

Agency Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	409,288,392	402,303,280	(6,985,112)	(1.71)%
Operating Expenses	311,685,202	309,015,795	(2,669,407)	(0.86)%
Equipment & Intangible Assets	1,394,342	1,303,442	(90,900)	(6.52)%
Grants	149,993,698	140,437,678	(9,556,020)	(6.37)%
Benefits & Claims	5,165,147,492	5,203,416,328	38,268,836	0.74 %
Transfers	9,286,952	6,497,802	(2,789,150)	(30.03)%
Debt Service	1,119,928	573,931	(545,997)	(48.75)%
Total Expenditures	\$6,047,916,006	\$6,063,548,256	\$15,632,250	0.26 %
General Fund	1,180,677,442	1,219,727,771	39,050,329	3.31 %
State/Other Special Rev. Funds	480,109,612	464,961,100	(15,148,512)	(3.16)%
Federal Spec. Rev. Funds	4,387,128,952	4,378,859,385	(8,269,567)	(0.19)%
Total Funds	\$6,047,916,006	\$6,063,548,256	\$15,632,250	0.26 %
Total Ongoing	\$6,047,916,006	\$6,066,769,088	\$18,853,082	0.31 %
Total OTO	\$0	(\$3,220,832)	(\$3,220,832)	100.00 %

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

DPHHS Major Budget Highlights
<ul style="list-style-type: none"> • The 2023 biennium HB 2 budget is 0.3% higher than the 2021 biennium budget and totals \$6,063.5 million <ul style="list-style-type: none"> ◦ The FY 2022 HB 2 budget is a 3.3% decrease from the FY 2021 base, while the FY 2023 budget is a 0.8% decrease from the FY 2021 base <p>Significant actions include:</p> <ul style="list-style-type: none"> • Reduced FTE by 21.50 for the 2023 biennium • Created an unrestricted contingency funding appropriation in language of both general fund and state special funds in the event that the enhanced Federal Medical Assistance Percentage (FMAP) associated with the Families First Coronavirus Response Act persists into FY 2022 • Reduced the personal services appropriation in six divisions across DPHHS relative to the personal services budget requested by the executive • Medicaid was restricted by division • A decrease in Montana's FMAP for federal fiscal year 2022 results in an increase in state matching funds for Medicaid and other DPHHS programs that utilize FMAP to calculate federal matching funds • Reduced the appropriation for the Intensive Behavioral Center (IBC) in the Developmental Services Division by \$2.0 million general fund in each fiscal year of the 2023 biennium • Funding and FTE for the Boulder campus was removed, lowering the budget by \$1.0 million general fund over the biennium. The Boulder campus was transferred to the Department of Justice while DPHHS maintains the IBC at the same location • Adopted a restricted Medicaid provider rate increase, exempting hospitals and physicians in the Developmental Services Division, Health Resources Division, Senior and Long-Term Care Division, and Addictive and Mental Disorders Division • Appropriated \$4.6 million in funding for direct care worker recruitment and retention in the Developmental Services Division, Senior and Long-Term Care Division, and Addictive and Mental Disorders Division • Appropriated funding for an increase in the foster care provider daily rate in the Child and Family Services Division • Moved the Comprehensive School and Community Treatment (CSCT) Medicaid service to the Office of Public Instruction • Increased the general fund and state special fund appropriations for the Children's Health Insurance Program (CHIP) • Reduced the appropriation for Medicaid services provided by non-critical access hospitals in an amount equivalent to a 1.0% provider rate reduction • Decreased the general fund appropriation for Medicaid expansion by \$10.7 million over the 2023 biennium and increased the federal fund appropriation by the same amount to adjust the appropriation for anticipated changes to continuous eligibility in Medicaid expansion • Removed the appropriation for the STARS to Quality Program • Transferred the Suicide Prevention Program from the Director's Office to the Addictive and Mental Disorders Division • Restricted the appropriation for the Child and Family Services Division to use only in that division

Agency Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	2,873.52	2,873.52	2,852.02	2,852.02
Personal Services	193,712,324	204,095,759	205,192,633	199,262,203	203,041,077
Operating Expenses	150,996,643	162,926,971	148,758,231	150,584,228	158,431,567
Equipment & Intangible Assets	230,590	742,621	651,721	651,721	651,721
Grants	68,435,599	75,043,189	74,950,509	70,218,839	70,218,839
Benefits & Claims	2,328,233,795	2,503,284,394	2,661,863,098	2,567,861,525	2,635,554,803
Transfers	4,646,499	6,038,051	3,248,901	3,248,901	3,248,901
Debt Service	501,868	789,989	329,939	304,345	269,586
Total Expenditures	\$2,746,757,318	\$2,952,920,974	\$3,094,995,032	\$2,992,131,762	\$3,071,416,494
General Fund	497,319,792	551,289,292	629,388,150	596,424,330	623,303,441
State/Other Special Rev. Funds	218,657,797	236,382,829	243,726,783	232,558,649	232,402,451
Federal Spec. Rev. Funds	2,030,779,729	2,165,248,853	2,221,880,099	2,163,148,783	2,215,710,602
Total Funds	\$2,746,757,318	\$2,952,920,974	\$3,094,995,032	\$2,992,131,762	\$3,071,416,494
Total Ongoing	\$2,746,757,318	\$2,952,920,974	\$3,094,995,032	\$2,995,352,594	\$3,071,416,494
Total OTO	\$0	\$0	\$0	(\$3,220,832)	\$0

Summary of Legislative Action

HB 2 – General Appropriations Act

The HB 2 budget for DPHHS increased by 0.3% or \$15.6 million relative to the 2021 biennium budget. Medicaid makes up 68.8% of the DPHHS HB 2 budget and increased by 1.3% relative to the 2021 biennium Medicaid budget. More detail on Medicaid is found on the following pages. The HB 2 budget also includes caseload increases for CHIP of 8.9% relative to the 2021 biennium, an unrestricted contingency funding appropriation tied to enhanced FMAP continuation into FY 2022, and other appropriations as detailed in the division-level discussions in the remainder of this report.

Agency Discussion

The legislative budget for HB 2 traditional Medicaid benefits and services (excluding Medicaid expansion) in the 2023 biennium totals \$2,520.3 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).

2023 Biennium HB 2 Traditional Medicaid Budget (Benefits Only)			
	FY 2022	FY 2023	Total
Developmental Services Division	\$ 294,961,735	\$ 309,862,132	\$ 604,823,867
Health Resources Division	\$ 574,699,500	\$ 602,938,612	\$ 1,177,638,112
Senior and Long-Term Care Division	\$ 284,785,533	\$ 289,455,456	\$ 574,240,989
Addictive and Mental Disorders Division	\$ 78,645,492	\$ 84,927,216	\$ 163,572,708
Total	\$ 1,233,092,260	\$ 1,287,183,416	\$ 2,520,275,676

The legislature moved the Comprehensive School and Community Treatment Medicaid service to the Office of Public

Instruction in order to facilitate an intergovernmental transfer (IGT) model of service delivery and funding.

Medicaid Expansion

The legislative budget for HB 2 Medicaid expansion benefits and services in the 2023 biennium totals \$1,654.2 million (see table below). These expenditures are made in the Health Resources Division (HRD), Senior and Long-Term Care Division (SLTC), and Addictive and Mental Disorders Division (AMDD).

2023 Biennium HB 2 Medicaid Expansion Budget (Benefits Only)				
	FY 2022	FY 2023	Total	
Health Resources Division	\$ 745,750,422	\$ 756,277,144	\$ 1,502,027,566	
Senior and Long-Term Care Division	\$ 9,587,684	\$ 9,659,517	\$ 19,247,201	
Addictive and Mental Disorders Division	\$ 65,091,718	\$ 67,875,292	\$ 132,967,010	
Total	\$ 820,429,824	\$ 833,811,953	\$ 1,654,241,777	

DPHHS Institutions

DPHHS currently operates a total of seven facilities. The Southwest Veterans' Home expects to have about 22 residents by the end of FY 2021. The table below shows a biennial summary of the 2023 biennium appropriation for DPHHS facilities. The average daily population is based on FY 2020.

DPHHS Facilities						
	FTE	Average Daily Population	FY 2022	FY 2023	Biennium Total	Annual Per-Resident Cost
MT Chem. Dependency Ctr.	54.25	30.1	\$ 6,036,894	\$ 6,047,225	\$ 12,084,119	\$ 200,733
Mental Health Nursing Care Ctr.	130.71	74.8	\$ 12,361,224	\$ 12,459,502	\$ 24,820,726	\$ 165,914
Montana State Hospital	525.29	217	\$ 47,655,656	\$ 48,949,278	\$ 96,604,934	\$ 222,592
Intensive Behavior Center (Boulder)	63.96	11.3	\$ 2,638,020	\$ 2,764,825	\$ 5,402,845	\$ 239,064
Montana Vet. Home	139.80	83	\$ 13,082,909	\$ 13,342,531	\$ 26,425,440	\$ 159,189
Eastern MT Vet. Home	1.00	61	\$ 3,878,307	\$ 3,956,112	\$ 7,834,419	\$ 64,217
Southwest MT Vet. Home	1.00		\$ 4,041,438	\$ 4,041,457	\$ 8,082,895	NA

Funding

The following table shows adopted agency funding by source of authority.

Total Department of Public Health & Human Services Funding by Source of Authority 2023 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	1,222,948,603	(3,220,832)	0	0	1,219,727,771	19.47 %
State Special Total	464,961,100	0	0	8,495,884	473,456,984	7.56 %
Federal Special Total	4,378,859,385	0	0	193,456,010	4,572,315,395	72.98 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$6,066,769,088	(\$3,220,832)	\$0	\$201,951,894	\$6,265,500,150	
Percent - Total All Sources	96.83 %	(0.05)%	0.00 %	3.22 %		

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. COVID-enhanced FMAP (tied to the federal Families First Coronavirus Response Act) increased the FMAP for all states by 6.2 percentage points, retroactive to January 1, 2020. This lowers the state share of traditional Medicaid expenditures. While the duration of this enhanced rate is unknown, as long as it continues it will result in additional federal Medicaid funding of approximately \$20.0 million per quarter (and matching lower state costs). The enhanced FMAP will persist until the end of the quarter in which the Secretary of Health and Human Services declares an end to the COVID-19 state of emergency. This enhanced FMAP will persist into at least one quarter of FY 2022.

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](#).

Budget Item	General Fund				Total Funds			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	629,388,150	629,388,150	1,258,776,300	103.20 %	3,094,995,032	3,094,995,032	6,189,990,064	102.09 %
SWPL Adjustments	1,252,902	1,322,527	2,575,429	0.21 %	2,148,490	2,227,353	4,375,843	0.07 %
PL Adjustments	(16,871,865)	696,542	(16,175,323)	(1.33)%	(39,466,853)	29,815,232	(9,651,621)	(0.16)%
New Proposals	(17,344,857)	(8,103,778)	(25,448,635)	(2.09)%	(65,544,907)	(55,621,123)	(121,166,030)	(2.00)%
Total Budget	\$596,424,330	\$623,303,441	\$1,219,727,771		\$2,992,131,762	\$3,071,416,494	\$6,063,548,256	

Other Legislation

HB 57 - This legislation revises requirements for child protective services (CPS) placements in therapeutic group homes in child abuse and neglect cases. A review hearing must be held within 60 days of placement of the child to complete a needs assessment and determine the therapeutic needs of the child.

HB 155 - This legislation directs DPHHS to collect expenditure data from Medicaid-dependent providers so that the department and the legislature can analyze this data and determine the cost of providing services. A plan that identifies providers, high volume services, and how data will be collected in the future must be completed by July 1, 2022 and submitted to the legislature for the 2023 session. DPHHS will provide quarterly updates. This legislation also amends the provisions for preparing the DPHHS budget request related to requirements for adjustments to the present law base and tying inflation to a national inflation index.

HB 171 - This legislation details the protocol for administering abortion-inducing drugs along with requirements for reporting the use of them. This legislation creates criminal and civil penalties for violating provisions in this law.

HB 423 - This legislation creates a newborn screening advisory committee. DPHHS is directed to create rules to add testing for new metabolic or genetic disorders to the newborn screening panel.

HB 459 - This legislation directs DPHHS to develop a child welfare training and certification program for CPS workers who have direct contact with children. This legislation also amends statute to swap the term social worker with CPS worker.

HB 632 – HB 632 provides federal appropriations to state agencies for funds received from the federal American Rescue Plan Act of 2021. The bill appropriates approximately \$356.0 million to DPHHS. This includes \$11.0 million for the Supplemental Nutrition Assistance Program (SNAP), \$112.5 million for childcare block grants, \$143.0 million for testing and contact tracing, and \$22.5 million for vaccine distribution and supply.

HB 691 - This legislation requires DSD to develop crisis response services for people who have developmental disabilities and appropriates \$231,000 from both the general fund and the federal special revenue starting the biennium.

HB 701 - This legislation revises the regulation of both adult-use recreational and medical marijuana and combines both program's administration under the Department of Revenue (DOR). The Medicinal Marijuana program will no longer be housed under the Operations Services Division in DPHHS. All FTE and funding for this program will be moved to DOR starting July 1, 2021. HB 701 also appropriates \$6.0 million in state special revenue from the healing and ending addiction through recovery and treatment (HEART) fund and \$18.6 million in federal Medicaid match funds in each year of the biennium. These funds will be used to combat Montana's substance abuse epidemic through community-based prevention and treatment.

Executive Budget Comparison

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2021	Executive Budget Fiscal 2022	Legislative Budget Fiscal 2022	Leg — Exec. Difference Fiscal 2022	Executive Budget Fiscal 2023	Legislative Budget Fiscal 2023	Leg — Exec. Difference Fiscal 2023	Biennium Difference Fiscal 22-23
FTE	2,873.52	2,874.52	2,852.02	(22.50)	2,874.52	2,852.02	(22.50)	(22.50)
Personal Services	205,192,633	204,358,920	199,262,203	(5,096,717)	208,142,717	203,041,077	(5,101,640)	(10,198,357)
Operating Expenses	148,758,231	151,075,115	150,584,228	(490,887)	158,965,695	158,431,567	(534,128)	(1,025,015)
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
Local Assistance	0	0	0	0	0	0	0	0
Grants	74,950,509	73,508,839	70,218,839	(3,290,000)	73,508,839	70,218,839	(3,290,000)	(6,580,000)
Benefits & Claims	2,661,863,098	2,633,786,114	2,567,861,525	(65,924,589)	2,702,570,656	2,635,554,803	(67,015,853)	(132,940,442)
Transfers	3,248,901	3,248,901	3,248,901	0	3,248,901	3,248,901	0	0
Debt Service	329,939	342,277	304,345	(37,932)	307,518	269,586	(37,932)	(75,864)
Total Costs	\$3,094,995,032	\$3,066,971,887	\$2,992,131,762	(\$74,840,125)	\$3,147,396,047	\$3,071,416,494	(\$75,979,553)	(\$150,819,678)
General Fund	629,388,150	618,344,339	596,424,330	(21,920,009)	648,611,534	623,303,441	(25,308,093)	(47,228,102)
State/other Special Rev. Funds	243,726,783	252,376,781	232,558,649	(19,818,132)	249,105,269	232,402,451	(16,702,818)	(36,520,950)
Federal Spec. Rev. Funds	2,221,880,099	2,196,250,767	2,163,148,783	(33,101,984)	2,249,679,244	2,215,710,602	(33,968,642)	(67,070,626)
Total Funds	\$3,094,995,032	\$3,066,971,887	\$2,992,131,762	(\$74,840,125)	\$3,147,396,047	\$3,071,416,494	(\$75,979,553)	(\$150,819,678)
Total Ongoing	\$3,094,995,032	\$3,070,192,719	\$2,995,352,594	(\$74,840,125)	\$3,147,396,047	\$3,071,416,494	(\$75,979,553)	(\$150,819,678)
Total OTO	\$0	(\$3,220,832)	(\$3,220,832)	\$0	\$0	\$0	\$0	\$0

The legislative budget is \$150.8 million total funds lower than the executive request over the biennium.

- The legislative budget includes 2,852.02 FTE, 22.50 fewer than the executive request. The legislature removed FTE from the Developmental Services Division, the Director's Office, and the Medicaid and Health Services Management Division
- The legislative budget is \$47.2 million general fund lower than the executive request. This difference is due to the adoption of a lower caseload adjustment for Medicaid (resulting in lower caseload funding than the executive request by \$22.6 million general fund and \$128.8 million total funds), and an adjustment to Medicaid expansion funding based on anticipated changes to continuous eligibility. The legislature also did not appropriate the requested \$21.7 million in general fund for the Comprehensive School and Community Treatment (CSCT) Medicaid service. Other general fund differences are associated with lower legislative funding amounts for the Intensive Behavioral Center, the Boulder campus and the STARS to Quality program.
- The legislative budget is \$36.5 million lower in state special revenue funds than the executive request. This difference is due to the legislature not approving state special revenue funds for the HEART (Healing and Ending Addiction Through Recovery and Treatment) Act in HB 2 (instead passed and approved in HB 701), the adoption of a lower caseload adjustment for Medicaid, and the removal of state special revenue authority associated with transfers from the Montana Telecommunications Access Program (MTAP) fund
- The legislative budget is \$67.1 million lower in federal funds than the executive request. This difference is primarily

due to the adoption of a lower caseload adjustment for Medicaid and CHIP

Language and Statutory Authority

The legislature included the following language in HB 2:

"The Disability Employment and Transitions Division is appropriated \$775,000 of state special revenue from the Montana Telecommunications Access Program (MTAP) during each year of the 2023 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."

"The operating and maintenance required in accordance with 17-7-210 for the Commodities Warehouse Expansion have been included in the General Services Rental Rate in the Business and Financial Services Division."

"The Developmental Services Division may only transfer appropriations between the following line items: DSD Traditional Medicaid Benefits, DSD Medicaid Waiver Benefits, DSD CSCT Federal Funds, and DSD CSCT State Funds. The Developmental Services Division may not transfer any Medicaid appropriations outside of the division. If HB 341 is passed and approved the restriction in this paragraph is void."

"The Health Resources Division may only transfer appropriations between the following line items: HRD Traditional Medicaid Benefits, HRD Traditional Medicaid HUF Payments, HRD Medicaid Expansion Benefits, and HRD Medicaid Expansion HUF Payments. The Health Resources Division may not transfer any Medicaid appropriations outside of the division. If HB 341 is passed and approved the restriction in this paragraph is void."

