Division Major Budget Highlights
<ul style="list-style-type: none"> • The MHSM budget decreased by 0.8% relative to the 2019 biennium budget • The legislature removed 6.00 FTE, leaving MSHM with 9.00 FTE in the 2021 biennium budget

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

69010 - Department of Public Health & Human Services 12-Medicaid & Health Services Management

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
Total Expenditures	\$13,138,020	\$19,427,193	\$18,685,355	\$18,908,089	\$18,910,229
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
Total Funds	\$13,138,020	\$19,427,193	\$18,685,355	\$18,908,089	\$18,910,229
Total Ongoing	\$13,138,020	\$19,427,193	\$18,685,355	\$18,908,089	\$18,910,229
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The most significant legislative action to impact MHSM was the reduction of 6.00 FTE, taking the program from 15.00 FTE to 9.00 FTE in the 2021 biennium. These 6.00 FTE were positions that had been vacant for one year or more.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 12-Medicaid & Health Services Management Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	4,922,558	0	0	4,922,558	13.02 %
02220 02 Indirect Activity Prog 12	404,116	0	0	404,116	100.00 %
State Special Total	\$404,116	\$0	\$0	\$404,116	1.07 %
03305 03 Indirect Activity Prog 12	17,653,623	0	0	17,653,623	54.33 %
03580 6901-93.778 - Med Adm 50%	14,146,692	0	0	14,146,692	43.54 %
03426 CHIP Program Fed	0	0	0	0	0.00 %
03523 93.566 - Refugee Soc. Serv	163,370	0	0	163,370	0.50 %
03571 93.566 - Off Ref Reset Adm 10	527,959	0	0	527,959	1.62 %
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %
03975 Medicaid Exp HELP Act Benefit	0	0	0	0	0.00 %
Federal Special Total	\$32,491,644	\$0	\$0	\$32,491,644	85.92 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$37,818,318	\$0	\$0	\$37,818,318	

The Medicaid and Health Services Management Division 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.

69010 - Department of Public Health & Human Services 12-Medicaid & Health Services Management

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 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 %
Total Budget	\$2,460,827	\$2,461,731	\$4,922,558		\$18,908,089	\$18,910,229	\$37,818,318	

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 based on the discussion and action of each subcommittee.

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)
Grand Total All Present Law Adjustments	(6.00)	\$94,103	(\$530)	\$129,161	\$222,734	(6.00)	\$95,007	\$616	\$129,251	\$224,874

***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

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)%
Total Expenditures	\$4,970,189	\$5,948,997	\$978,808	19.69 %
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 %
Total Funds	\$4,970,189	\$5,948,997	\$978,808	19.69 %
Total Ongoing	\$4,970,189	\$5,948,997	\$978,808	19.69 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

Management and Fair Hearings provides leadership and planning for the operation of DPHHS, additional responsibilities include:

- Accounting and budget analysis including financial and caseload projections, reporting, and compliance
- The Office of Fair Hearings provides an administrative hearing process for program participants that receive adverse notices from DPHHS

Statutory Authority - Management and Fair Hearings - Title 17, Chapter 1, part 1 and Chapter 2, MCA.

Program Highlights

Management and Fair Hearings Major Budget Highlights
<p>The legislature approved a 19.7% increase at Management and Fair Hearings Division during the 2021 biennium as compared to the 2019 biennium. Personal services increased by 22.8% while operating expenses increased by 10.3%. The increases were primarily due to FTE movement including:</p> <ul style="list-style-type: none"> • A total of 8.00 FTE transferred to MFHD during the 2019 biennium resulting in a statewide personal services adjustment of \$973,998 • The increase was offset by a reduction of 1.00 FTE resulting in a decrease of \$143,406

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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
Total Expenditures	\$2,273,243	\$2,411,029	\$2,559,160	\$2,975,083	\$2,973,914
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
Total Funds	\$2,273,243	\$2,411,029	\$2,559,160	\$2,975,083	\$2,973,914
Total Ongoing	\$2,273,243	\$2,411,029	\$2,559,160	\$2,975,083	\$2,973,914
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The appropriation at Management and Fair Hearings Division increased by 19.7% as compared to the 2019 biennium. The increase was primarily due to increases in personal services and associative operations costs that resulted from FTE movement during the 2019 biennium. A total of 8.00 FTE were transferred into MFHD, including 5.00 FTE from Child Support Enforcement Division, as part of a reorganization of department administrative law resources. The 2019 legislature decreased total FTE by 1.00 which had been vacant for more than one year.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 16-Management and Fair Hearings Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	2,390,831	0	0	2,390,831	40.19 %
02221 02 Indirect Activity Prog 16	153,379	0	0	153,379	100.00 %
State Special Total	\$153,379	\$0	\$0	\$153,379	2.58 %
03304 03 Indirect Activity Prog 16	3,404,787	0	0	3,404,787	100.00 %
Federal Special Total	\$3,404,787	\$0	\$0	\$3,404,787	57.23 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$5,948,997	\$0	\$0	\$5,948,997	

Management and Fair Hearings 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. General funds are used to meet the match requirement for federally funded activities. About 40.2% of MFHD's HB 2 authority is general fund while federal funds and state special comprise around 57.2% and 2.6% respectively.