"The Senior and Long-Term Care Division may only transfer appropriations between the following line items: SLTC Traditional Medicaid Benefits, SLTC Medicaid Waiver Benefits, and SLTC Medicaid Expansion Benefits. The Senior and Long-Term Care Division may not transfer any Medicaid appropriations outside of the division. If HB 341 is passed and approved the restriction in this paragraph is void."

"The Addictive and Mental Disorders Division may only transfer appropriations between the following line items: AMDD Traditional Medicaid Benefits, AMDD Medicaid Waiver Benefits and AMDD Medicaid Expansion Benefits. The Addictive and Mental Disorders Division may not transfer any Medicaid appropriations outside of the division. If HB 341 is passed and approved the restriction in this paragraph is void."

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

"For all line items in the Department of Public Health and Human Services that include the word "Medicaid" or "CHIP", for each quarter in which the COVID-enhanced Federal Medical Assistance Percentage authorized by the "Families First Coronavirus Response Act" provides a 6.2 percentage points increase in federal funding, the department shall decrease: (1) general fund authority pursuant to 17-2- 108(2); and (2) state special fund authority pursuant to 17- 2-108(3). The combined decrease of general fund and state special authority must equal the amount of the increased federal funding provided for by the 6.2 percentage points increase in Federal Medical Assistance Percentage. The department is authorized to establish a new appropriation to include both general fund and state special revenue equal to the amounts reduced pursuant to 17-2-108 for the first quarter of FY 2022, which serves as a contingency fund that may be used by the department for any use consistent with the goals and objectives of the agency in the biennium. This new appropriation must be established as biennial and one-time-only. The department shall transmit a written report to the legislative fiscal analyst by the December 1, 2021. This report must include a detailed accounting of the initial establishment of the contingency funding, by division, 1st level expenditure, SABHRS subclass, and fund. The department shall transmit two further written reports to the legislative fiscal analyst by September 1, 2022 and September 1, 2023. These reports must include a detailed accounting of the manner in which the department utilized the contingency funding, by division, 1st level expenditure, SABHRS subclass, and fund, in the most recently completed fiscal year."

"The Legislature intends that the Department of Public Health and Human Services eliminate the policy of 12-month continuous eligibility for the Medicaid expansion population."

"The line item for report on Medicaid paid abortions is to be used by the department of public health and human services to review and report the history, utilization data, policies, rules, and definitions for Medicaid paid abortions to the interim budget committee for the department of public health and human services and the children and families interim committee at a meeting in September of 2021 with follow up work as the committees request."

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	18,252,701	19,052,490	799,789	4.38 %
Operating Expenses	10,075,195	9,927,376	(147,819)	(1.47)%
Benefits & Claims	29,819,475	29,604,000	(215,475)	(0.72)%
Transfers	391,000	50,000	(341,000)	(87.21)%
Debt Service	17,676	0	(17,676)	(100.00)%
Total Expenditures	\$58,556,047	\$58,633,866	\$77,819	0.13 %
General Fund	12,005,347	12,156,047	150,700	1.26 %
State/Other Special Rev. Funds	2,630,334	1,899,187	(731,147)	(27.80)%
Federal Spec. Rev. Funds	43,920,366	44,578,632	658,266	1.50 %
Total Funds	\$58,556,047	\$58,633,866	\$77,819	0.13 %
Total Ongoing	\$58,556,047	\$58,701,136	\$145,089	0.25 %
Total OTO	\$0	(\$67,270)	(\$67,270)	100.00 %

Program Description

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

Program Highlights

<p>Disability and Employment Transitions Division Major Budget Highlights</p>
<ul style="list-style-type: none"> • The legislature adopted a budget for DETD that was a 0.1% increase over the DETD appropriation from last biennium

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	134.07	134.07	134.07	134.07
Personal Services	7,737,859	8,945,193	9,307,508	9,482,696	9,569,794
Operating Expenses	4,260,586	5,110,111	4,965,084	4,963,368	4,964,008
Benefits & Claims	7,256,342	14,617,475	15,202,000	14,802,000	14,802,000
Transfers	61,010	366,000	25,000	25,000	25,000
Debt Service	2,982	17,676	0	0	0
Total Expenditures	\$19,318,779	\$29,056,455	\$29,499,592	\$29,273,064	\$29,360,802
General Fund	4,457,871	5,911,445	6,093,902	6,042,818	6,113,229
State/Other Special Rev. Funds	1,282,093	1,310,179	1,320,155	949,471	949,716
Federal Spec. Rev. Funds	13,578,815	21,834,831	22,085,535	22,280,775	22,297,857
Total Funds	\$19,318,779	\$29,056,455	\$29,499,592	\$29,273,064	\$29,360,802
Total Ongoing	\$19,318,779	\$29,056,455	\$29,499,592	\$29,340,334	\$29,360,802
Total OTO	\$0	\$0	\$0	(\$67,270)	\$0

Program Narrative

The DETD biennial budget increased by 0.1% relative to the 2021 biennium budget.

Funding

The following table shows adopted program funding by source of authority.

Department of Public Health & Human Services, 01-Disability Empl & Transitions Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	12,156,047	0	0	12,156,047	20.73 %
02159 Handicapped Telecommunications	1,865,544	0	0	1,865,544	98.23 %
02434 02 Indirect Activity Prog 01	33,643	0	0	33,643	1.77 %
02365 MTAP Transfers	0	0	0	0	0.00 %
State Special Total	\$1,899,187	\$0	\$0	\$1,899,187	3.24 %
03234 Promise Grant	0	0	0	0	0.00 %
03588 93.802 - Disabil Deter Adm 100	11,988,785	0	0	11,988,785	26.89 %
03604 84.126 - Rehab-Sec110 A 78.7%	26,336,544	0	0	26,336,544	59.08 %
03365 03 Indirect Activity Prog 01	1,208,065	0	0	1,208,065	2.71 %
03554 84.169 - Independent Living 90	460,758	0	0	460,758	1.03 %
03555 84.177 - Indep Living Old BLIN	439,600	0	0	439,600	0.99 %
03557 84.187 - Vic Sup Employment	398,988	0	0	398,988	0.90 %
03558 84.224 - Mon Tech 100%	852,060	0	0	852,060	1.91 %
03559 84.265 - In Service Training 9	0	0	0	0	0.00 %
03024 Soc Sec - Trust Funds	2,563,832	0	0	2,563,832	5.75 %
03226 VR Supported Empl VI-B Youth	330,000	0	0	330,000	0.74 %
Federal Special Total	\$44,578,632	\$0	\$0	\$44,578,632	76.03 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$58,633,866	\$0	\$0	\$58,633,866	

Disability Employment & Transitions (DETD) is funded primarily by a variety of federal funds. 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 nine federal funds with ongoing HB 2 authority at DET. Most of the 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 and state special funds are also used to support program costs. About half of each are used to support administrative costs with the remaining general fund being used to support Vocational Rehabilitation and remaining state special revenue being used to support the MTAP Program.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	6,093,902	6,093,902	12,187,804	100.26 %	29,499,592	29,499,592	58,999,184	100.62 %
SWPL Adjustments	16,186	19,327	35,513	0.29 %	240,742	261,210	501,952	0.86 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(67,270)	0	(67,270)	(0.55)%	(467,270)	(400,000)	(867,270)	(1.48)%
Total Budget	\$6,042,818	\$6,113,229	\$12,156,047		\$29,273,064	\$29,360,802	\$58,633,866	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	16,600	29,316	196,542	242,458	0.00	19,586	29,561	213,139	262,286
DP 3 - Inflation Deflation	0.00	(414)	0	(1,302)	(1,716)	0.00	(259)	0	(817)	(1,076)
DP 69010 - Line Item DPHHS Budget	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	\$16,186	\$29,316	\$195,240	\$240,742	0.00	\$19,327	\$29,561	\$212,322	\$261,210

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

DP 1 - Personal Services -

The budget includes an increase of \$242,458 total funds in FY 2022 and \$262,286 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 3 - Inflation Deflation -

The legislature approved 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 69010 - Line Item DPHHS Budget -

The legislature approved a funding allocation intended to show more detail in HB 2.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 11 - Remove MTAP Transfers Authority	0.00	0	(400,000)	0	(400,000)	0.00	0	(400,000)	0	(400,000)
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(67,270)	0	0	(67,270)	0.00	0	0	0	0
Total	0.00	(\$67,270)	(\$400,000)	\$0	(\$467,270)	0.00	\$0	(\$400,000)	\$0	(\$400,000)

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

DP 11 - Remove MTAP Transfers Authority -

The Legislature removed the spending authority associated with the MTAP Transfers fund. This includes \$400,000 in state special revenue in FY 2022 and \$400,000 in state special revenue in FY 2023.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of SB 110.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	64,808,214	63,590,151	(1,218,063)	(1.88)%
Operating Expenses	15,030,839	13,197,668	(1,833,171)	(12.20)%
Equipment & Intangible Assets	143,400	50,000	(93,400)	(65.13)%
Grants	21,743,518	23,246,398	1,502,880	6.91 %
Benefits & Claims	456,197,057	462,615,738	6,418,681	1.41 %
Transfers	5,333,720	4,242,220	(1,091,500)	(20.46)%
Debt Service	132,150	0	(132,150)	(100.00)%
Total Expenditures	\$563,388,898	\$566,942,175	\$3,553,277	0.63 %
General Fund	49,269,349	48,974,313	(295,036)	(0.60)%
State/Other Special Rev. Funds	3,548,180	3,766,117	217,937	6.14 %
Federal Spec. Rev. Funds	510,571,369	514,201,745	3,630,376	0.71 %
Total Funds	\$563,388,898	\$566,942,175	\$3,553,277	0.63 %
Total Ongoing	\$563,388,898	\$567,302,796	\$3,913,898	0.69 %
Total OTO	\$0	(\$360,621)	(\$360,621)	100.00 %

Program Description

The Human and Community Services Division (HCSD) is led by an administrator and a senior team, comprised of bureau chiefs and program managers. There are five main areas:

- Public Assistance Business Process and Policy
- Public Assistance Data Analytics and Systems
- Public Assistance Field Services
- Intergovernmental Human Services
- Public Assistance includes policy, process, training, and system support for eligibility services to clients for Montana's Temporary Assistance to Needy Families (TANF) Program, the Supplemental Nutrition Assistance Program (SNAP), and Health Coverage including Medicaid programs and Healthy Montana Kids (HMK) programs across the state. There are 19 offices statewide providing eligibility services, in addition to supporting the Public Assistance Helpline and the apply.mt.gov, self-service portal.

The Intergovernmental Human Services Bureau administers the Community Services block grant which is used by 10 Human Resource Development Councils to provide a wide range of community-based human services. In addition, this bureau provides the Low-Income Energy Assistance and Weatherization Program as well as other supports including the emergency solutions grant and United States Department of Agriculture (USDA) food commodities.

The 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
<ul style="list-style-type: none"> • The legislative budget for HCSD increased by 0.6% relative to the 2021 biennium budget • The legislature reduced personal services funding by a total of \$659,563 over the biennium for an increase in vacancy savings • The legislature approved an increase in federal funds of \$1,646,248 for the biennium to maintain existing services for the Low Income Energy Assistance Program (LIEAP) and The Emergency Food Assistance Program (TEFAP)

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	492.50	492.50	492.50	492.50
Personal Services	30,333,715	32,100,689	32,707,525	31,572,454	32,017,697
Operating Expenses	7,224,091	8,429,940	6,600,899	6,598,361	6,599,307
Equipment & Intangible Assets	118,252	118,400	25,000	25,000	25,000
Grants	9,055,091	10,366,572	11,376,946	11,623,199	11,623,199
Benefits & Claims	205,371,594	225,466,059	230,730,998	231,307,869	231,307,869
Transfers	2,721,616	3,212,610	2,121,110	2,121,110	2,121,110
Debt Service	19,395	132,150	0	0	0
Total Expenditures	\$254,843,754	\$279,826,420	\$283,562,478	\$283,247,993	\$283,694,182
General Fund	22,992,625	24,454,828	24,814,521	24,291,908	24,682,405
State/Other Special Rev. Funds	1,367,855	1,689,721	1,858,459	1,881,528	1,884,589
Federal Spec. Rev. Funds	230,483,274	253,681,871	256,889,498	257,074,557	257,127,188
Total Funds	\$254,843,754	\$279,826,420	\$283,562,478	\$283,247,993	\$283,694,182
Total Ongoing	\$254,843,754	\$279,826,420	\$283,562,478	\$283,608,614	\$283,694,182
Total OTO	\$0	\$0	\$0	(\$360,621)	\$0

Program Narrative

The HCSD biennial budget increased by 0.6% relative to the 2021 biennium budget. The legislature adopted:

- A reduction in personal services funding in this program by a total of \$659,563 over the biennium for increased vacancy savings
- The legislature also adopted the statewide present law adjustments for personal services budget changes and inflation changes
- An increase in federal funds of \$1,646,248 for the biennium to maintain existing services for the Low Income Energy Assistance Program (LIEAP) and The Emergency Food Assistance Program (TEFAP)

Funding

The following table shows adopted program funding by source of authority.

Department of Public Health & Human Services, 02-Human & Community Services					
Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	48,974,313	0	0	48,974,313	8.64 %
02099 69010-VISTA-Community Cost Shr	112,398	0	0	112,398	2.98 %
02375 02 Indirect Activity Prog 02	2,845,151	0	0	2,845,151	75.55 %
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	3.45 %
02772 Tobacco Hlth and Medicaid Init	71,090	0	0	71,090	1.89 %
02789 6901-CHIP/MCHA Tobacco Sett Fd	0	0	0	0	0.00 %
02931 Food Stamp Recoupment Account	0	0	0	0	0.00 %
02974 Univ Low-Income Energy Assist	607,478	0	0	607,478	16.13 %
State Special Total	\$3,766,117	\$0	\$0	\$3,766,117	0.66 %
03135 HOPWA TriState HELP CFDA14.241	1,040,000	0	0	1,040,000	0.20 %
03181 10.561 Food Stamp Perf. Bonus	0	0	0	0	0.00 %
03573 93.569 - CSBG Adm	6,519,113	0	0	6,519,113	1.27 %
03580 6901-93.778 - Med Adm 50%	1,274,713	0	0	1,274,713	0.25 %
03678 6901-Food Stamp Benefits	345,133,644	0	0	345,133,644	67.12 %
03679 6901-HOPWA CFDA#14-241	1,004,684	0	0	1,004,684	0.20 %
03382 03 Indirect Activity Prog 02	37,090,496	0	0	37,090,496	7.21 %
03426 CHIP Program Fed	0	0	0	0	0.00 %
03467 6901-Homeless Mgmt Info System	107,556	0	0	107,556	0.02 %
03519 93.045 - Aging Meals 100%	118,572	0	0	118,572	0.02 %
03544 10.561 - FS E & T - 50%	433,684	0	0	433,684	0.08 %
03545 10.561 - FS E & T - 100%	516,734	0	0	516,734	0.10 %
03546 10.561 - FS Adm - Fed Exp 50%	1,717,351	0	0	1,717,351	0.33 %
03547 10.568 - Emerg Food Assist 100	969,876	0	0	969,876	0.19 %
03548 10.569 - Food Distr - Fed Exp	5,317,507	0	0	5,317,507	1.03 %
03550 14.231 - Emerg Shelter - HUD 5	1,400,766	0	0	1,400,766	0.27 %
03552 81.042 - Weather Ben 100%	5,409,256	0	0	5,409,256	1.05 %
03553 Housing Preservation Grant	90,200	0	0	90,200	0.02 %
03572 93.568 - LIEAP Blk Grt Adm	41,882,664	0	0	41,882,664	8.15 %
03066 81.042 BPA	995,470	0	0	995,470	0.19 %
03072 69010-CNS-Grants-VISTA	431,880	0	0	431,880	0.08 %
03074 Aging - Nutrition Services HDM	0	0	0	0	0.00 %
03103 TANF Administration	0	0	0	0	0.00 %
03109 TANF Benefits	60,823,652	0	0	60,823,652	11.83 %
03965 CSFP	1,351,169	0	0	1,351,169	0.26 %
03974 Medicaid Exp HELP Act Admin	572,758	0	0	572,758	0.11 %
Federal Special Total	\$514,201,745	\$0	\$0	\$514,201,745	90.70 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$566,942,175	\$0	\$0	\$566,942,175	

HCSD costs are driven by the benefits delivered by HCSD staff and providers throughout the state, and the administrative costs associated with benefit provisions. HCSD is funded primarily by a variety of federal funds.

General fund also supports the HCSD budget. General funds are used to support TANF maintenance of effort (MOE) requirements and are used as a match for federal programs such as Medicaid and SNAP eligibility determinations.

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](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	24,814,521	24,814,521	49,629,042	101.34 %	283,562,478	283,562,478	567,124,956	100.03 %
SWPL Adjustments	(40,942)	(10,745)	(51,687)	(0.11)%	(447,643)	(361,202)	(808,845)	(0.14)%
PL Adjustments	0	0	0	0.00 %	823,124	823,124	1,646,248	0.29 %
New Proposals	(481,671)	(121,371)	(603,042)	(1.23)%	(689,966)	(330,218)	(1,020,184)	(0.18)%
Total Budget	\$24,291,908	\$24,682,405	\$48,974,313		\$283,247,993	\$283,694,182	\$566,942,175	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(40,551)	37,699	(442,253)	(445,105)	0.00	(10,499)	40,777	(389,888)	(359,610)
DP 3 - Inflation Deflation	0.00	(391)	(56)	(2,091)	(2,538)	0.00	(246)	(35)	(1,311)	(1,592)
DP 2001 - IHSB Federal Authority	0.00	0	0	823,124	823,124	0.00	0	0	823,124	823,124
DP 69010 - Line Item DPHHS Budget	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	(\$40,942)	\$37,643	\$378,780	\$375,481	0.00	(\$10,745)	\$40,742	\$431,925	\$461,922

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

DP 1 - Personal Services -

The budget includes a decrease of \$445,105 total funds in FY 2022 and \$359,610 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 3 - Inflation Deflation -

The legislature approved 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 2001 - IHSB Federal Authority -

The Legislature approved an increase in federal funds of \$1,646,248 for the biennium to maintain existing services for the Low-Income Energy Assistance Program (LIEAP) and The Emergency Food Assistance Program (TEFAP) in the Human and Community Services Division.

DP 69010 - Line Item DPHHS Budget -

The legislature approved a funding allocation intended to show more detail in HB 2.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1111 - Personal Services Reduction	0.00	(121,050)	(14,574)	(193,721)	(329,345)	0.00	(121,371)	(14,612)	(194,235)	(330,218)
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(360,621)	0	0	(360,621)	0.00	0	0	0	0
Total	0.00	(\$481,671)	(\$14,574)	(\$193,721)	(\$689,966)	0.00	(\$121,371)	(\$14,612)	(\$194,235)	(\$330,218)

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

DP 1111 - Personal Services Reduction -

The legislature approved a reduction of personal services in addition to the executive request for vacancy savings. The total fund reduction at Human and Community Services Division is \$329,345 in FY 2022 and \$330,218 in FY 2023.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of SB 110.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	58,362,057	57,634,746	(727,311)	(1.25)%
Operating Expenses	12,861,273	12,134,589	(726,684)	(5.65)%
Grants	16,001,391	13,626,560	(2,374,831)	(14.84)%
Benefits & Claims	120,881,635	133,010,516	12,128,881	10.03 %
Transfers	1,503,182	476,182	(1,027,000)	(68.32)%
Debt Service	2,316	2,316	0	0.00 %
Total Expenditures	\$209,611,854	\$216,884,909	\$7,273,055	3.47 %
General Fund	121,745,940	127,623,429	5,877,489	4.83 %
State/Other Special Rev. Funds	3,758,555	3,758,600	45	0.00 %
Federal Spec. Rev. Funds	84,107,359	85,502,880	1,395,521	1.66 %
Total Funds	\$209,611,854	\$216,884,909	\$7,273,055	3.47 %
Total Ongoing	\$209,611,854	\$217,595,127	\$7,983,273	3.81 %
Total OTO	\$0	(\$710,218)	(\$710,218)	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) system and the Montana Family Safety Information System (MFSIS).

Statutory Authority - Titles 41, 42 and 52, MCA 45 CFR, Parts 1355, 1356, 1357 and 1370.

Program Highlights

Child and Family Services Division Major Budget Highlights
<ul style="list-style-type: none"> • The legislative budget for CFSD is a 3.5% increase over the CFSD appropriation for the last biennium <ul style="list-style-type: none"> ◦ Increased rates for foster care account for the majority of this budgetary increase • The CFSD budget is restricted to use in only this division

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, 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 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	428.97	428.97	428.97	428.97
Personal Services	29,201,390	29,538,149	28,823,908	28,430,634	29,204,112
Operating Expenses	6,696,965	6,756,073	6,105,200	6,058,609	6,075,980
Grants	9,133,779	9,188,111	6,813,280	6,813,280	6,813,280
Benefits & Claims	53,916,206	56,128,378	64,753,257	66,532,633	66,477,883
Transfers	1,293,277	1,265,091	238,091	238,091	238,091
Debt Service	26,371	1,158	1,158	1,158	1,158
Total Expenditures	\$100,267,988	\$102,876,960	\$106,734,894	\$108,074,405	\$108,810,504
General Fund	56,757,005	58,892,606	62,853,334	63,445,757	64,177,672
State/Other Special Rev. Funds	1,679,498	1,879,255	1,879,300	1,879,300	1,879,300
Federal Spec. Rev. Funds	41,831,485	42,105,099	42,002,260	42,749,348	42,753,532
Total Funds	\$100,267,988	\$102,876,960	\$106,734,894	\$108,074,405	\$108,810,504
Total Ongoing	\$100,267,988	\$102,876,960	\$106,734,894	\$108,784,623	\$108,810,504
Total OTO	\$0	\$0	\$0	(\$710,218)	\$0

Program Narrative

CFSD received a budgetary increase of 3.5% as compared to the 2021 biennium budget, including a 4.8% 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. Montana has experienced rapidly rising rates of child abuse and neglect over the last decade, but it appears that victimization rates have recently leveled off to some degree. The legislature approved an increase to the daily foster care rates of \$1.50 which makes up the majority of the increase in the budget in the 2023 biennium.

Funding

The following table shows adopted 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	127,623,429	0	0	127,623,429	58.81 %	
02209 Third Party Contributions-F.C.	3,575,432	0	0	3,575,432	91.95 %	
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 %	
02376 02 Indirect Activity Prog 03	0	0	0	0	0.00 %	
State Special Total	\$3,758,600	\$0	\$130,000	\$3,888,600	1.79 %	
03185 Caseworker Visits	0	0	0	0	0.00 %	
03224 Access & Visitation Grt 93.597	191,100	0	0	191,100	0.22 %	
03579 93.667 - SSBG - Benefits	16,024	0	0	16,024	0.02 %	
03593 03 Indirect Activity Prog 03	19,006,174	0	0	19,006,174	22.23 %	
03458 6901 - Chafee - ETV 93.599	353,952	0	0	353,952	0.41 %	
03522 93.556 - Family Preservation	1,779,888	0	0	1,779,888	2.08 %	
03526 93.643 - Child Justice	199,774	0	0	199,774	0.23 %	
03527 93.645 - IV-B CWS	0	0	0	0	0.00 %	
03529 IV-E Guardianship	5,304,760	0	0	5,304,760	6.20 %	
03530 6901-Foster Care 93.658	28,929,388	0	0	28,929,388	33.83 %	
03531 6901-Subsidized Adopt 93.659	22,761,656	0	0	22,761,656	26.62 %	
03532 93.669 - Child Abuse	278,904	0	0	278,904	0.33 %	
03533 93.671 - Domestic Violence	1,579,890	0	0	1,579,890	1.85 %	
03536 93.674 - IV-E Independent Livi	1,148,490	0	0	1,148,490	1.34 %	
03103 TANF Administration	0	0	0	0	0.00 %	
03109 TANF Benefits	3,952,880	0	0	3,952,880	4.62 %	
03964 Adoption Incentive Funds	0	0	0	0	0.00 %	
03148 VOCA Fatality Review	0	0	0	0	0.00 %	
03460 Kinship Navigator Program	0	0	0	0	0.00 %	
Federal Special Total	\$85,502,880	\$0	\$0	\$85,502,880	39.40 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$216,884,909	\$0	\$130,000	\$217,014,909		

CFSD receives general fund, state special revenue fund, and federal special revenue fund authority. The largest federal fund sources are matching funds for foster care, adoption, and guardianship benefits (and related indirect activity). The CFSD budget includes \$130,000 state special revenue statutory authority tied to adoption services.

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](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	62,853,334	62,853,334	125,706,668	98.50 %	106,734,894	106,734,894	213,469,788	98.43 %
SWPL Adjustments	199,428	255,070	454,498	0.36 %	270,353	350,984	621,337	0.29 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	392,995	1,069,268	1,462,263	1.15 %	1,069,158	1,724,626	2,793,784	1.29 %
Total Budget	\$63,445,757	\$64,177,672	\$127,623,429		\$108,074,405	\$108,810,504	\$216,884,909	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on

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

these items were applied globally to all agencies.

	-----Fiscal 2022-----					-----Fiscal 2023-----				
	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	231,155	0	85,789	316,944	0.00	274,967	0	105,237	380,204
DP 3 - Inflation Deflation	0.00	(31,727)	0	(14,864)	(46,591)	0.00	(19,897)	0	(9,323)	(29,220)
DP 69010 - Line Item DPHHS Budget	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	\$199,428	\$0	\$70,925	\$270,353	0.00	\$255,070	\$0	\$95,914	\$350,984

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

DP 1 - Personal Services -

The budget includes an increase of \$316,944 total funds in FY 2022 and \$380,204 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 3 - Inflation Deflation -

The legislature approved 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 69010 - Line Item DPHHS Budget -

The legislature approved a funding allocation intended to show more detail in HB 2.

New Proposals

The New Proposals table shows new changes to spending

	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
New Proposals										
DP 3112 - Increase Foster Care Payments	0.00	1,103,213	0	676,163	1,779,376	0.00	1,069,268	0	655,358	1,724,626
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(710,218)	0	0	(710,218)	0.00	0	0	0	0
Total	0.00	\$392,995	\$0	\$676,163	\$1,069,158	0.00	\$1,069,268	\$0	\$655,358	\$1,724,626

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

DP 3112 - Increase Foster Care Payments -

The legislature funded an increase for the foster care daily rate of \$1.50 per day.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves

are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	13,844,325	11,327,869	(2,516,456)	(18.18)%
Operating Expenses	14,476,584	2,452,092	(12,024,492)	(83.06)%
Grants	1,276,104	1,376,102	99,998	7.84 %
Transfers	195,000	130,000	(65,000)	(33.33)%
Debt Service	39,070	0	(39,070)	(100.00)%
Total Expenditures	\$29,831,083	\$15,286,063	(\$14,545,020)	(48.76)%
General Fund	10,895,172	6,717,124	(4,178,048)	(38.35)%
State/Other Special Rev. Funds	2,161,244	860,823	(1,300,421)	(60.17)%
Federal Spec. Rev. Funds	16,774,667	7,708,116	(9,066,551)	(54.05)%
Total Funds	\$29,831,083	\$15,286,063	(\$14,545,020)	(48.76)%
Total Ongoing	\$29,831,083	\$15,390,355	(\$14,440,728)	(48.41)%
Total OTO	\$0	(\$104,292)	(\$104,292)	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, and the Office of Fair Hearings. The Montana Health Coalition is administratively attached. The director serves on many councils including the Interagency Coordinating Council for State Prevention Programs, which is attached to the Governor's Office.

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

Program Highlights

Director's Office Major Budget Highlights
<ul style="list-style-type: none"> • The legislative budget for the Director's Office is a 48.8% decrease relative to the 2021 biennium. This large decrease is a result of COVID-related authority being added to the Director's Office in the 2021 biennium • FTE and personal services funding in the Director's Office were reduced by a net of 4.50 FTE and about \$678,000 relative to the 2021 biennium • The legislaure transferred the suicide prevention coordinator (1.00 FTE) and associated funding to the Addictive and Mental Disorders Division • Established funding for a report on Medicaid-paid abortions

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	64.75	64.75	60.25	60.25
Personal Services	8,508,455	7,568,746	6,275,579	5,603,358	5,724,511
Operating Expenses	7,159,065	12,483,049	1,993,535	1,225,876	1,226,216
Grants	205,353	588,053	688,051	688,051	688,051
Transfers	126,265	130,000	65,000	65,000	65,000
Debt Service	10,067	39,070	0	0	0
Total Expenditures	\$16,009,205	\$20,808,918	\$9,022,165	\$7,582,285	\$7,703,778
General Fund	4,188,758	6,893,446	4,001,726	3,301,968	3,415,156
State/Other Special Rev. Funds	902,348	1,199,245	961,999	429,830	430,993
Federal Spec. Rev. Funds	10,918,099	12,716,227	4,058,440	3,850,487	3,857,629
Total Funds	\$16,009,205	\$20,808,918	\$9,022,165	\$7,582,285	\$7,703,778
Total Ongoing	\$16,009,205	\$20,808,918	\$9,022,165	\$7,686,577	\$7,703,778
Total OTO	\$0	\$0	\$0	(\$104,292)	\$0

Program Narrative

The legislature transferred the suicide prevention coordinator (1.00 FTE) and associated funding from the Director's Office to the Addictive and Mental Disorders Division. The legislature also removed 3.50 vacant FTE from the Director's Office. An appropriation of \$90,000 general fund over the biennium was made in order to provide a report on abortions funded by Medicaid in the state.

Funding

The following table shows adopted 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	6,717,124	0	0	6,717,124	43.94 %	
02377 02 Indirect Activity Prog 04	860,823	0	0	860,823	100.00 %	
02987 Tobacco Interest	0	0	0	0	0.00 %	
State Special Total	\$860,823	\$0	\$0	\$860,823	5.63 %	
03593 03 Indirect Activity Prog 03	(94,980)	0	0	(94,980)	(1.23)%	
03594 03 Indirect Activity Prog 04	7,803,096	0	0	7,803,096	101.23 %	
03674 COVID CRF HHS	0	0	0	0	0.00 %	
03698 FEMA Public Assistance	0	0	0	0	0.00 %	
03942 COVID Provider Relief Stimulus	0	0	0	0	0.00 %	
Federal Special Total	\$7,708,116	\$0	\$0	\$7,708,116	50.43 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$15,286,063	\$0	\$0	\$15,286,063		

The Director's Office 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 to 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](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	4,001,726	4,001,726	8,003,452	119.15 %	9,022,165	9,022,165	18,044,330	118.04 %
SWPL Adjustments	(70,944)	(61,966)	(132,910)	(1.98)%	(141,901)	(123,941)	(265,842)	(1.74)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(628,814)	(524,604)	(1,153,418)	(17.17)%	(1,297,979)	(1,194,446)	(2,492,425)	(16.31)%
Total Budget	\$3,301,968	\$3,415,156	\$6,717,124		\$7,582,285	\$7,703,778	\$15,286,063	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(69,951)	(8,347)	(61,618)	(139,916)	0.00	(61,143)	(7,113)	(54,040)	(122,296)
DP 2 - Fixed Costs	0.00	(244)	(34)	(209)	(487)	0.00	(353)	(49)	(304)	(706)
DP 3 - Inflation Deflation	0.00	(749)	(105)	(644)	(1,498)	0.00	(470)	(66)	(403)	(939)
Grand Total All Present Law Adjustments	0.00	(\$70,944)	(\$8,486)	(\$62,471)	(\$141,901)	0.00	(\$61,966)	(\$7,228)	(\$54,747)	(\$123,941)

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

DP 1 - Personal Services -

The budget includes a decrease of \$139,916 total funds in FY 2022 and \$122,296 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 2 - Fixed Costs -

The legislature approved funding to pay for increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: 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 approved 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.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 445 - Remove Legal Affairs FTE	(3.50)	(169,167)	(23,683)	(145,482)	(338,332)	(3.50)	(169,842)	(23,778)	(146,064)	(339,684)
DP 447 - Report on Medicaid Paid Abortions	0.00	45,000	0	0	45,000	0.00	45,000	0	0	45,000
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(104,292)	0	0	(104,292)	0.00	0	0	0	0
DP 33004 - Transfer Suicide Prevention Prgm from DO to AMDD	(1.00)	(400,355)	(500,000)	0	(900,355)	(1.00)	(399,762)	(500,000)	0	(899,762)
Total	(4.50)	(\$628,814)	(\$523,683)	(\$145,482)	(\$1,297,979)	(4.50)	(\$524,604)	(\$523,778)	(\$146,064)	(\$1,194,446)

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

DP 445 - Remove Legal Affairs FTE -

The legislature removed 3.50 vacant FTE and associated funding from the Director's Office.

DP 447 - Report on Medicaid Paid Abortions -

The legislature established a line item of \$90,000 general fund over the biennium for a report on Medicaid paid abortions.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 33004 - Transfer Suicide Prevention Prgm from DO to AMDD -

The legislature transferred the suicide prevention budget from the Director's Office to the Addictive and Mental Disorders Division. This includes \$800,117 in general fund and \$1,000,000 in state special revenue for the 2023 biennium.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	18,790,381	19,170,835	380,454	2.02 %
Operating Expenses	3,994,759	3,921,226	(73,533)	(1.84)%
Equipment & Intangible Assets	42,912	42,912	0	0.00 %
Debt Service	26,434	0	(26,434)	(100.00)%
Total Expenditures	\$22,854,486	\$23,134,973	\$280,487	1.23 %
General Fund	6,510,846	6,578,043	67,197	1.03 %
State/Other Special Rev. Funds	826,591	726,624	(99,967)	(12.09)%
Federal Spec. Rev. Funds	15,517,049	15,830,306	313,257	2.02 %
Total Funds	\$22,854,486	\$23,134,973	\$280,487	1.23 %
Total Ongoing	\$22,854,486	\$23,226,804	\$372,318	1.63 %
Total OTO	\$0	(\$91,831)	(\$91,831)	100.00 %

Program Description

The purpose of the Child Support Services Division (CSSD) 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 Services Division Major Budget Highlights
<ul style="list-style-type: none"> • The legislative budget for the CSSD increased by 1.2% compared to the 2021 biennium budget due to approval of increases for personal services

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	129.81	129.81	129.81	129.81
Personal Services	9,276,062	9,288,548	9,501,833	9,524,116	9,646,719
Operating Expenses	1,996,445	2,034,146	1,960,613	1,960,613	1,960,613
Equipment & Intangible Assets	0	21,456	21,456	21,456	21,456
Debt Service	10,558	26,434	0	0	0
Total Expenditures	\$11,283,065	\$11,370,584	\$11,483,902	\$11,506,185	\$11,628,788
General Fund	3,198,595	3,219,939	3,290,907	3,237,875	3,340,168
State/Other Special Rev. Funds	458,743	463,279	363,312	363,312	363,312
Federal Spec. Rev. Funds	7,625,727	7,687,366	7,829,683	7,904,998	7,925,308
Total Funds	\$11,283,065	\$11,370,584	\$11,483,902	\$11,506,185	\$11,628,788
Total Ongoing	\$11,283,065	\$11,370,584	\$11,483,902	\$11,598,016	\$11,628,788
Total OTO	\$0	\$0	\$0	(\$91,831)	\$0

Program Narrative

The legislature increased the budget for CSSD by 1.2% for all funds, and by 1.0% in general fund, compared to the 2021 biennium budget.

Funding

The following table shows adopted program funding by source of authority.

Department of Public Health & Human Services, 05-Child Support Services Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	6,578,043	0	0	6,578,043	28.43 %	
02187 Child Support State Share	726,624	0	0	726,624	100.00 %	
State Special Total	\$726,624	\$0	\$0	\$726,624	3.14 %	
03269 Child Support Incentive	2,373,886	0	0	2,373,886	15.00 %	
03570 93.563 - Child Support IVD 66%	13,456,420	0	0	13,456,420	85.00 %	
Federal Special Total	\$15,830,306	\$0	\$0	\$15,830,306	68.43 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$23,134,973	\$0	\$0	\$23,134,973		

CSSD is primarily federally funded. Title IV-D eligible expenditures are funded with 67.9% federal funds and 32.1% 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 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](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	3,290,907	3,290,907	6,581,814	100.06 %	11,483,902	11,483,902	22,967,804	99.28 %
SWPL Adjustments	38,799	49,261	88,060	1.34 %	114,114	144,886	259,000	1.12 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(91,831)	0	(91,831)	(1.40)%	(91,831)	0	(91,831)	(0.40)%
Total Budget	\$3,237,875	\$3,340,168	\$6,578,043		\$11,506,185	\$11,628,788	\$23,134,973	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	38,799	0	75,315	114,114	0.00	49,261	0	95,625	144,886
Grand Total All Present Law Adjustments	0.00	\$38,799	\$0	\$75,315	\$114,114	0.00	\$49,261	\$0	\$95,625	\$144,886

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

DP 1 - Personal Services -

The budget includes an increase of \$114,114 total funds in FY 2022 and \$144,886 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(91,831)	0	0	(91,831)	0.00	0	0	0	0
Total	0.00	(\$91,831)	\$0	\$0	(\$91,831)	0.00	\$0	\$0	\$0	\$0

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

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	8,781,759	7,620,659	(1,161,100)	(13.22)%
Operating Expenses	17,280,259	17,910,493	630,234	3.65 %
Debt Service	45,726	11,352	(34,374)	(75.17)%
Total Expenditures	\$26,107,744	\$25,542,504	(\$565,240)	(2.17)%
General Fund	9,273,681	9,335,603	61,922	0.67 %
State/Other Special Rev. Funds	2,111,022	1,961,335	(149,687)	(7.09)%
Federal Spec. Rev. Funds	14,723,041	14,245,566	(477,475)	(3.24)%
Total Funds	\$26,107,744	\$25,542,504	(\$565,240)	(2.17)%
Total Ongoing	\$26,107,744	\$25,587,941	(\$519,803)	(1.99)%
Total OTO	\$0	(\$45,437)	(\$45,437)	100.00 %

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 department.