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	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 %
Total Budget	\$1,195,649	\$1,195,182	\$2,390,831		\$2,975,083	\$2,973,914	\$5,948,997	

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 based on the discussion and action of each subcommittee.

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)
Grand Total All Present Law Adjustments	(1.00)	\$166,373	\$8,317	\$241,233	\$415,923	(1.00)	\$165,906	\$8,294	\$240,554	\$414,754

**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

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 %
Total Expenditures	\$638,085,905	\$651,659,337	\$13,573,432	2.13 %
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 %
Total Funds	\$638,085,905	\$651,659,337	\$13,573,432	2.13 %
Total Ongoing	\$638,085,905	\$651,659,337	\$13,573,432	2.13 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Description

The Senior and Long-Term Care Division (SLTC) plans, administers, and provides publicly-funded long-term care services for Montana's senior citizens and persons with physical disabilities. In addition, the division provides education and support regarding aging and long-term care issues to Montanans of all ages. The division makes services available through six major programs:

- The Office on Aging provides meals, transportation, public education, information and assistance, long-term care ombudsman, and other services
- The Medicaid Community Services Program pays for in-home assisted living, and other community-based services to Medicaid-eligible individuals as an alternative to nursing home care
- The Medicaid Nursing Facility Program pays for care to Medicaid-eligible individuals in 82 Montana nursing homes
- The Protective Services Program investigates abuse, neglect, and exploitation through adult protective services social workers
- Skilled nursing facility care is provided to veterans at the 105-bed Montana Veterans Home (MVH) in Columbia Falls and the 80-bed Eastern Montana Veterans Home in Glendive
- The State Supplemental Payments Program pays for a portion of the room and board costs for Supplemental Security Income eligible individuals residing in designated residential care facilities

Statutory References: Aging Services, 52-3-201 et seq., MCA, (Protection Services Act for Aged Persons or Disabled Adults), 52-3-501 et seq., MCA, (Montana Older Americans Act), 52-3-801 et seq., MCA, (Montana Elder and Developmentally Disabled Abuse Prevention Act); P.L.89-75 (Federal Older Americans Act), P.L. 93-66 Section 212, P.L. 93-233 (authorizes states to supplement the Supplemental Security Income Amendments to the (SSI) Payments Program Social Security Act); Veteran's Homes, 10-2-401 , MCA (authorizes and establishes Montana Veteran's Homes) ; 53-1- 6 02 , MCA (Eastern Montana Veteran's Home) ; Medicaid, Title 53, Chapter 6, MCA; Title 19, Social Security Act 42 USC 1396 et. seq. (establishes and authorizes Medicaid Program).

Program Highlights

<p>Senior & Long-Term Care Division Major Budget Highlights</p>
<ul style="list-style-type: none"> • The legislative budget for SLTC is a 2.1% increase over the SLTC appropriation for the last biennium • The legislature restricted the Medicaid nursing home appropriation to spending on either nursing home services or the Big Sky Waiver

- The legislature directed that the Southwest Veterans' Home be operated by a private contractor in HB 669

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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
Total Expenditures	\$289,830,394	\$306,952,656	\$331,133,249	\$317,440,325	\$334,219,012
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
Total Funds	\$289,830,394	\$306,952,656	\$331,133,249	\$317,440,325	\$334,219,012
Total Ongoing	\$289,830,394	\$306,952,656	\$331,133,249	\$317,440,325	\$334,219,012
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Narrative

The SLTC 2021 biennium budget increased by 2.1% all funds over the 2019 biennium budget. The 2021 budget declined by 1.3% general fund but increased by 17.9% state special revenue authority. This increase in state special authority is tied to the Nursing Home Utilization supplemental payment. The legislature restricted the Medicaid nursing home budget in SLTC to expenditures on nursing home services or the Big Sky Waiver. In HB 669 the legislature directed that the Southwest Veterans' Home in Butte be operated by a contractor similar to the operational strategy of the Eastern Montana Veterans' Home. Finally, the legislature reduced FTE at SLTC by 1.00 FTE.

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 22-Senior & Long-Term Care						
Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	142,828,792	0	0	142,828,792	21.92 %	
02023 Private Ins. Medicaid Reim.-Ve	11,202,544	0	0	11,202,544	11.99 %	
02032 Vets-I&I Lease	35,782	0	0	35,782	0.04 %	
02053 Medicaid IGT's	10,793,451	0	0	10,793,451	11.55 %	
02260 Cigarette Tax Revenue	7,445,417	0	0	7,445,417	7.97 %	
02497 6901-Lien & Estate - SLTCD	2,329,026	0	0	2,329,026	2.49 %	
02772 Tobacco Hlth and Medicaid Init	22,499,009	0	0	22,499,009	24.08 %	
02783 6901-Traumatic Brain Injury Dn	8,216	0	0	8,216	0.01 %	
02959 EMVH Clinic Rent	67,318	0	0	67,318	0.07 %	
02987 Tobacco Interest	2,287,224	0	0	2,287,224	2.45 %	
02990 69010-Nursing Home Utilization	35,697,980	0	0	35,697,980	38.21 %	
02367 Older Montanan's Trust Distribution	1,068,693	0	0	1,068,693	1.14 %	
State Special Total	\$93,434,660	\$0	\$0	\$93,434,660	14.34 %	
03247 Benefits Enrollment Center BEC	0	0	0	0	0.00 %	
03279 SLTC Lifespan Respite	200,184	0	0	200,184	0.05 %	
03579 93.667 - SSBG - Benefits	722,971	0	0	722,971	0.17 %	
03580 6901-93.778 - Med Adm 50%	3,631,396	0	0	3,631,396	0.87 %	
03583 93.778 - Med Ben Fmap	369,279,499	0	0	369,279,499	88.90 %	
03593 03 Indirect Activity Prog 03	0	0	0	0	0.00 %	
03666 Aging - Caregiver III-E	1,642,879	0	0	1,642,879	0.40 %	
03350 Aging-SHIP-ACL	695,576	0	0	695,576	0.17 %	
03368 MIPPA CMS - SHIP	0	0	0	0	0.00 %	
03372 MIPPA CMS - ADRC	0	0	0	0	0.00 %	
03381 MIPPA CMS - AAA	0	0	0	0	0.00 %	
03456 69010-AOA Aging One-Stop Shop	2	0	0	2	0.00 %	
03501 64.014 - Vets St. Domic Care 1	239,386	0	0	239,386	0.06 %	
03512 MFP Demonstration Grant	6,391,284	0	0	6,391,284	1.54 %	
03514 10.570 - Elderly Feeding 100%	2,843,408	0	0	2,843,408	0.68 %	
03515 93.041 - Elder Abuse Prev 100%	30,696	0	0	30,696	0.01 %	
03516 93.042 - Ombudsman Activity 10	197,962	0	0	197,962	0.05 %	
03517 93.043 - Preventive Hlth 100%	233,704	0	0	233,704	0.06 %	
03518 93.044 - Aging Sup S & Train 1	3,113,643	0	0	3,113,643	0.75 %	
03519 93.045 - Aging Meals 100%	7,002,957	0	0	7,002,957	1.69 %	
03005 EMVH V-A Nursing Reimbursement	6,459,240	0	0	6,459,240	1.56 %	
03073 Aging - Farmers Market	216,914	0	0	216,914	0.05 %	
03074 Aging - Nutrition Services HDM	1,122,713	0	0	1,122,713	0.27 %	
03112 Vets-V.A. Reimb	11,371,471	0	0	11,371,471	2.74 %	
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %	
03975 Medicaid Exp HELP Act Benefit	0	0	0	0	0.00 %	
03141 MBCC_Financial Exploitation	0	0	0	0	0.00 %	
03157 Alzheimer's Initiative SSS	0	0	0	0	0.00 %	
03277 Lifespan Respite Expansion	0	0	0	0	0.00 %	
03329 Elder Justice	0	0	0	0	0.00 %	
Federal Special Total	\$415,395,885	\$0	\$0	\$415,395,885	63.74 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$651,659,337	\$0	\$0	\$651,659,337		

The Senior and Long-Term Care Division 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

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

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 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	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 %
Total Budget	\$69,795,780	\$73,033,012	\$142,828,792		\$317,440,325	\$334,219,012	\$651,659,337	

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 based on the discussion and action of each subcommittee.