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
<ul style="list-style-type: none"> • The legislative budget for the BFSD decreased by 2.2% compared to the 2021 biennium budget. This is the result of a decrease in personal services

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

69010 - Department of Public Health & Human Services 06-Business & Financial Services Div.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	54.00	54.00	54.00	54.00
Personal Services	3,542,717	4,316,760	4,464,999	3,783,169	3,837,490
Operating Expenses	8,858,327	8,977,423	8,302,836	9,227,220	8,683,273
Debt Service	23,671	40,050	5,676	5,676	5,676
Total Expenditures	\$12,424,715	\$13,334,233	\$12,773,511	\$13,016,065	\$12,526,439
General Fund	4,637,483	4,738,841	4,534,840	4,759,911	4,575,692
State/Other Special Rev. Funds	1,081,543	1,201,075	909,947	990,482	970,853
Federal Spec. Rev. Funds	6,705,689	7,394,317	7,328,724	7,265,672	6,979,894
Total Funds	\$12,424,715	\$13,334,233	\$12,773,511	\$13,016,065	\$12,526,439
Total Ongoing	\$12,424,715	\$13,334,233	\$12,773,511	\$13,061,502	\$12,526,439
Total OTO	\$0	\$0	\$0	(\$45,437)	\$0

Program Narrative

The BFSD biennial budget decreased by 2.2% compared to the 2021 biennium budget, including an increase of 0.7% in general fund. The decrease is primarily due to personal services budget changes.

Funding

The following table shows adopted program funding by source of authority.

Department of Public Health & Human Services, 06-Business & Financial Services Div. Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	9,335,603	0	0	9,335,603	36.55 %
02382 02 Indirect Activity Prog 06	1,961,335	0	0	1,961,335	100.00 %
02597 Healthy Montana Kids Plan	0	0	0	0	0.00 %
02789 6901-CHIP/MCHA Tobacco Sett Fd	0	0	0	0	0.00 %
State Special Total	\$1,961,335	\$0	\$0	\$1,961,335	7.68 %
03580 6901-93.778 - Med Adm 50%	0	0	0	0	0.00 %
03591 03 Indirect Activity Prog 06	14,245,566	0	0	14,245,566	100.00 %
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	\$14,245,566	\$0	\$0	\$14,245,566	55.77 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$25,542,504	\$0	\$0	\$25,542,504	

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

BFSD functions include: accounts payable, audit coordination, cash management, contract management, facility reimbursement, financial and accounting oversight, lease management, mail handling, preparation and filing of federal financial reports, property management, purchasing of supplies and equipment, and records management.

Nearly all BFSD activities are funded with indirect revenues from all fund types. The exception to this is facility

69010 - Department of Public Health & Human Services 06-Business & Financial Services Div.

reimbursement activities. General fund is used to support facility reimbursement staff who are responsible for collecting private funds, private insurance, Medicaid, and Medicare from patients receiving services at DPHHS facilities. Funds collected reimburse the general fund as well as state special funds used to support facilities such as the Montana Chemical Dependency Center (MCDC) cost recovery fund. In FY 2020, BFSI collected \$21.4 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](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	4,534,840	4,534,840	9,069,680	97.15 %	12,773,511	12,773,511	25,547,022	100.02 %
SWPL Adjustments	292,043	58,392	350,435	3.75 %	344,869	(189,646)	155,223	0.61 %
PL Adjustments	(21,535)	(17,540)	(39,075)	(0.42)%	(56,878)	(57,426)	(114,304)	(0.45)%
New Proposals	(45,437)	0	(45,437)	(0.49)%	(45,437)	0	(45,437)	(0.18)%
Total Budget	\$4,759,911	\$4,575,692	\$9,335,603		\$13,016,065	\$12,526,439	\$25,542,504	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(79,481)	(9,916)	(546,996)	(636,393)	0.00	(75,345)	(9,420)	(542,744)	(627,509)
DP 2 - Fixed Costs	0.00	371,548	96,020	513,756	981,324	0.00	133,752	80,944	223,206	437,902
DP 3 - Inflation Deflation	0.00	(24)	(4)	(34)	(62)	0.00	(15)	(3)	(21)	(39)
DP 50 - SWPLA Fixed Cost Reductions	0.00	(21,535)	(5,565)	(29,778)	(56,878)	0.00	(17,540)	(10,615)	(29,271)	(57,426)
Grand Total All Present Law Adjustments	0.00	\$270,508	\$80,535	(\$63,052)	\$287,991	0.00	\$40,852	\$60,906	(\$348,830)	(\$247,072)

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

DP 1 - Personal Services -

The budget includes a decrease of \$636,393 total funds in FY 2022 and \$627,509 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 2 - Fixed Costs -

The legislature approved funding to pay for increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: 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 approved 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 - SWPLA Fixed Cost Reductions -

The legislature reduced fixed costs for warehouses, storage rooms, and information technology.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(45,437)	0	0	(45,437)	0.00	0	0	0	0
Total	0.00	(\$45,437)	\$0	\$0	(\$45,437)	0.00	\$0	\$0	\$0	\$0

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

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of SB 110.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	23,796,024	24,795,582	999,558	4.20 %
Operating Expenses	16,061,454	16,088,999	27,545	0.17 %
Equipment & Intangible Assets	283,482	283,482	0	0.00 %
Grants	28,390,111	28,481,480	91,369	0.32 %
Benefits & Claims	7,502,102	7,690,708	188,606	2.51 %
Transfers	1,530,200	1,530,200	0	0.00 %
Debt Service	89,864	0	(89,864)	(100.00)%
Total Expenditures	\$77,653,237	\$78,870,451	\$1,217,214	1.57 %
General Fund	6,180,435	6,357,104	176,669	2.86 %
State/Other Special Rev. Funds	28,330,615	28,536,138	205,523	0.73 %
Federal Spec. Rev. Funds	43,142,187	43,977,209	835,022	1.94 %
Total Funds	\$77,653,237	\$78,870,451	\$1,217,214	1.57 %
Total Ongoing	\$77,653,237	\$78,922,344	\$1,269,107	1.63 %
Total OTO	\$0	(\$51,893)	(\$51,893)	100.00 %

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 300 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;
- 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.

Program Highlights

Public Health and Safety Division Major Budget Highlights
<ul style="list-style-type: none"> • The PHSD 2023 biennium budget is 1.6% higher than the 2021 biennium appropriated budget. This change is driven by increases in personal services • There are over 30 funding sources that support PHSD, with the majority being federal categorical grants that fund specific activities

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	155.25	155.25	155.25	155.25
Personal Services	12,196,991	11,747,342	12,048,682	12,350,519	12,445,063
Operating Expenses	8,973,682	8,013,678	8,047,776	8,043,748	8,045,251
Equipment & Intangible Assets	5,330	141,741	141,741	141,741	141,741
Grants	11,598,665	14,149,371	14,240,740	14,240,740	14,240,740
Benefits & Claims	1,569,721	3,656,748	3,845,354	3,845,354	3,845,354
Transfers	326,750	765,100	765,100	765,100	765,100
Debt Service	13,379	89,864	0	0	0
Total Expenditures	\$34,684,518	\$38,563,844	\$39,089,393	\$39,387,202	\$39,483,249
General Fund	3,059,126	3,065,914	3,114,521	3,149,348	3,207,756
State/Other Special Rev. Funds	12,050,106	13,994,514	14,336,101	14,264,206	14,271,932
Federal Spec. Rev. Funds	19,575,286	21,503,416	21,638,771	21,973,648	22,003,561
Total Funds	\$34,684,518	\$38,563,844	\$39,089,393	\$39,387,202	\$39,483,249
Total Ongoing	\$34,684,518	\$38,563,844	\$39,089,393	\$39,439,095	\$39,483,249
Total OTO	\$0	\$0	\$0	(\$51,893)	\$0

Program Narrative

Legislative action impacting the PHSD budget included the adoption of DP 1111, which reduced personal services funding in this program by a total of \$256,268 over the biennium. The legislature also adopted the statewide present law personal services and inflation changes for PHSD.

Funding

The following table shows adopted program funding by source of authority.

Department of Public Health & Human Services, 07-Public Health & Safety Div						
Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	6,357,104	0	0	6,357,104	8.06 %	
02199 DHES Food & Consumer	13,928	0	0	13,928	0.05 %	
02366 Public Health Laboratory	6,733,697	0	0	6,733,697	23.60 %	
02379 02 Indirect Activity Prog 07	575,970	0	0	575,970	2.02 %	
02419 Vital Statistics	803,724	0	0	803,724	2.82 %	
02462 Food/Lodging License	2,392,866	0	0	2,392,866	8.39 %	
02512 BRFS Survey Fees	253,210	0	0	253,210	0.89 %	
02566 Medical Marijuana	240,742	0	0	240,742	0.84 %	
02765 Insurance Policies Fees SB278	0	0	0	0	0.00 %	
02790 6901-Statewide Tobacco Sttlmnt	16,285,649	0	0	16,285,649	57.07 %	
02987 Tobacco Interest	1,236,352	0	0	1,236,352	4.33 %	
State Special Total	\$28,536,138	\$0	\$0	\$28,536,138	36.18 %	
03159 Tuberculosis Grant	346,057	0	0	346,057	0.79 %	
03274 Ryan White Act, Title II	1,779,639	0	0	1,779,639	4.05 %	
03275 Adult Viral Hepatitis Prevent	224,506	0	0	224,506	0.51 %	
03596 03 Indirect Activity Prog 07	1,774,983	0	0	1,774,983	4.04 %	
03602 BRFS Program	919,897	0	0	919,897	2.09 %	
03607 Tobacco Control Program	1,908,711	0	0	1,908,711	4.34 %	
03610 Hospital Preparedness Ebola	0	0	0	0	0.00 %	
03712 6901-Cancer Registries 93.283	625,979	0	0	625,979	1.42 %	
03788 MT Disability & Health	666,881	0	0	666,881	1.52 %	
03336 Food Inspection Program	188,184	0	0	188,184	0.43 %	
03346 Highway Safety/EMS Cont	0	0	0	0	0.00 %	
03366 EMSC SPROC	403,196	0	0	403,196	0.92 %	
03392 Colorectal Cancer Screening	1,051,717	0	0	1,051,717	2.39 %	
03402 Addressing Asthma	802,657	0	0	802,657	1.83 %	
03415 Breast and Cervical Health	3,771,355	0	0	3,771,355	8.58 %	
03540 Ryan White Treatment Rebate	1,616,033	0	0	1,616,033	3.67 %	
03551 Preventive Health Block Grant	1,929,131	0	0	1,929,131	4.39 %	
03569 ACA-ELC Non-PPHF	1,835,770	0	0	1,835,770	4.17 %	
03004 EMS Data Injury	375,440	0	0	375,440	0.85 %	
03014 MT Retail Food Academy	114,732	0	0	114,732	0.26 %	
03903 Emergency Preparedness	9,899,705	0	0	9,899,705	22.51 %	
03904 Bioterr. Hospital Preparedness	1,854,838	0	0	1,854,838	4.22 %	
03936 Vaccination Program	2,818,771	0	0	2,818,771	6.41 %	
03937 STD Program	673,078	0	0	673,078	1.53 %	
03938 Aids Fed. Cat. #13.118	2,409,044	0	0	2,409,044	5.48 %	
03969 Ryan White ADAP Shortfall	2,135,280	0	0	2,135,280	4.86 %	
03979 69010 Comprehnsv Cancer Contrl	754,143	0	0	754,143	1.71 %	
03104 DLI MOU Adult Lead	0	0	0	0	0.00 %	
03023 Ryan White Part B Supplemental	0	0	0	0	0.00 %	
03082 Environmental Health Program	57,220	0	0	57,220	0.13 %	
03831 Prescription Drug Overdose	0	0	0	0	0.00 %	
03270 Walk with Ease Self-Direct Pgm	0	0	0	0	0.00 %	
03321 Opioid Overdose Crisis Coop	0	0	0	0	0.00 %	
03431 Improve Health Diabetes Heart	3,040,262	0	0	3,040,262	6.91 %	
03475 Innovative Diab Heart Stroke	0	0	0	0	0.00 %	
03528 NVDRS Violent Death Data	0	0	0	0	0.00 %	
03700 Innovative Approach Incl Hlth	0	0	0	0	0.00 %	
03947 COVID-19 Supplemental Funding	0	0	0	0	0.00 %	
Federal Special Total	\$43,977,209	\$0	\$0	\$43,977,209	55.76 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$78,870,451	\$0	\$0	\$78,870,451		

The 2023 biennium PHSD 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 in the division. There are over 30 funding sources that support PHSD, with the majority being federal categorical grants that fund specific activities. The major sources of state special revenue are:

- Tobacco settlement funds and tobacco settlement trust fund interest
- Public health laboratory fees
- 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](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	3,114,521	3,114,521	6,229,042	97.99 %	39,089,393	39,089,393	78,178,786	99.12 %
SWPL Adjustments	105,570	112,149	217,719	3.42 %	477,616	522,210	999,826	1.27 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(70,743)	(18,914)	(89,657)	(1.41)%	(179,807)	(128,354)	(308,161)	(0.39)%
Total Budget	\$3,149,348	\$3,207,756	\$6,357,104		\$39,387,202	\$39,483,249	\$78,870,451	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	105,570	(45,666)	421,740	481,644	0.00	112,149	(37,883)	450,469	524,735
DP 3 - Inflation Deflation	0.00	0	(64)	(3,964)	(4,028)	0.00	0	(40)	(2,485)	(2,525)
Grand Total All Present Law Adjustments	0.00	\$105,570	(\$45,730)	\$417,776	\$477,616	0.00	\$112,149	(\$37,923)	\$447,984	\$522,210

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

DP 1 - Personal Services -

The budget includes an increase of \$481,644 total funds in FY 2022 and \$524,735 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 3 - Inflation Deflation -

The legislature approved 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.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1111 - Personal Services Reduction	0.00	(18,850)	(26,165)	(82,899)	(127,914)	0.00	(18,914)	(26,246)	(83,194)	(128,354)
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(51,893)	0	0	(51,893)	0.00	0	0	0	0
Total	0.00	(\$70,743)	(\$26,165)	(\$82,899)	(\$179,807)	0.00	(\$18,914)	(\$26,246)	(\$83,194)	(\$128,354)

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

DP 1111 - Personal Services Reduction -

The legislature approved a reduction of personal services in addition to the executive request for vacancy savings. The total fund reduction at Public Health and Safety Division is \$127,914 in FY 2022 and \$128,354 in FY 2023.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	12,225,997	12,739,151	513,154	4.20 %
Operating Expenses	2,984,885	2,875,216	(109,669)	(3.67)%
Equipment & Intangible Assets	1,050	1,050	0	0.00 %
Grants	1,169,882	1,169,882	0	0.00 %
Debt Service	6,866	0	(6,866)	(100.00)%
Total Expenditures	\$16,388,680	\$16,785,299	\$396,619	2.42 %
General Fund	4,976,848	4,927,968	(48,880)	(0.98)%
State/Other Special Rev. Funds	885,151	926,945	41,794	4.72 %
Federal Spec. Rev. Funds	10,526,681	10,930,386	403,705	3.84 %
Total Funds	\$16,388,680	\$16,785,299	\$396,619	2.42 %
Total Ongoing	\$16,388,680	\$16,849,422	\$460,742	2.81 %
Total OTO	\$0	(\$64,123)	(\$64,123)	100.00 %

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, and ensuring federal compliance.

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

<p>Quality Assurance Division Major Budget Highlights</p>
<ul style="list-style-type: none"> • The legislative 2023 biennium budget for QAD is a 2.4% increase over the QAD appropriation for the 2021 biennium

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	85.50	85.50	85.50	85.50
Personal Services	5,886,828	6,001,125	6,224,872	6,329,099	6,410,052
Operating Expenses	1,055,974	1,538,742	1,446,143	1,435,652	1,439,564
Equipment & Intangible Assets	0	525	525	525	525
Grants	570,572	584,941	584,941	584,941	584,941
Debt Service	2,153	6,866	0	0	0
Total Expenditures	\$7,515,527	\$8,132,199	\$8,256,481	\$8,350,217	\$8,435,082
General Fund	2,350,971	2,456,326	2,520,522	2,427,861	2,500,107
State/Other Special Rev. Funds	353,003	417,054	468,097	463,076	463,869
Federal Spec. Rev. Funds	4,811,553	5,258,819	5,267,862	5,459,280	5,471,106
Total Funds	\$7,515,527	\$8,132,199	\$8,256,481	\$8,350,217	\$8,435,082
Total Ongoing	\$7,515,527	\$8,132,199	\$8,256,481	\$8,414,340	\$8,435,082
Total OTO	\$0	\$0	\$0	(\$64,123)	\$0

Program Narrative

The QAD biennial budget increased by 2.4% relative to the 2021 biennium budget. This was a result of the statewide present law adjustment for personal services.