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
Grand Total All Present Law Adjustments	(1.00)	(\$5,844,477)	\$1,286,491	(\$13,028,583)	(\$17,586,569)	(1.00)	(\$3,845,686)	\$1,243,247	(\$8,165,654)	(\$10,768,093)

*"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 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 includes 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 includes 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 includes 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 (VA) 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.

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
Total	0.00	\$576,632	\$1,093,885	\$2,223,128	\$3,893,645	0.00	\$1,815,073	\$4,581,493	\$7,457,290	\$13,853,856

*"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. In HB 669 the legislature directed that the Southwest Veterans' Home be operated by a contractor.

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.

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

Program Budget Comparison

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	7,517,746	(31,184)	(0.41)%
Benefits & Claims	140,922,634	163,126,169	22,203,535	15.76 %
Transfers	311,800	45,000	(266,800)	(85.57)%
Debt Service	235,246	235,246	0	0.00 %
Total Expenditures	\$282,461,515	\$309,083,963	\$26,622,448	9.43 %
General Fund	143,286,437	159,043,992	15,757,555	11.00 %
State/Other Special Rev. Funds	38,306,218	42,985,710	4,679,492	12.22 %
Federal Spec. Rev. Funds	100,868,860	107,054,261	6,185,401	6.13 %
Total Funds	\$282,461,515	\$309,083,963	\$26,622,448	9.43 %
Total Ongoing	\$282,461,515	\$302,889,971	\$20,428,456	7.23 %
Total OTO	\$0	\$6,193,992	\$6,193,992	100.00 %

Program Description

The Addictive and Mental Disorders Division (AMDD) provides chemical dependency and mental health services through contracts with behavioral health providers across the state. People with substance abuse disorders who have family incomes below 200.0% of the federal poverty level (FPL) are eligible for public funding of treatment services. In addition, the Medicaid program funds outpatient and residential chemical dependency treatment services for adolescents and outpatient services for adults who are Medicaid eligible. The mental health program provides services to adults who are eligible for Medicaid as well as non-Medicaid adults up to 150.0% of FPL. The division also manages three inpatient facilities: the Montana State Hospital in Warm Springs, the Montana Chemical Dependency Center in Butte, and the Montana Mental Health Nursing Care Center in Lewistown.

Statutory Authority - Mental health is in Title 53, Chapter 21, parts 1 through 7 and part 10, MCA and PL 102-321, CFR. Chemical dependency is in Title 53, Chapters 1 and 24, MCA, and Part C, Title XIX of the Social Security Act.

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

Program Highlights

Addictive & Mental Disorders Division Major Budget Highlights

The legislature approved a total fund increase of 9.4% including a 7.7% increase in personal services and a 15.8% increase in benefits and claims. Both increases significantly contribute to an approved biennial increase of 11.0% for general fund expenditures. The largest factors effecting approved expenditures include:

- A reduction in the Federal Medical Assistance Percentage (FMAP) requiring the state to pick up a higher percentage of Medicaid reimbursement
- Total FTE at Addictive and Mental Disorders Division were reduced by 13.50 during the 2019 session
- A transfer of \$1.4 million in state special revenue from the Montana Telecommunications Access Program (MTAP) to AMDD, along with matching federal funds for targeted case management for adults with a mental illness

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget by type of expenditure and source of funding.

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	3,758,873	3,758,873
Benefits & Claims	59,807,020	66,310,457	74,612,177	79,140,244	83,985,925
Transfers	196,845	289,300	22,500	22,500	22,500
Debt Service	126,208	117,623	117,623	117,623	117,623
Total Expenditures	\$133,920,155	\$138,485,323	\$143,976,192	\$152,121,006	\$156,962,957
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	21,335,539	21,650,171
Federal Spec. Rev. Funds	47,685,159	50,882,173	49,986,687	52,047,487	55,006,774
Total Funds	\$133,920,155	\$138,485,323	\$143,976,192	\$152,121,006	\$156,962,957
Total Ongoing	\$133,920,155	\$138,485,323	\$143,976,192	\$149,016,310	\$153,873,661
Total OTO	\$0	\$0	\$0	\$3,104,696	\$3,089,296

Program Narrative

The legislature increased the AMDD budget by just over 9.4% compared to the 2019 biennium. The increase is primarily due to a transfer of state special revenue from the MTAP, along with matching federal funds to support targeted case management for mental illness as well as peer support services. Additional factors contributing to the biennial increase include the 3.0% provider rate increase, present law adjustments for Medicaid core, and overtime funding for the State Hospital and Mental Health Nursing Center.

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

Funding

The following table shows program funding by source of authority.