Funding

The following table shows adopted 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	4,927,968	0	0	4,927,968	29.36 %
02034 Earmarked Alcohol Funds	182,247	0	0	182,247	19.66 %
02043 Med Provider Revalidation Fees	1,000	0	0	1,000	0.11 %
02379 02 Indirect Activity Prog 07	0	0	0	0	0.00 %
02380 02 Indirect Activity Prog 08	25,312	0	0	25,312	2.73 %
02497 6901-Lien & Estate - SLTCD	143,646	0	0	143,646	15.50 %
02566 Medical Marijuana	0	0	0	0	0.00 %
02585 Recovery Audit Contract	191,528	0	0	191,528	20.66 %
02597 Healthy Montana Kids Plan	0	0	0	0	0.00 %
02789 6901-CHIP/MCHA Tobacco Sett Fd	0	0	0	0	0.00 %
02760 Private Alt Adoi Res Programs	383,212	0	0	383,212	41.34 %
State Special Total	\$926,945	\$0	\$0	\$926,945	5.52 %
03299 Support Pregnant & Parent Teen	(285)	0	0	(285)	(0.00)%
03303 Title 18 CLIA	322,209	0	0	322,209	2.95 %
03580 6901-93.778 - Med Adm 50%	1,799,422	0	0	1,799,422	16.46 %
03597 03 Indirect Activity Prog 08	2,393,970	0	0	2,393,970	21.90 %
03335 FDA Mammography Inspections	60,260	0	0	60,260	0.55 %
03359 Recovery Audit Program	282,668	0	0	282,668	2.59 %
03426 CHIP Program Fed	0	0	0	0	0.00 %
03530 6901-Foster Care 93.658	177,785	0	0	177,785	1.63 %
03934 Title 19	980,069	0	0	980,069	8.97 %
03935 Title 18	3,626,019	0	0	3,626,019	33.17 %
03960 Rural Hospital Flexibility Prog	1,288,269	0	0	1,288,269	11.79 %
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %
Federal Special Total	\$10,930,386	\$0	\$0	\$10,930,386	65.12 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$16,785,299	\$0	\$0	\$16,785,299	

QAD is primarily funded by a variety of federal funds. QAD activities pertaining to certifications, licensure, and program compliance are supported primarily by five different federal funding sources, some of which support more than one function.

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

General fund and state special revenue are also used to support program costs. General fund supports a wide range of administrative functions including:

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

State special revenues include:

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

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](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	2,520,522	2,520,522	5,041,044	102.29 %	8,256,481	8,256,481	16,512,962	98.38 %
SWPL Adjustments	(28,538)	(20,415)	(48,953)	(0.99)%	157,859	178,601	336,460	2.00 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(64,123)	0	(64,123)	(1.30)%	(64,123)	0	(64,123)	(0.38)%
Total Budget	\$2,427,861	\$2,500,107	\$4,927,968		\$8,350,217	\$8,435,082	\$16,785,299	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(24,061)	(4,601)	197,012	168,350	0.00	(17,609)	(3,965)	206,754	185,180
DP 3 - Inflation Deflation	0.00	(4,477)	(420)	(5,594)	(10,491)	0.00	(2,806)	(263)	(3,510)	(6,579)
Grand Total All Present Law Adjustments	0.00	(\$28,538)	(\$5,021)	\$191,418	\$157,859	0.00	(\$20,415)	(\$4,228)	\$203,244	\$178,601

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

DP 1 - Personal Services -

The budget includes an increase of \$168,350 total funds in FY 2022 and \$185,180 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 3 - Inflation Deflation -

The legislature approved 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.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(64,123)	0	0	(64,123)	0.00	0	0	0	0
Total	0.00	(\$64,123)	\$0	\$0	(\$64,123)	0.00	\$0	\$0	\$0	\$0

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

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of SB 110.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	10,403,181	9,884,582	(518,599)	(4.99)%
Operating Expenses	52,542,452	50,839,058	(1,703,394)	(3.24)%
Equipment & Intangible Assets	418,412	418,412	0	0.00 %
Debt Service	189,078	182,532	(6,546)	(3.46)%
Total Expenditures	\$63,553,123	\$61,324,584	(\$2,228,539)	(3.51)%
General Fund	25,955,136	25,587,741	(367,395)	(1.42)%
State/Other Special Rev. Funds	3,458,851	2,740,048	(718,803)	(20.78)%
Federal Spec. Rev. Funds	34,139,136	32,996,795	(1,142,341)	(3.35)%
Total Funds	\$63,553,123	\$61,324,584	(\$2,228,539)	(3.51)%
Total Ongoing	\$63,553,123	\$61,370,708	(\$2,182,415)	(3.43)%
Total OTO	\$0	(\$46,124)	(\$46,124)	100.00 %

Program Description

The overall mission of the Technology Service Division (TSD) is to use and improve information technology to protect the health, well-being, and self-reliance of all Montanans. TSD services include programming, help desk functions, database support, web development, enterprise architecture, 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
<ul style="list-style-type: none"> • The legislative budget for the TSD decreased by 3.5% compared to the 2021 biennium budget. This decrease is a result of the legislature authorizing a SITSD ServiceNow reduction of approximately \$1.1 million

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	56.00	56.00	56.00	56.00
Personal Services	4,806,528	5,286,278	5,116,903	4,913,121	4,971,461
Operating Expenses	26,659,791	26,436,504	26,105,948	25,383,632	25,455,426
Equipment & Intangible Assets	0	209,206	209,206	209,206	209,206
Debt Service	852	97,812	91,266	91,266	91,266
Total Expenditures	\$31,467,171	\$32,029,800	\$31,523,323	\$30,597,225	\$30,727,359
General Fund	12,666,885	12,785,962	13,169,174	12,754,004	12,833,737
State/Other Special Rev. Funds	1,836,758	2,024,368	1,434,483	1,366,664	1,373,384
Federal Spec. Rev. Funds	16,963,528	17,219,470	16,919,666	16,476,557	16,520,238
Total Funds	\$31,467,171	\$32,029,800	\$31,523,323	\$30,597,225	\$30,727,359
Total Ongoing	\$31,467,171	\$32,029,800	\$31,523,323	\$30,643,349	\$30,727,359
Total OTO	\$0	\$0	\$0	(\$46,124)	\$0

Program Narrative

The TSD biennial budget decreased by 3.5% relative to the 2021 biennium budget. This change is primarily the result of a reduction in SITSD. This SITSD reduction is due to the purchase of Service Now licenses and programs for the 2023 biennium which are anticipated to result in operating efficiencies and other savings.

Funding

The following table shows adopted 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	25,587,741	0	0	25,587,741	41.73 %
02381 02 Indirect Activity Prog 09	2,740,048	0	0	2,740,048	100.00 %
02597 Healthy Montana Kids Plan	0	0	0	0	0.00 %
02789 6901-CHIP/MCHA Tobacco Sett Fd	0	0	0	0	0.00 %
State Special Total	\$2,740,048	\$0	\$0	\$2,740,048	4.47 %
03580 6901-93.778 - Med Adm 50%	0	0	0	0	0.00 %
03598 03 Indirect Activity Prog 09	32,996,795	0	0	32,996,795	100.00 %
03426 CHIP Program Fed	0	0	0	0	0.00 %
Federal Special Total	\$32,996,795	\$0	\$0	\$32,996,795	53.81 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$61,324,584	\$0	\$0	\$61,324,584	

TSD receives general fund, state special revenue, and federal funds through a federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefitting or serving other programs in the department.

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](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	13,169,174	13,169,174	26,338,348	102.93 %	31,523,323	31,523,323	63,046,646	102.81 %
SWPL Adjustments	(55,235)	(21,666)	(76,901)	(0.30)%	(137,668)	(53,759)	(191,427)	(0.31)%
PL Adjustments	(324,211)	(324,171)	(648,382)	(2.53)%	(752,706)	(752,605)	(1,505,311)	(2.45)%
New Proposals	(35,724)	10,400	(25,324)	(0.10)%	(35,724)	10,400	(25,324)	(0.04)%
Total Budget	\$12,754,004	\$12,833,737	\$25,587,741		\$30,597,225	\$30,727,359	\$61,324,584	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(63,231)	(12,481)	(81,946)	(157,658)	0.00	(58,339)	(11,505)	(75,598)	(145,442)
DP 2 - Fixed Costs	0.00	8,356	1,671	10,863	20,890	0.00	36,899	7,380	47,968	92,247
DP 3 - Inflation Deflation	0.00	(360)	(72)	(468)	(900)	0.00	(226)	(45)	(293)	(564)
DP 50 - SWPLA Fixed Cost Reductions	0.00	(83,798)	(16,760)	(108,938)	(209,496)	0.00	(83,758)	(16,752)	(108,885)	(209,395)
DP 901 - SITSD Service Now Reduction	0.00	(240,413)	(40,177)	(262,620)	(543,210)	0.00	(240,413)	(40,177)	(262,620)	(543,210)
DP 69010 - Line Item DPHHS Budget	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	(\$379,446)	(\$67,819)	(\$443,109)	(\$890,374)	0.00	(\$345,837)	(\$61,099)	(\$399,428)	(\$806,364)

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

DP 1 - Personal Services -

The budget includes a decrease of \$157,658 total funds in FY 2022 and \$145,442 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 2 - Fixed Costs -

The legislature approved funding to pay for increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: 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 approved 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 - SWPLA Fixed Cost Reductions -

The legislature reduced fixed costs for warehouses, storage rooms, and information technology.

DP 901 - SITSD Service Now Reduction -

The legislature approved a decrease in funding because of the purchase of ServiceNow licenses and programs for the 2023 biennium.

DP 69010 - Line Item DPHHS Budget -

The legislature approved a funding allocation intended to show more detail in HB 2.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 904 - NRIS/GIS Fixed Costs	0.00	10,400	0	0	10,400	0.00	10,400	0	0	10,400
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(46,124)	0	0	(46,124)	0.00	0	0	0	0
Total	0.00	(\$35,724)	\$0	\$0	(\$35,724)	0.00	\$10,400	\$0	\$0	\$10,400

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

DP 904 - NRIS/GIS Fixed Costs -

The 2019 Legislature enacted HB 633 requiring the Legislative Finance Committee (LFC) to conduct a study of the funding of digital library services. The LFC recommended that the Office of Budget and Program Planning include an assessment for the natural resource information system (NRIS) and the geographic information system (GIS) as a fixed cost to state agencies beginning in the 2023 biennium. The assessment is made to those agencies that utilize the NRIS/GIS.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of SB 110.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	21,302,534	15,023,438	(6,279,096)	(29.48)%
Operating Expenses	7,965,161	6,696,207	(1,268,954)	(15.93)%
Benefits & Claims	557,472,719	611,183,033	53,710,314	9.63%
Debt Service	77,564	0	(77,564)	(100.00)%
Total Expenditures	\$586,817,978	\$632,902,678	\$46,084,700	7.85%
General Fund	169,224,373	183,699,602	14,475,229	8.55%
State/Other Special Rev. Funds	13,148,494	11,401,980	(1,746,514)	(13.28)%
Federal Spec. Rev. Funds	404,445,111	437,801,096	33,355,985	8.25%
Total Funds	\$586,817,978	\$632,902,678	\$46,084,700	7.85%
Total Ongoing	\$586,817,978	\$633,113,956	\$46,295,978	7.89%
Total OTO	\$0	(\$211,278)	(\$211,278)	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 a home and community-based Medicaid waiver, outpatient applied behavioral analysis services, and the (currently operational) state facility at the Intensive Behavior Center in Boulder. These services include transportation, residential and work habilitation, adaptive equipment, and some medical services not covered by the state Medicaid plan.

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

Statutory Title 53, MCA, 29USC 721 et seq., 29USC 796, et seq., 29USC 774, et seq., 29USC 777(b), 29USC 2201 et seq., 42 USC 75, 6602, 72USC 1300, 42CFR 441.302(b), 4CFR 441.302(g), 45CFR 74.62, and 34CFR Part 303.

Program Highlights

Developmental Services Division Major Budget Highlights
<ul style="list-style-type: none"> • The DSD budget is 7.9% higher than the 2021 biennium • The legislature reduced the appropriation for the Intensive Behavioral Center (IBC) in DSD by \$2.0 million general fund in each fiscal year of the 2023 biennium • Funding for the Boulder campus was removed, lowering the budget by approximately \$1.0 million general fund over the biennium. The Boulder campus was moved to the Department of Justice while DPHHS maintains the IBC at the same location • The legislature adopted a Medicaid provider rate increase, exempting hospitals and physicians • The legislature removed 11.0 FTE quality improvement specialist positions

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	155.91	155.91	137.91	137.91
Personal Services	9,709,136	10,480,431	10,822,103	7,392,189	7,631,249
Operating Expenses	2,791,147	3,967,734	3,997,427	3,349,629	3,346,578
Benefits & Claims	239,500,086	262,739,924	294,732,795	298,141,318	313,041,715
Debt Service	39,156	39,632	37,932	0	0
Total Expenditures	\$252,039,525	\$277,227,721	\$309,590,257	\$308,883,136	\$324,019,542
General Fund	76,856,425	78,840,098	90,384,275	88,968,947	94,730,655
State/Other Special Rev. Funds	6,445,204	6,446,482	6,702,012	5,700,990	5,700,990
Federal Spec. Rev. Funds	168,737,896	191,941,141	212,503,970	214,213,199	223,587,897
Total Funds	\$252,039,525	\$277,227,721	\$309,590,257	\$308,883,136	\$324,019,542
Total Ongoing	\$252,039,525	\$277,227,721	\$309,590,257	\$309,094,414	\$324,019,542
Total OTO	\$0	\$0	\$0	(\$211,278)	\$0

Program Narrative

The DSD budget increased by 7.9% relative to the 2021 biennium. The funding and FTE for the Boulder campus was removed, lowering the budget by approximately \$1.0 million general fund over the biennium. The Boulder campus was transferred to the Department of Justice for the purpose of the Montana Highway Patrol, while DPHHS maintains the Intensive Behavioral Center (IBC) at the same location. The legislature adopted funding for a Medicaid provider rate increase, exempting physicians and hospitals, of 1.0% in FY 2022 and 2.0% in FY 2023. The legislature removed 11.0 FTE quality improvement specialist positions which reduced the general fund and federal special revenue fund by \$743,636 each fiscal year of the biennium.

Funding

The following table shows adopted 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	183,699,602	0	0	183,699,602	29.02 %	
02035 IBC Vocational	2,552	0	0	2,552	0.02 %	
02597 Healthy Montana Kids Plan	2,152,586	0	0	2,152,586	18.88 %	
02772 Tobacco Hlth and Medicaid Init	9,129,794	0	0	9,129,794	80.07 %	
02987 Tobacco Interest	117,048	0	0	117,048	1.03 %	
02365 MTAP Transfers	0	0	0	0	0.00 %	
State Special Total	\$11,401,980	\$0	\$0	\$11,401,980	1.80 %	
03579 93.667 - SSBG - Benefits	3,565,162	0	0	3,565,162	0.81 %	
03580 6901-93.778 - Med Adm 50%	5,891,804	0	0	5,891,804	1.35 %	
03582 93.778 - Med Ben 100%	0	0	0	0	0.00 %	
03583 93.778 - Med Ben FMAP	424,062,667	0	0	424,062,667	96.86 %	
03599 03 Indirect Activity Prog 10	4,271,698	0	0	4,271,698	0.98 %	
03556 84.181 - Part H - Early Interv	0	0	0	0	0.00 %	
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %	
03975 Medicaid Exp HELP Act Benefit	9,765	0	0	9,765	0.00 %	
Federal Special Total	\$437,801,096	\$0	\$0	\$437,801,096	69.17 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$632,902,678	\$0	\$0	\$632,902,678		

In addition to the Boulder Intensive Behavioral Center (IBC), Developmental Services Division (DSD) is comprised of two additional programs:

Children’s Mental Health Bureau (CMHB)

- Responsible for providing mental health services for children enrolled in Medicaid
- Administers school-based services including Comprehensive School and Community Treatment (CSCT) which are mental health services for children with Severe Emotional Disturbance (SED)

Developmental Disabilities Program (DDP)

- DDP oversees contracts with private and non-profit organizations that provide services to members of the developmental disabilities (DD) community and their families

The DSD budget includes general fund, state special revenue funds, and federal funds. The majority of federal funds are for benefits and claims provided at the standard FMAP. DDP and CMHB provide Medicaid services to the DD population which are funded at the Federal Medicaid Assistance Percentage (FMAP) with general funds 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 United States Department of Education.

General fund covers the state portion of Medicaid benefits and is used for the IBC.

DSD receives a portion of state special revenue from the Healthy Montana Kids (HMK) fund, the tobacco health and Medicaid initiatives fund, and tobacco interest. All state special revenue is used to cover the state portion of benefits and claims expenditures at DSD.

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](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	90,384,275	90,384,275	180,768,550	98.40 %	309,590,257	309,590,257	619,180,514	97.83 %
SWPL Adjustments	(40,413)	(21,508)	(61,921)	(0.03)%	(52,161)	(21,898)	(74,059)	(0.01)%
PL Adjustments	3,728,794	8,118,082	11,846,876	6.45 %	10,421,349	22,031,697	32,453,046	5.13 %
New Proposals	(5,103,709)	(3,750,194)	(8,853,903)	(4.82)%	(11,076,309)	(7,580,514)	(18,656,823)	(2.95)%
Total Budget	\$88,968,947	\$94,730,655	\$183,699,602		\$308,883,136	\$324,019,542	\$632,902,678	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	16,741	0	(8,969)	7,772	0.00	34,564	0	1,353	35,917
DP 2 - Fixed Costs	0.00	(54,250)	0	0	(54,250)	0.00	(54,250)	0	0	(54,250)
DP 3 - Inflation Deflation	0.00	(2,904)	0	(2,779)	(5,683)	0.00	(1,822)	0	(1,743)	(3,565)
DP 10891 - Med Exp Core DSD	0.00	551	0	(6,224)	(5,673)	0.00	551	0	(6,224)	(5,673)
DP 10991 - Med Core DSD	0.00	1,911,607	0	3,639,716	5,551,323	0.00	4,867,543	0	9,000,100	13,867,643
DP 10992 - Med Waiver DSD	0.00	1,706,007	0	3,169,692	4,875,699	0.00	2,867,574	0	5,302,153	8,169,727
DP 10996 - Med Core FMAP DSD	0.00	190,552	0	(190,552)	0	0.00	312,834	0	(312,834)	0
DP 10997 - Med Waiver FMAP DSD	0.00	(79,923)	0	79,923	0	0.00	69,580	0	(69,580)	0
DP 69010 - Line Item DPHHS Budget	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	\$3,688,381	\$0	\$6,680,807	\$10,369,188	0.00	\$8,096,574	\$0	\$13,913,225	\$22,009,799

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

DP 1 - Personal Services -

The budget includes an increase of \$7,772 total funds in FY 2022 and \$35,917 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 2 - Fixed Costs -

The legislature approved funding to pay for increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: 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 approved 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 10891 - Med Exp Core DSD -

The legislature approved a present law adjustment for caseload growth in the Developmental Services Division to cover an increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This reduction is \$11,346 in total funds. The biennial funding is an increase of \$1,102 in general fund and a reduction of \$12,448 in federal funds.

DP 10991 - Med Core DSD -

The legislature approved a present law adjustment for caseload growth in the Developmental Services Division to cover an increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. The increase is equal to \$19,418,966 in total funds. The biennial funding is \$6,779,150 in general fund and \$12,639,816 in federal funds.

DP 10992 - Med Waiver DSD -

The legislature approved a present law adjustment for Medicaid Waiver caseload growth in the Developmental Services Division to cover an increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. The appropriation is \$13,045,426 in total funds. The biennial funding is \$4,573,581 in general fund, and \$8,471,845 in federal funds.

DP 10996 - Med Core FMAP DSD -

The legislature approved a present law adjustment to maintain existing services for the Medicaid Core Program in the Developmental Services Division. The appropriation is a general fund increase of \$190,552 in FY 2022 and \$312,834 in FY 2023 offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 10997 - Med Waiver FMAP DSD -

The legislature approved a present law adjustment to maintain existing services for the Medicaid Waiver program in the Developmental Services Division. The appropriation is a general fund reduction of \$79,923 In FY 2022 and an increase of \$69,580 in FY 2023 with offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 69010 - Line Item DPHHS Budget -

The legislature approved a funding allocation intended to show more detail in HB 2.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 11 - Remove MTAP Transfers Authority	0.00	0	(800,000)	(1,479,202)	(2,279,202)	0.00	0	(800,000)	(1,479,202)	(2,279,202)
DP 787 - Medicaid PRI - Exempt Hosp & Phys 1%+2% (RST)	0.00	952,633	0	1,761,422	2,714,055	0.00	1,905,267	0	3,522,843	5,428,110
DP 1111 - Personal Services Reduction	0.00	(76,111)	0	(33,823)	(109,934)	0.00	(76,292)	0	(33,929)	(110,221)
DP 1112 - Direct Care Worker Recruitment and Retention	0.00	0	0	0	0	0.00	0	0	0	0
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(211,278)	0	0	(211,278)	0.00	0	0	0	0
DP 10001 - Remove Boulder Campus Appropriation for FY 2023	0.00	0	0	0	0	(7.00)	(992,359)	0	0	(992,359)
DP 10002 - Boulder Campus FY 2022	(7.00)	(987,794)	0	0	(987,794)	0.00	0	0	0	0
DP 10112 - Developmental Disability Waiver PRI	0.00	386,439	0	720,043	1,106,482	0.00	772,878	0	1,429,051	2,201,929
DP 10259 - Remove Quality Improvement Specialist FTE	(11.00)	(371,648)	0	(371,648)	(743,296)	(11.00)	(371,988)	0	(371,988)	(743,976)
DP 10311 - Decrease IBC Budget	0.00	(2,000,000)	0	0	(2,000,000)	0.00	(2,000,000)	0	0	(2,000,000)
DP 10333 - Traditional Medicaid Legislative Caseload DSD	0.00	(2,795,933)	(201,022)	(5,568,221)	(8,565,176)	0.00	(2,987,683)	(201,022)	(5,895,924)	(9,084,629)
DP 10334 - Medicaid Expansion Legislative Caseload DSD	0.00	(17)	0	(149)	(166)	0.00	(17)	0	(149)	(166)
Total	(18.00)	(\$5,103,709)	(\$1,001,022)	(\$4,971,578)	(\$11,076,309)	(18.00)	(\$3,750,194)	(\$1,001,022)	(\$2,829,298)	(\$7,580,514)

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

DP 11 - Remove MTAP Transfers Authority -

The legislature removed the spending authority associated with the MTAP Transfers fund. The appropriation at Developmental Services Division is reduced by \$800,000 in state special revenue, and by \$1,479,202 in federal funds during FY 2022 and by \$800,000 in state special revenue, and by \$1,479,202 in federal funds during FY 2023.

DP 787 - Medicaid PRI - Exempt Hosp & Phys 1%+2% (RST) -

The legislature approved a 1.0% increase for Medicaid providers in FY 2022 and an additional 1.0% in FY 2023. Hospitals and physicians are exempt from the increase. The total funds at Developmental Services Division for the biennium is \$8,142,165 including \$2,857,901 in general fund.

DP 1111 - Personal Services Reduction -

The legislature approved a reduction of personal services in addition to the executive request for vacancy savings. The total fund reduction at Developmental Services Division is \$109,934 in FY 2022 and \$110,221 in FY 2023.

DP 1112 - Direct Care Worker Recruitment and Retention -

This reduces the provider rate increase and appropriates additional funding for recruitment and retention for direct care workers in home and community based services.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency

personal services budgets. The proposal is contingent on passage and approval of SB110.

DP 10001 - Remove Boulder Campus Appropriation for FY 2023 -

The legislature removed the appropriation for FY 2023 for the Boulder Campus, and removed 7.00 FTE. The reduction in appropriation totals \$992,359 in general fund during FY 2023.

DP 10002 - Boulder Campus FY 2022 -

The legislature removed the appropriation for FY 2022 for the Boulder Campus and removed 7.0 FTE. The appropriation totals \$987,794 in general fund during FY 2022.

DP 10112 - Developmental Disability Waiver PRI -

The legislature added funding for a provider rate increase in the Developmental Disabilities Waiver.

DP 10259 - Remove Quality Improvement Specialist FTE -

The legislature removed 11.00 FTE, all quality improvement specialists. The reduction in appropriation totals \$743,636 in general funds and \$743,636 in federal funds for the biennium.

DP 10311 - Decrease IBC Budget -

The legislature reduced the general fund appropriation for the Intensive Behavior Center (IBC) by \$2.0 million in FY 2022 and by \$2.0 million in FY 2023.

DP 10333 - Traditional Medicaid Legislative Caseload DSD -

The legislature approved a reduction for traditional Medicaid at Developmental Services Division. The total funds adjustment for the biennium is \$17,649,805 including \$5,783,616 in general fund.

DP 10334 - Medicaid Expansion Legislative Caseload DSD -

The legislature approved a reduction for Medicaid expansion at Developmental Services Division. The total funds adjustment for the biennium is \$332 including \$34 in general fund.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	7,853,333	7,074,167	(779,166)	(9.92)%
Operating Expenses	34,021,965	32,337,789	(1,684,176)	(4.95)%
Benefits & Claims	3,008,319,440	2,917,191,188	(91,128,252)	(3.03)%
Debt Service	16,842	0	(16,842)	(100.00)%
Total Expenditures	\$3,050,211,580	\$2,956,603,144	(\$93,608,436)	(3.07)%
General Fund	414,496,691	404,548,146	(9,948,545)	(2.40)%
State/Other Special Rev. Funds	265,379,861	259,120,967	(6,258,894)	(2.36)%
Federal Spec. Rev. Funds	2,370,335,028	2,292,934,031	(77,400,997)	(3.27)%
Total Funds	\$3,050,211,580	\$2,956,603,144	(\$93,608,436)	(3.07)%
Total Ongoing	\$3,050,211,580	\$2,956,637,552	(\$93,574,028)	(3.07)%
Total OTO	\$0	(\$34,408)	(\$34,408)	100.00%

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 Medicaid Expansion Program, 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 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% the federal poverty level.

The Montana Medicaid Expansion Program is administered by the division to provide Medicaid coverage to Montanans whose income is below 138% of the federal poverty level.

Big Sky Rx is a state funded program that helps Montanans, who are at or below 200% 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**

- The HRD 2023 biennium budget is 3.1% or \$96.3 million lower than the 2021 biennium budget. The legislature:
- Adopted a legislative caseload adjustment for Medicaid
- Adopted an increased general fund appropriation for the Children's Health Insurance Program (CHIP) in order to address an increasing state share for CHIP and insufficient state special revenue funds
- Reduced the general fund appropriation for Medicaid expansion due to anticipated changes to the policy of 12-month continuous eligibility

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	43.62	43.62	43.62	43.62
Personal Services	2,964,389	3,862,950	3,990,383	3,513,197	3,560,970
Operating Expenses	16,556,196	17,852,919	16,169,046	16,168,860	16,168,929
Benefits & Claims	1,371,226,356	1,457,020,860	1,551,298,580	1,437,644,083	1,479,547,105
Debt Service	4,839	16,842	0	0	0
Total Expenditures	\$1,390,751,780	\$1,478,753,571	\$1,571,458,009	\$1,457,326,140	\$1,499,277,004
General Fund	148,777,359	181,424,719	233,071,972	195,468,234	209,079,912
State/Other Special Rev. Funds	123,451,754	130,394,619	134,985,242	130,191,993	128,928,974
Federal Spec. Rev. Funds	1,118,522,667	1,166,934,233	1,203,400,795	1,131,665,913	1,161,268,118
Total Funds	\$1,390,751,780	\$1,478,753,571	\$1,571,458,009	\$1,457,326,140	\$1,499,277,004
Total Ongoing	\$1,390,751,780	\$1,478,753,571	\$1,571,458,009	\$1,457,360,548	\$1,499,277,004
Total OTO	\$0	\$0	\$0	(\$34,408)	\$0

Program Narrative

The legislature performed a number of significant actions that impact the Health Resources Division budget. The general fund appropriation for CHIP was increased by \$8.4 million over the biennium with the state special fund appropriation for CHIP being reduced by the same amount in order to compensate for an ongoing shortfall in the CHIP tobacco settlement fund.

Legislative caseload adjustments for Medicaid and CHIP were adopted, along with a reduction to Medicaid provider rates for non-critical-access hospitals. The legislature also reduced the general fund appropriation for Medicaid expansion by \$10.6 million over the biennium, while increasing the federal funds appropriation by a like amount, in anticipation of changes to the continuous eligibility policy in Medicaid expansion. The legislature adopted funding for a Medicaid provider rate increase, exempting physicians and hospitals, of 1.0% in FY 2022 and 2.0% in FY 2023.

The Medicaid budget was reduced by \$3.0 million over the biennium in correspondence with anticipated changes to prescription drug spending in Medicaid. The legislature also appropriated to HRD \$4.6 million for direct care worker recruitment and retention with the expectation that these funds will be transferred to relevant DPHHS divisions.

Funding

The following table shows adopted program funding by source of authority.

Department of Public Health & Human Services, 11-Health Resource Division Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	404,548,146	0	0	404,548,146	12.86 %	
02053 Medicaid IGT's	241,599	0	0	241,599	0.09 %	
02142 Medicaid Third Party Revenue	1,522,306	0	0	1,522,306	0.59 %	
02164 MT Univ System Grad Med Ed	0	0	0	0	0.00 %	
02311 02 Indirect Activity Prog 11	85,032	0	0	85,032	0.03 %	
02566 Medical Marijuana	0	0	0	0	0.00 %	
02597 Healthy Montana Kids Plan	63,182,079	0	0	63,182,079	24.38 %	
02772 Tobacco Hlth and Medicaid Init	12,795,961	0	0	12,795,961	4.94 %	
02789 6901-CHIP/MCHA Tobacco Sett Fd	16,478,438	0	0	16,478,438	6.36 %	
02987 Tobacco Interest	5,667,366	0	0	5,667,366	2.19 %	
02989 69010-Hospital Utilization Fee	102,328,751	0	0	102,328,751	39.49 %	
02067 Montana HELP Act	56,819,435	0	0	56,819,435	21.93 %	
02081 Pain Management Education	0	0	0	0	0.00 %	
State Special Total	\$259,120,967	\$0	\$0	\$259,120,967	8.24 %	
03580 6901-93.778 - Med Adm 50%	12,524,612	0	0	12,524,612	0.50 %	
03582 93.778 - Med Ben 100%	0	0	189,112,462	189,112,462	7.62 %	
03583 93.778 - Med Ben FMAP	733,939,183	0	2	733,939,185	29.57 %	
03611 03 Indirect Activity Prog 11	1,228,736	0	0	1,228,736	0.05 %	
03426 CHIP Program Fed	177,230,829	0	0	177,230,829	7.14 %	
03974 Medicaid Exp HELP Act Admin	1,887,577	0	0	1,887,577	0.08 %	
03975 Medicaid Exp HELP Act Benefit	1,255,950,219	0	0	1,255,950,219	50.60 %	
03977 Med Exp HELP Act Indian Health	110,172,875	0	0	110,172,875	4.44 %	
03480 HRSA Safeguarding Two Lives	0	0	0	0	0.00 %	
Federal Special Total	\$2,292,934,031	\$0	\$189,112,464	\$2,482,046,495	78.90 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$2,956,603,144	\$0	\$189,112,464	\$3,145,715,608		

The 2023 biennium 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.

State special revenue includes several sources of revenue. State special revenue is used towards the state match for Medicaid and CHIP, and fully funds the Big Sky Rx program in the 2023 biennium. Federal funds include Medicaid and CHIP funds. Medicaid is an entitlement fund source, meaning that the federal government will match all eligible expenditures at a certain rate. This rate, known as the Federal Medical Assistance Percentage (FMAP), is determined by comparing the average per capita income of a state to the national average per capita income. The FMAP for Medicaid expansion is 90.0%, meaning that the federal government reimburses the state for 90.0% of the expenditures incurred under this program.

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)
- Outpatient hospital tax
- Tobacco revenue from the health and Medicaid initiatives account
- Insurance tax proceeds allocated to the 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 funds
- Tobacco settlement trust fund interest

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 funds support the majority of the 2023 biennium budget (including statutory expenditures). Federal funding sources include:

- Federal Medicaid matching funds: some at a 50.0% match (Medicaid program administration), some at 100.0% (Indian Health Services statutory expenditures), some at 90.0% (Medicaid expansion) and some at the FMAP rate discussed above (about 65.0% depending on the year)
- Federal CHIP matching funds: about 11.0 percentage points higher than the standard FMAP rate

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](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	233,071,972	233,071,972	466,143,944	115.23 %	1,571,458,009	1,571,458,009	3,142,916,018	106.30 %
SWPL Adjustments	(177,393)	(171,319)	(348,712)	(0.09)%	(442,964)	(429,530)	(872,494)	(0.03)%
PL Adjustments	(29,051,656)	(20,700,470)	(49,752,126)	(12.30)%	(75,946,350)	(38,550,420)	(114,496,770)	(3.87)%
New Proposals	(8,374,689)	(3,120,271)	(11,494,960)	(2.84)%	(37,742,555)	(33,201,055)	(70,943,610)	(2.40)%
Total Budget	\$195,468,234	\$209,079,912	\$404,548,146		\$1,457,326,140	\$1,499,277,004	\$2,956,603,144	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(177,300)	(342)	(265,136)	(442,778)	0.00	(171,261)	(176)	(257,976)	(429,413)
DP 3 - Inflation Deflation	0.00	(93)	0	(93)	(186)	0.00	(58)	0	(59)	(117)
DP 11755 - HMK/CHIP Legislative Caseload	0.00	0	1,117,148	3,451,965	4,569,113	0.00	0	1,893,438	5,812,863	7,706,301
DP 11796 - HMK FMAP HRD	0.00	0	3,757,023	(3,757,023)	0	0.00	0	3,890,641	(3,890,641)	0
DP 11891 - Med Exp Core HRD	0.00	1,171,766	(5,778,226)	(37,757,430)	(42,363,890)	0.00	926,225	(4,623,415)	(31,946,009)	(35,643,199)
DP 11893 - Med Exp Fed HRD	0.00	0	0	12,474,422	12,474,422	0.00	0	0	10,869,805	10,869,805
DP 11896 - Med Exp Core FMAP HRD	0.00	(7,573,294)	0	7,573,294	0	0.00	(7,573,294)	0	7,573,294	0
DP 11897 - Med Exp Core HUF HRD	0.00	0	1,345,205	12,106,849	13,452,054	0.00	0	1,969,367	17,724,299	19,693,666
DP 11899 - Med Exp Core HUF FMAP HRD	0.00	0	(824,313)	824,313	0	0.00	0	(824,313)	824,313	0
DP 11991 - Med Core HRD	0.00	(18,422,994)	0	(34,229,175)	(52,652,169)	0.00	(11,204,230)	0	(20,716,653)	(31,920,883)
DP 11993 - Med Federal HRD	0.00	0	0	(3,160,160)	(3,160,160)	0.00	0	0	(3,066,060)	(3,066,060)
DP 11994 - Med Other HRD	0.00	(440,667)	0	0	(440,667)	0.00	343,211	0	0	343,211
DP 11996 - Med Core FMAP HRD	0.00	(3,786,467)	0	3,786,467	0	0.00	(3,192,382)	0	3,192,382	0
DP 11997 - Med Core HUF HRD	0.00	0	(2,737,986)	(5,087,067)	(7,825,053)	0.00	0	(2,293,175)	(4,240,086)	(6,533,261)
DP 11999 - Med Core HUF FMAP HRD	0.00	0	3,591,837	(3,591,837)	0	0.00	0	3,674,143	(3,674,143)	0
DP 69010 - Line Item DPHHS Budget	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	(\$29,229,049)	\$470,346	(\$47,630,611)	(\$76,389,314)	0.00	(\$20,871,789)	\$3,686,510	(\$21,794,671)	(\$38,979,950)

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

DP 1 - Personal Services -

The budget includes a decrease of \$442,778 total funds in FY 2022 and \$429,413 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 3 - Inflation Deflation -

The legislature approved 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 11755 - HMK/CHIP Legislative Caseload -

The legislature adopted a caseload increase for HMK/CHIP in the Health Resources Division.

DP 11796 - HMK FMAP HRD -

The legislature approved a present law adjustment to maintain existing services for the Healthy Montana Kids program in the Health Resource Division. This results in a state special revenue fund increase of \$3,757,023 in FY 2022 and \$3,890,641 in FY 2023 with offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 11891 - Med Exp Core HRD -

The legislature approved a present law adjustment for caseload growth in the Health Resource Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This results in a reduction of \$78,007,089 in total funds. The biennial funding is an increase in general fund of \$2,097,991, a decrease of \$10,401,641 in state special revenue funds and a decrease of \$69,703,439 in federal funds.

DP 11893 - Med Exp Fed HRD -

The legislature approved a present law adjustment for caseload growth in the Health Resource Division which covers projected changes in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This results in a biennial increase in federal funds of \$23,344,227.

DP 11896 - Med Exp Core FMAP HRD -

The legislature approved a present law adjustment to maintain existing services for the Medicaid Expansion program in the Health Resource Division. This results in a general fund reduction of \$7,573,294 in FY 2022 and \$7,573,294 in FY 2023 with offsetting federal fund adjustments for each year.