Department of Public Health & Human Services, 33-Addictive and Mental Disorders Division Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	159,043,992	0	0	159,043,992	50.10 %
02034 Earmarked Alcohol Funds	13,249,770	0	4,860,884	18,110,654	35.27 %
02247 MMHNCC DOC INFIRMARY	0	0	0	0	0.00 %
02384 02 Indirect Activity Prog 33	683,563	0	0	683,563	1.33 %
02394 Montana State Hospital Rev Acc	0	0	3,505,000	3,505,000	6.83 %
02566 Medical Marijuana	2,500,000	0	0	2,500,000	4.87 %
02598 MCDC COST RECOVERY	5,798,742	0	0	5,798,742	11.29 %
02691 6901-MSH/DOC Maint Agreement	280,162	0	0	280,162	0.55 %
02772 Tobacco Hlth and Medicaid Init	17,734,711	0	0	17,734,711	34.54 %
02987 Tobacco Interest	1,388,762	0	0	1,388,762	2.70 %
02365 MTAP Transfer	1,350,000	0	0	1,350,000	2.63 %
State Special Total	\$42,985,710	\$0	\$8,365,884	\$51,351,594	16.18 %
03171 Data Infrastructure Developmnt	274,336	0	0	274,336	0.26 %
03580 6901-93.778 - Med Adm 50%	965,262	0	0	965,262	0.90 %
03583 93.778 - Med Ben Fmap	89,879,224	0	0	89,879,224	83.96 %
03601 03 Indirect Activity Prog 33	382,334	0	0	382,334	0.36 %
03491 Tobacco Retail Inspctn Program	0	0	0	0	0.00 %
03504 Strategic Prevention Framework	0	0	0	0	0.00 %
03505 93.150 - Mntal Hlth - Homeless	606,034	0	0	606,034	0.57 %
03506 93.279 - ADAD - Data Contract	0	0	0	0	0.00 %
03507 93.958 - Mntal Hlth - Blk Grt	1,913,102	0	0	1,913,102	1.79 %
03508 93.959 - ADAD - Blk Grt 100%	13,033,969	0	0	13,033,969	12.18 %
03902 HRSA Flex Rural Hlth Access Pg	0	0	0	0	0.00 %
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %
03975 Medicaid Exp HELP Act Benefit	0	0	0	0	0.00 %
03065 Opioid STR Grant	0	0	0	0	0.00 %
Federal Special Total	\$107,054,261	\$0	\$0	\$107,054,261	33.72 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$309,083,963	\$0	\$8,365,884	\$317,449,847	

Addictive and Mental Disorders Division is funded by general fund, state special and federal funds. General fund comprises 50.1% of the total budget and is 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 13.9% of the total HB 2 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 34.6% 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

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.

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

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	93.16 %
SWPL Adjustments	2,897,916	2,898,688	5,796,604	3.64 %	2,888,066	2,881,539	5,769,605	1.87 %
PL Adjustments	311,439	1,067,472	1,378,911	0.87 %	(445,550)	1,982,857	1,537,307	0.50 %
New Proposals	596,098	1,407,325	2,003,423	1.26 %	5,702,298	8,122,369	13,824,667	4.47 %
Total Budget	\$78,737,980	\$80,306,012	\$159,043,992		\$152,121,006	\$156,962,957	\$309,083,963	

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 based on the discussion and action of each subcommittee.

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
Grand Total All Present Law Adjustments	(13.50)	\$3,209,355	\$428,200	(\$1,195,039)	\$2,442,516	(13.50)	\$3,966,160	\$389,082	\$509,154	\$4,864,396

**"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 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.

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

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 over the biennium 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 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 change 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 33005 - Overtime-Holiday-Differential MSH - AMDD -

The 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 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 approved in DP 1.

New Proposals

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

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

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 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
DP 33013 - Behavioral Health Peer Support Services (Biennial/OTO)	0.00	0	1,000,000	1,854,696	2,854,696	0.00	0	1,000,000	1,839,296	2,839,296
DP 33014 - Mobile Crisis Units (Biennial/OTO)	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
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)	\$596,098	\$1,850,361	\$3,255,839	\$5,702,298	(2.00)	\$1,407,325	\$2,204,111	\$4,510,933	\$8,122,369

***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 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.

DP 33013 - Behavioral Health Peer Support Services (Biennial/OTO) -

The legislature adopted \$2.0 million state special revenue and \$3.7 million federal revenue at Addictive and Mental Disorders Division for peer support services.

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

DP 33014 - Mobile Crisis Units (Biennial/OTO) -

This decision package appropriates \$500,000 over the biennium for Mobile Crisis Unit Grants.

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.