DP 11897 - Med Exp Core HUF HRD -

The legislature approved a present law adjustment for the Medicaid expansion hospital utilization fee in the Health Resources Division. This results in an increase of \$33,145,720 in total funds. The biennial funding is an increase of \$3,314,572 in state special revenue and increase of \$29,831,148 in federal funds.

DP 11899 - Med Exp Core HUF FMAP HRD -

The legislature approved a present law adjustment to maintain existing services for the Medicaid expansion hospital utilization fee in the Health Resource Division. This results in a state special revenue fund decrease of \$824,313 in FY 2022 and \$824,313 in FY 2023 with offsetting federal fund adjustments for each year. The total cost for the program does not change.

DP 11991 - Med Core HRD -

The legislature approved a present law adjustment for caseload growth in the Health Resources Division which covers projected changes in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This results in a reduction of \$84,573,052 in total funds. The biennial funding is a decrease of \$29,627,224 in general fund and \$55,945,828 in federal funds.

DP 11993 - Med Federal HRD -

The legislature approved a present law adjustment for caseload growth in the Health Resource Division which covers projected changes in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This results in a biennial decrease in federal funds of \$6,226,220.

DP 11994 - Med Other HRD -

The legislature approved a present law adjustment to maintain existing services for the Medicaid Clawback program in the Health Resources Division. This results in a reduction of total funds of \$97,456 for the biennium with a decrease in the general fund amount of \$440,667 in FY 2022 and an increase of \$343,211 in FY 2023.

DP 11996 - Med Core FMAP HRD -

The legislature approved a present law adjustment to maintain existing services for the Medicaid program in the Health Resource Division. This results in a general fund decrease of \$3,786,467 in FY 2022 and \$3,192,382 in FY 2023 with offsetting federal fund adjustments for each year.

DP 11997 - Med Core HUF HRD -

The legislature approved a present law adjustment to maintain existing services for the Medicaid inpatient hospital utilization fee in the Health Resources Division. This results in a reduction in total funds of \$14,358,314 for the biennium with a decrease in state special revenue of \$5,031,161 and a decrease in federal funds of \$9,327,153.

DP 11999 - Med Core HUF FMAP HRD -

The legislature approved a present law adjustment to maintain existing services for the Medicaid program in the Health Resource Division. This results in a state special revenue increase of \$3,591,837 in FY 2022 and \$3,674,143 in FY 2023 with offsetting federal fund adjustments for each year.

DP 69010 - Line Item DPHHS Budget -

The legislature approved a funding allocation intended to show more detail in HB 2.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 787 - Medicaid PRI - Exempt Hosp & Phys 1%+2% (RST)	0.00	1,753,408	0	3,242,055	4,995,463	0.00	3,506,815	0	6,484,110	9,990,925
DP 1112 - Direct Care Worker Recruitment and Retention	0.00	386,439	0	1,163,968	1,550,407	0.00	772,878	0	2,306,316	3,079,194
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(34,408)	0	0	(34,408)	0.00	0	0	0	0
DP 11002 - Prescription Efficiencies	0.00	(1,000,000)	0	0	(1,000,000)	0.00	(2,000,000)	0	0	(2,000,000)
DP 11333 - Traditional Medicaid Legislative Caseload HRD	0.00	(4,940,605)	(1,700,283)	(10,954,056)	(17,594,944)	0.00	(5,183,507)	(1,716,096)	(11,367,372)	(18,266,975)
DP 11334 - Medicaid Expansion Legislative Caseload HRD	0.00	(696,995)	(1,563,312)	(20,859,491)	(23,119,798)	0.00	(674,629)	(1,616,682)	(21,154,218)	(23,445,529)
DP 11551 - Expansion Continuous Eligibility FMAP Adjustment	0.00	(5,281,224)	0	5,281,224	0	0.00	(5,381,763)	0	5,381,763	0
DP 11655 - Medicaid Hospital Services Non-CAH Reduction	0.00	(561,304)	0	(1,977,971)	(2,539,275)	0.00	(570,065)	0	(1,988,605)	(2,558,670)
DP 11789 - Realign Funding for CHIP/HMK	0.00	0	0	0	0	0.00	8,410,000	(8,410,000)	0	0
DP 11790 - CHIP Funding Adjustment - CHIP Tob Settlement Fund	0.00	0	0	0	0	0.00	(4,000,000)	4,000,000	0	0
DP 11791 - CHIP Tobacco Fund Adjustment	0.00	2,000,000	(2,000,000)	0	0	0.00	2,000,000	(2,000,000)	0	0
Total	0.00	(\$8,374,689)	(\$5,263,595)	(\$24,104,271)	(\$37,742,555)	0.00	(\$3,120,271)	(\$9,742,778)	(\$20,338,006)	(\$33,201,055)

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

DP 787 - Medicaid PRI - Exempt Hosp & Phys 1%+2% (RST) -

The legislature approved a 1.0% increase for Medicaid providers in FY 2022 and an additional 1.0% in FY 2023. Hospitals

and physicians are exempt from the increase.

DP 1112 - Direct Care Worker Recruitment and Retention -

This change package reduces the provider rate increase and appropriates additional funding for recruitment and retention for direct care workers in home and community based services.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 11002 - Prescription Efficiencies -

The legislature approved a reduction to the HRD budget of \$3.0 million general fund over the biennium associated with anticipated savings resulting from increased efficiencies in prescription drug administration.

DP 11333 - Traditional Medicaid Legislative Caseload HRD -

The legislature approved a caseload reduction for traditional Medicaid in the Health Resources Division. The total funds adjustment for the biennium is \$35,861,920 including \$10,124,112 in general fund.

DP 11334 - Medicaid Expansion Legislative Caseload HRD -

The legislature approved a caseload reduction for Medicaid expansion in the Health Resources Division. The total funds adjustment for the biennium is \$46,565,327 including \$1,371,624 in general fund.

DP 11551 - Expansion Continuous Eligibility FMAP Adjustment -

The legislature adopted an FMAP adjustment to Medicaid expansion for anticipated changes to continuous eligibility. The fund switch for the 2023 biennium is a reduction of \$10,662,987 in general fund with a matching increase in federal funds.

DP 11655 - Medicaid Hospital Services Non-CAH Reduction -

The legislature reduced the appropriation for non-critical access hospitals in the Health Resources Division to reflect a 1.0% decrease in provider rates.

DP 11789 - Realign Funding for CHIP/HMK -

The legislature approved a new proposal to maintain existing services for the Healthy Montana Kids program in the Health Resources Division. This results in an increase in general fund of \$8,410,000 in FY 2023 with an offsetting adjustment in I-146/CHIP tobacco settlement state special funds.

DP 11790 - CHIP Funding Adjustment - CHIP Tob Settlement Fund -

The legislature adopted a funding adjustment for HMK/CHIP in the Health Resources Division.

DP 11791 - CHIP Tobacco Fund Adjustment -

The legislature adopted a funding adjustment for HMK/CHIP in the Health Resources Division.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	2,244,510	2,541,310	296,800	13.22 %
Operating Expenses	48,826,620	65,077,906	16,251,286	33.28 %
Grants	8,401,532	3,242,830	(5,158,702)	(61.40)%
Benefits & Claims	38,098	5,098	(33,000)	(86.62)%
Transfers	14,200	6,200	(8,000)	(56.34)%
Total Expenditures	\$59,524,960	\$70,873,344	\$11,348,384	19.06 %
General Fund	12,614,663	18,518,365	5,903,702	46.80 %
State/Other Special Rev. Funds	274,918	71,326	(203,592)	(74.06)%
Federal Spec. Rev. Funds	46,635,379	52,283,653	5,648,274	12.11 %
Total Funds	\$59,524,960	\$70,873,344	\$11,348,384	19.06 %
Total Ongoing	\$59,524,960	\$70,877,653	\$11,352,693	19.07 %
Total OTO	\$0	(\$4,309)	(\$4,309)	100.00 %

Program Description

The Medicaid & Health Services Management Division (MHSM) is led by the Medicaid and Health Services Branch Manager. The Medicaid & Health Services Management Division 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 systems responsible for provider enrollment and self-service, Medicaid federal reporting, member care program and case management, and the processing and payment of Medicaid claims

Program Highlights

Medicaid and Health Services Management Division Major Budget Highlights
<ul style="list-style-type: none"> • The MHSM budget increased by 19.1% relative to the 2021 biennium budget driven by increases in operating expenses associated with the Montana Program for Automating and Transforming Healthcare (MPATH) system • Reduced FTE by 1.00 due to the move of the Comprehensive School and Community Treatment (CSCT) Program to the Office of Public Instruction

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	10.00	10.00	9.00	9.00
Personal Services	929,288	1,176,781	1,067,729	1,267,330	1,273,980
Operating Expenses	22,227,809	24,222,817	24,603,803	28,547,458	36,530,448
Grants	559,674	3,002,194	5,399,338	1,621,415	1,621,415
Benefits & Claims	15,064	35,549	2,549	2,549	2,549
Transfers	2,526	11,100	3,100	3,100	3,100
Total Expenditures	\$23,734,361	\$28,448,441	\$31,076,519	\$31,441,852	\$39,431,492
General Fund	6,231,592	6,608,460	6,006,203	8,164,143	10,354,222
State/Other Special Rev. Funds	62,953	72,231	202,687	34,472	36,854
Federal Spec. Rev. Funds	17,439,816	21,767,750	24,867,629	23,243,237	29,040,416
Total Funds	\$23,734,361	\$28,448,441	\$31,076,519	\$31,441,852	\$39,431,492
Total Ongoing	\$23,734,361	\$28,448,441	\$31,076,519	\$31,446,161	\$39,431,492
Total OTO	\$0	\$0	\$0	(\$4,309)	\$0

Program Narrative

This division houses the Montana Medicaid Information System (MMIS), which makes up a large portion of the operating expenses in this division. The 2023 biennial budget includes an increase of \$8.3 million tied to the MMIS and MPATH systems. Medicaid expansion administration federal funds are \$21.3 million over the biennium.

The legislature reduced FTE in this division by 1.00 due to the movement of the CSCT program to the Office of Public Instruction.

Funding

The following table shows adopted program funding by source of authority.

Department of Public Health & Human Services, 12-Medicaid & Health Svr Mgt Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	18,518,365	0	0	18,518,365	26.13 %
02220 02 Indirect Activity Prog 12	71,326	0	0	71,326	100.00 %
State Special Total	\$71,326	\$0	\$0	\$71,326	0.10 %
03305 03 Indirect Activity Prog 12	27,325,504	0	0	27,325,504	52.26 %
03580 6901-93.778 - Med Adm 50%	2,874,690	0	0	2,874,690	5.50 %
03523 93.566 - Refugee Soc. Serv	163,370	0	0	163,370	0.31 %
03571 93.566 - Off Ref Reset Adm 10	589,533	0	0	589,533	1.13 %
03974 Medicaid Exp HELP Act Admin	21,330,556	0	0	21,330,556	40.80 %
Federal Special Total	\$52,283,653	\$0	\$0	\$52,283,653	73.77 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$70,873,344	\$0	\$0	\$70,873,344	

Medicaid & Health Services Management receives general fund, state special revenue fund, and federal special revenue fund authority. The majority of MHSM funding is federal authority from Medicaid administration (50.0% federal match) or indirect activity from the cost allocation plan. General fund is used for Medicaid administration.

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](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	6,006,203	6,006,203	12,012,406	64.87 %	31,076,519	31,076,519	62,153,038	87.70 %
SWPL Adjustments	87,353	88,073	175,426	0.95 %	286,376	288,729	575,105	0.81 %
PL Adjustments	2,100,933	4,285,983	6,386,916	34.49 %	165,765	8,148,743	8,314,508	11.73 %
New Proposals	(30,346)	(26,037)	(56,383)	(0.30)%	(86,808)	(82,499)	(169,307)	(0.24)%
Total Budget	\$8,164,143	\$10,354,222	\$18,518,365		\$31,441,852	\$39,431,492	\$70,873,344	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	87,369	10,472	188,568	286,409	0.00	88,083	10,558	190,109	288,750
DP 3 - Inflation Deflation	0.00	(16)	0	(17)	(33)	0.00	(10)	0	(11)	(21)
DP 12001 - MMIS/MPATH/SLR Operations	0.00	2,100,933	(175,676)	(1,759,492)	165,765	0.00	4,285,983	(173,380)	4,036,140	8,148,743
Grand Total All Present Law Adjustments	0.00	\$2,188,286	(\$165,204)	(\$1,570,941)	\$452,141	0.00	\$4,374,056	(\$162,822)	\$4,226,238	\$8,437,472

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

DP 1 - Personal Services -

The budget includes an increase of \$286,409 total funds in FY 2022 and \$288,750 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 3 - Inflation Deflation -

The legislature approved 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 12001 - MMIS/MPATH/SLR Operations -

The legislature approved a present law adjustment to maintain existing services for Medicaid administration in the Medicaid Health Services Branch. The change package totals \$8,314,508 for the biennium. This biennial funding includes an increase in general fund of \$6,386,916, a reduction in state special revenue of \$349,056 and an increase of federal funds of \$2,276,648.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1212 - Remove 1.0 FTE & Funding from MHSD	(1.00)	(26,037)	(3,011)	(53,451)	(82,499)	(1.00)	(26,037)	(3,011)	(53,451)	(82,499)
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(4,309)	0	0	(4,309)	0.00	0	0	0	0
Total	(1.00)	(\$30,346)	(\$3,011)	(\$53,451)	(\$86,808)	(1.00)	(\$26,037)	(\$3,011)	(\$53,451)	(\$82,499)

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

DP 1212 - Remove 1.0 FTE & Funding from MHSD -

This change package removes 1.00 FTE from the Medicaid and Health Services Management Division.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	7,465,282	6,927,359	(537,923)	(7.21)%
Operating Expenses	7,545,219	3,932,456	(3,612,763)	(47.88)%
Equipment & Intangible Assets	10,480	10,480	0	0.00 %
Debt Service	3,764	0	(3,764)	(100.00)%
Total Expenditures	\$15,024,745	\$10,870,295	(\$4,154,450)	(27.65)%
General Fund	2,151,345	1,920,026	(231,319)	(10.75)%
State/Other Special Rev. Funds	9,705,505	6,101,328	(3,604,177)	(37.14)%
Federal Spec. Rev. Funds	3,167,895	2,848,941	(318,954)	(10.07)%
Total Funds	\$15,024,745	\$10,870,295	(\$4,154,450)	(27.65)%
Total Ongoing	\$15,024,745	\$10,892,634	(\$4,132,111)	(27.50)%
Total OTO	\$0	(\$22,339)	(\$22,339)	100.00 %

Program Description

The Operations Services Division (OSD) is responsible for oversight, management and support of the Operations Services Branch of the Department of Public Health and Human Services. The Operations Services Branch provides leadership for the implementation and operation of the department’s programs and services for Montanans through the provision of budgetary, financial, internal audit, and information management oversight, as well as providing project management and technical services. Also included in this division is the operation of the Montana Medical Marijuana Program.

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

Program Highlights

Operations Services Division Major Budget Highlights
<ul style="list-style-type: none"> • The legislature adopted a decrease to the OSD budget of 27.7% relative to the 2021 appropriation driven by the reductions in state special revenue • The legislature reduced funds for the Pain Management Program by \$2.0 million in state special revenue

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	45.60	45.60	45.60	45.60
Personal Services	3,937,491	3,665,752	3,799,530	3,450,214	3,477,145
Operating Expenses	2,219,535	3,868,255	3,676,964	1,966,221	1,966,235
Equipment & Intangible Assets	0	5,240	5,240	5,240	5,240
Debt Service	1,638	3,764	0	0	0
Total Expenditures	\$6,158,664	\$7,543,011	\$7,481,734	\$5,421,675	\$5,448,620
General Fund	1,106,337	1,156,666	994,679	948,266	971,760
State/Other Special Rev. Funds	3,461,759	4,679,302	5,026,203	3,049,843	3,051,485
Federal Spec. Rev. Funds	1,590,568	1,707,043	1,460,852	1,423,566	1,425,375
Total Funds	\$6,158,664	\$7,543,011	\$7,481,734	\$5,421,675	\$5,448,620
Total Ongoing	\$6,158,664	\$7,543,011	\$7,481,734	\$5,444,014	\$5,448,620
Total OTO	\$0	\$0	\$0	(\$22,339)	\$0

Program Narrative

The OSD biennial budget decreased by 27.7% relative to the 2021 biennium budget. This reduction is the result of a \$2.0 million decrease in the Pain Management Program and a \$2.0 million decrease to account for a medical marijuana funding adjustment. The Medical Marijuana Program was transferred to OSD during FY 2020. This reorganization resulted in an increase in the OSD base budget year and included the transfer of 20.0 FTE. The passage of HB 701, regulation of marijuana, will move the Medicinal Marijuana Program and FTE to the Department of Revenue starting July 1, 2021.

Funding

The following table shows adopted program funding by source of authority.

Department of Public Health & Human Services, 16-Operations Services Division Funding by Source of Authority					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	1,920,026	0	0	1,920,026	17.66 %
02221 02 Indirect Activity Prog 16	301,275	0	0	301,275	4.94 %
02566 Medical Marijuana	5,800,053	0	0	5,800,053	95.06 %
State Special Total	\$6,101,328	\$0	\$0	\$6,101,328	56.13 %
03304 03 Indirect Activity Prog 16	2,848,941	0	0	2,848,941	100.00 %
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %
Federal Special Total	\$2,848,941	\$0	\$0	\$2,848,941	26.21 %
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$10,870,295	\$0	\$0	\$10,870,295	

OSD receives general fund, state special revenue, and federal funds through a federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefiting or serving other programs in the department. General funds are used to meet the match requirement for federally funded activities.

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](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	994,679	994,679	1,989,358	103.61 %	7,481,734	7,481,734	14,963,468	137.65 %
SWPL Adjustments	(14,952)	(13,784)	(28,736)	(1.50)%	1,078	5,732	6,810	0.06 %
PL Adjustments	0	0	0	0.00 %	(1,000,000)	(1,000,000)	(2,000,000)	(18.40)%
New Proposals	(31,461)	(9,135)	(40,596)	(2.11)%	(1,061,137)	(1,038,846)	(2,099,983)	(19.32)%
Total Budget	\$948,266	\$971,760	\$1,920,026		\$5,421,675	\$5,448,620	\$10,870,295	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(14,937)	40,117	(24,063)	1,117	0.00	(13,774)	41,774	(22,243)	5,757
DP 3 - Inflation Deflation	0.00	(15)	(3)	(21)	(39)	0.00	(10)	(2)	(13)	(25)
DP 11001 - Pain Management Program	0.00	0	(1,000,000)	0	(1,000,000)	0.00	0	(1,000,000)	0	(1,000,000)
Grand Total All Present Law Adjustments	0.00	(\$14,952)	(\$959,886)	(\$24,084)	(\$998,922)	0.00	(\$13,784)	(\$958,228)	(\$22,256)	(\$994,268)

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

DP 1 - Personal Services -

The budget includes an increase of \$1,117 total funds in FY 2022 and \$5,757 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 3 - Inflation Deflation -

The legislature approved 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 11001 - Pain Management Program -

The legislature approved a biennial decrease of alternative pain management treatments in OSD. The biennial decrease of state special revenue funds is \$2,000,000.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1111 - Personal Services Reduction	0.00	(9,122)	(16,474)	(13,202)	(38,798)	0.00	(9,135)	(16,490)	(13,221)	(38,846)
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(22,339)	0	0	(22,339)	0.00	0	0	0	0
DP 16222 - Medical Marijuana Funding Adjustment	0.00	0	(1,000,000)	0	(1,000,000)	0.00	0	(1,000,000)	0	(1,000,000)
Total	0.00	(\$31,461)	(\$1,016,474)	(\$13,202)	(\$1,061,137)	0.00	(\$9,135)	(\$1,016,490)	(\$13,221)	(\$1,038,846)

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

DP 1111 - Personal Services Reduction -

The legislature approved a reduction of personal services in addition to the executive request for vacancy savings. The total fund reduction at Operations Services Division is \$38,798 in FY 2022 and \$38,846 in FY 2023.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of SB 110.

DP 16222 - Medical Marijuana Funding Adjustment -

The legislature reduced the appropriation in Operations Services Division from the medical marijuana state special revenue fund by \$1,000,000 in FY 2022 and by \$1,000,000 in FY 2023.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	28,166,417	29,216,388	1,049,971	3.73 %
Operating Expenses	23,568,962	27,822,285	4,253,323	18.05 %
Equipment & Intangible Assets	62,186	62,186	0	0.00 %
Grants	28,672,358	28,838,676	166,318	0.58 %
Benefits & Claims	609,603,939	598,463,624	(11,140,315)	(1.83)%
Transfers	192,150	8,000	(184,150)	(95.84)%
Debt Service	197,499	182,198	(15,301)	(7.75)%
Total Expenditures	\$690,463,511	\$684,593,357	(\$5,870,154)	(0.85)%
General Fund	140,888,834	154,706,594	13,817,760	9.81 %
State/Other Special Rev. Funds	95,084,837	88,179,220	(6,905,617)	(7.26)%
Federal Spec. Rev. Funds	454,489,840	441,707,543	(12,782,297)	(2.81)%
Total Funds	\$690,463,511	\$684,593,357	(\$5,870,154)	(0.85)%
Total Ongoing	\$690,463,511	\$684,692,855	(\$5,770,656)	(0.84)%
Total OTO	\$0	(\$99,498)	(\$99,498)	100.00 %

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:

- 1) The Office on Aging provides meals, transportation, public education, information and assistance, long-term care ombudsman, and other services;
- 2) 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;
- 3) The Medicaid Nursing Facility Program pays for care to Medicaid-eligible individuals in 69 Montana nursing homes;
- 4) The Protective Services Program investigates abuse, neglect, and exploitation through adult protective services social workers;
- 5) Skilled nursing facility care is provided to veterans at the 105-bed Montana Veterans Home (MVH) in Columbia Falls; the 80-bed Eastern Montana Veterans Home in Glendive; and has constructed and opened a 60-bed Southwest Montana Veterans Home (SWMVH) in Butte.
- 6) the State Supplemental Payments Program pays for a portion of the room and board costs for Supplemental Security Income (SSI) 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

Senior and Long-Term Care Division Major Budget Highlights
<ul style="list-style-type: none"> • The legislative budget for SLTC is a 0.9% decrease relative to the SLTC appropriation for the 2021 biennium. The legislature: <ul style="list-style-type: none"> ◦ Reduced the appropriation tied to provider rate increases in SLTC in order to provide a direct care worker recruitment and retention appropriation in HRD, some of which is anticipated to be transferred to direct care workers under SLTC programs ◦ Adopted legislative caseload adjustments for Medicaid ◦ Added biennial funding in order to support the Medically Needy Program ◦ Added 1.00 FTE to the Southwest Montana Veterans' Home

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	216.55	216.55	217.55	217.55
Personal Services	14,001,067	14,025,090	14,141,327	14,536,675	14,679,713
Operating Expenses	8,025,662	9,945,999	13,622,963	13,755,757	14,066,528
Equipment & Intangible Assets	10,700	31,093	31,093	31,093	31,093
Grants	13,545,820	14,253,020	14,419,338	14,419,338	14,419,338
Benefits & Claims	285,730,243	296,121,070	313,482,869	298,292,573	300,171,051
Transfers	6,555	188,150	4,000	4,000	4,000
Debt Service	74,720	121,215	76,284	91,099	91,099
Total Expenditures	\$321,394,767	\$334,685,637	\$355,777,874	\$341,130,535	\$343,462,822
General Fund	64,377,303	65,342,888	75,545,946	76,873,283	77,833,311
State/Other Special Rev. Funds	42,662,046	46,474,946	48,609,891	44,085,087	44,094,133
Federal Spec. Rev. Funds	214,355,418	222,867,803	231,622,037	220,172,165	221,535,378
Total Funds	\$321,394,767	\$334,685,637	\$355,777,874	\$341,130,535	\$343,462,822
Total Ongoing	\$321,394,767	\$334,685,637	\$355,777,874	\$341,230,033	\$343,462,822
Total OTO	\$0	\$0	\$0	(\$99,498)	\$0

Program Narrative

The SLTC biennial budget decreased by 0.9% relative to the 2021 biennium budget but increased by 9.8% in general fund. The Medicaid provider rate increase in SLTC is offset by DP 1112, which provides direct care worker recruitment and retention funding as well as increased provider rates for the developmental disability waiver in DSD. The legislature also provided a biennial appropriation for the Medically Needy Program in order to decrease the spend-down amounts enrollees must pay before they can be eligible for Medicaid coverage. Finally, the legislature added 1.00 FTE to SLTC to serve as an on-site liaison at the Southwest Montana Veterans' Home.

Funding

The following table shows adopted 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	154,706,594	0	0	154,706,594	22.60 %	
02023 Private Ins. Medicaid Reim.-Ve	11,798,716	0	0	11,798,716	13.38 %	
02032 Vets-I&I Lease	35,782	0	0	35,782	0.04 %	
02053 Medicaid IGT's	5,267,893	0	0	5,267,893	5.97 %	
02260 Cigarette Tax Revenue	10,003,347	0	0	10,003,347	11.34 %	
02497 6901-Lien & Estate - SLTCD	2,087,406	0	0	2,087,406	2.37 %	
02772 Tobacco Hlth and Medicaid Init	22,432,876	0	0	22,432,876	25.44 %	
02783 6901-Traumatic Brain Injury Dn	8,216	0	0	8,216	0.01 %	
02959 EMVH Clinic Rent	67,318	0	0	67,318	0.08 %	
02987 Tobacco Interest	2,224,766	0	0	2,224,766	2.52 %	
02990 69010-Nursing Home Utilization	32,756,730	0	0	32,756,730	37.15 %	
02367 Older Montanans Trust Distrib	1,496,170	0	0	1,496,170	1.70 %	
State Special Total	\$88,179,220	\$0	\$0	\$88,179,220	12.88 %	
03279 SLTC Lifespan Respite	200,196	0	0	200,196	0.05 %	
03579 93.667 - SSBG - Benefits	725,706	0	0	725,706	0.16 %	
03580 6901-93.778 - Med Adm 50%	3,312,775	0	0	3,312,775	0.75 %	
03583 93.778 - Med Ben FMAP	381,061,153	0	0	381,061,153	86.27 %	
03666 Aging - Caregiver III-E	1,752,701	0	0	1,752,701	0.40 %	
03350 Aging-SHIP-ACL	701,866	0	0	701,866	0.16 %	
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	361,386	0	0	361,386	0.08 %	
03512 MFP Demonstration Grant	791,814	0	0	791,814	0.18 %	
03514 10.570 - Elderly Feeding 100%	1,983,408	0	0	1,983,408	0.45 %	
03515 93.041 - Elder Abuse Prev 100%	40,296	0	0	40,296	0.01 %	
03516 93.042 - Ombudsman Activity 10	167,950	0	0	167,950	0.04 %	
03517 93.043 - Preventive Hlth 100%	238,704	0	0	238,704	0.05 %	
03518 93.044 - Aging Sup S & Train 1	4,242,710	0	0	4,242,710	0.96 %	
03519 93.045 - Aging Meals 100%	5,126,481	0	0	5,126,481	1.16 %	
03005 EMVH V-A Nursing Reimbursement	7,460,588	0	0	7,460,588	1.69 %	
03073 Aging - Farmers Market	217,696	0	0	217,696	0.05 %	
03074 Aging - Nutrition Services HDM	2,519,090	0	0	2,519,090	0.57 %	
03112 Vets-V.A. Reimb	10,428,200	0	0	10,428,200	2.36 %	
03116 Nursing Home Civil Penalties	640,321	0	0	640,321	0.14 %	
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %	
03975 Medicaid Exp HELP Act Benefit	17,523,976	0	0	17,523,976	3.97 %	
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 %	
03361 ACL State Grant for APS System	0	0	0	0	0.00 %	
03683 ADRC COVID	0	0	0	0	0.00 %	
03976 SWMVH Vets VA reimbursement	2,210,524	0	0	2,210,524	0.50 %	
Federal Special Total	\$441,707,543	\$0	\$0	\$441,707,543	64.52 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$684,593,357	\$0	\$0	\$684,593,357		

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

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)

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.

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](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	75,545,946	75,545,946	151,091,892	97.66 %	355,777,874	355,777,874	711,555,748	103.94 %
SWPL Adjustments	275,955	288,554	564,509	0.36 %	289,581	324,041	613,622	0.09 %
PL Adjustments	1,010,110	2,599,946	3,610,056	2.33 %	(9,337,479)	(5,015,944)	(14,353,423)	(2.10)%
New Proposals	41,272	(601,135)	(559,863)	(0.36)%	(5,599,441)	(7,623,149)	(13,222,590)	(1.93)%
Total Budget	\$76,873,283	\$77,833,311	\$154,706,594		\$341,130,535	\$343,462,822	\$684,593,357	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	Fiscal 2022					Fiscal 2023				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	286,192	(60,047)	58,955	285,100	0.00	294,974	(67,660)	87,628	314,942
DP 2 - Fixed Costs	0.00	0	12,334	4,531	16,865	0.00	0	12,334	4,531	16,865
DP 3 - Inflation Deflation	0.00	(10,237)	(27)	(2,120)	(12,384)	0.00	(6,420)	(17)	(1,329)	(7,766)
DP 22002 - Overtime-Holiday-Differential-MVH	0.00	0	210,921	70,306	281,227	0.00	0	221,382	73,794	295,176
DP 22004 - MVH Per Diem Request - SLTC	0.00	0	0	(223,395)	(223,395)	0.00	0	0	5,006	5,006
DP 22005 - EMVH Per Diem Request - SLTC	0.00	0	0	440,965	440,965	0.00	0	0	518,769	518,769
DP 22891 - Med Exp Core SLTC	0.00	72,296	0	650,664	722,960	0.00	79,701	0	717,313	797,014
DP 22893 - Med Exp Fed SLTC	0.00	0	0	(39,943)	(39,943)	0.00	0	0	(39,943)	(39,943)
DP 22991 - Med Core SLTC	0.00	(1,657,097)	0	(2,921,697)	(4,578,794)	0.00	(393,137)	0	(264,970)	(658,107)
DP 22992 - Med Waiver SLTC	0.00	687,548	0	1,277,436	1,964,984	0.00	689,710	0	1,275,274	1,964,984
DP 22993 - Med Federal SLTC	0.00	0	0	(68,323)	(68,323)	0.00	0	0	(61,685)	(61,685)
DP 22994 - Med Other SLTC	0.00	(49,708)	(2,692,514)	(5,094,938)	(7,837,160)	0.00	(49,864)	(2,700,978)	(5,086,316)	(7,837,158)
DP 22996 - Med Core FMAP SLTC	0.00	1,766,536	0	(1,766,536)	0	0.00	2,011,992	0	(2,011,992)	0
DP 22997 - Med Waiver FMAP SLTC	0.00	(71,765)	0	71,765	0	0.00	(24,285)	0	24,285	0
DP 22998 - Med Other FMAP SLTC	0.00	262,300	(37,139)	(225,161)	0	0.00	285,829	(22,113)	(263,716)	0
DP 69010 - Line Item DPHHS Budget	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	\$1,286,065	(\$2,566,472)	(\$7,767,491)	(\$9,047,898)	0.00	\$2,888,500	(\$2,557,052)	(\$5,023,351)	(\$4,691,903)

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

DP 1 - Personal Services -

The budget includes an increase of \$285,100 total funds in FY 2022 and \$314,942 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 2 - Fixed Costs -

The legislature approved adjustments to fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: 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 approved 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 22002 - Overtime-Holiday-Differential-MVH -

The legislature approved a present law adjustment to maintain existing services for the Montana Veterans' Home in the Senior and Long-Term Care Division. The increase is intended to fund overtime to maintain required staffing levels at this 24/7 acute services facility in addition to what is funded in SWPL 1. This results in an increase of \$432,303 in state special

revenue and \$144,100 in federal funds for the biennium.

DP 22004 - MVH Per Diem Request - SLTC -

The legislature approved a present law adjustment to federal authority for the federal Veterans Administration (VA) per diem rates that will be reimbursed for the nursing facility days of care at the Montana Veterans Home (MVH) in the Senior and Long-Term Care Division in the 2023 biennium. The VA per diem rate increases effective October 1st of each year. This results in a federal funds reduction of \$223,395 in FY 2022 and an increase of \$5,006 in FY 2023.

DP 22005 - EMVH Per Diem Request - SLTC -

The legislature approved a present law adjustment to federal authority for the federal Veterans Administration per diem rates that will be reimbursed for the nursing facility days of care at the Eastern Montana Veterans Home (EMVH) in the Senior and Long-Term Care Division in the 2023 biennium. The VA per diem rate increases effective October 1st of each year. This results in an increase in federal funds of \$440,965 in FY 2022 and \$518,769 in FY 2023.

DP 22891 - Med Exp Core SLTC -

The legislature approved a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover anticipated increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This results in an increase of \$1,519,974 in total funds for the biennium. The biennial funding is \$151,997 in general fund and \$1,367,977 in federal funds.

DP 22893 - Med Exp Fed SLTC -

The legislature approved a present law adjustment which consists of a reduction of \$79,886 federal funds authority over the biennium. Funding is 100% federal funds.

DP 22991 - Med Core SLTC -

The legislature approved a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover anticipated change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This results in a reduction of \$5,236,901 in total funds. The biennial funding is a reduction of \$2,050,234 in general fund and a reduction of \$3,186,667 in federal funds.

DP 22992 - Med Waiver SLTC -

The legislature approved a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover anticipated increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This results in an increase of \$3,929,968 in total funds. The biennial funding is \$1,377,258 in general fund and \$2,552,710 in federal funds.

DP 22993 - Med Federal SLTC -

The legislature approved a present law adjustment for caseload growth in the Senior and Long-Term Care Division to cover anticipated change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This results in a reduction of \$130,008 in total funds for the biennium. The program is funded with 100% federal funds.

DP 22994 - Med Other SLTC -

The legislature approved a present law adjustment in the Community Services Bureau Direct Care Wage and the Health Care for Health Care Workers Program and the Medicaid Intergovernmental Transfer (IGT) Program in the Senior and Long-Term Care Division. This results in a reduction in total funds of \$15,674,318. The biennial funding is a reduction in state special revenue of \$5,393,492, and a reduction in federal funds of \$10,181,254.

DP 22996 - Med Core FMAP SLTC -

The legislature approved a present law adjustment to maintain existing services for the Nursing Facility and Home-Based Programs in the Senior and Long-Term Care Division. This results in a general fund increase of \$1,766,536 In FY 2022 and \$2,011,992 in FY 2023 with offsetting federal fund adjustments for each year.

DP 22997 - Med Waiver FMAP SLTC -

The legislature approved a present law adjustment in the Medicaid Waiver Program in the Senior and Long-Term Care Division. This results in a reduction in general fund of \$71,765 in FY 2022 and \$24,285 in FY 2023 with offsetting federal fund adjustments for each year.

DP 22998 - Med Other FMAP SLTC -

The legislature approved a present law adjustment in the Community First Choice Direct Care Wage and Health Care for Health Care Workers Program and the Intergovernmental Transfer Program in the Senior and Long-Term Care Division. This results in an increase in general fund of \$262,300 in FY 2022 and \$285,829 in FY 2023 with offsetting reductions in state special revenue of \$37,139 in FY 2022 and \$22,113 in FY 2023 and in federal funds of \$225,161 in FY 2022 and \$263,716 in FY 2023.

DP 69010 - Line Item DPHHS Budget -

The legislature approved a funding allocation intended to show more detail in HB 2.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 787 - Medicaid PRI - Exempt Hosp & Phys 1%+2% (RST)	0.00	1,078,757	0	1,994,625	3,073,382	0.00	2,157,514	0	3,989,249	6,146,763
DP 1111 - Personal Services Reduction	0.00	(38,577)	(89,156)	(16,671)	(144,404)	0.00	(38,666)	(89,332)	(16,708)	(144,706)
DP 1112 - Direct Care Worker Recruitment and Retention	0.00	(772,878)	0	(1,440,086)	(2,212,964)	0.00	(1,545,756)	0	(2,880,173)	(4,425,929)
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(99,498)	0	0	(99,498)	0.00	0	0	0	0
DP 22001 - SW MT Veterans Home FTE	1.00	0	(1,519)	0	(1,519)	1.00	0	(1,520)	0	(1,520)
DP 22006 - Medicaid Fund Switch	0.00	851,852	(851,852)	0	0	0.00	851,852	(851,852)	0	0
DP 22113 - Medically Needy Adjustment (Bien)	0.00	1,000,000	0	1,863,278	2,863,278	0.00	0	0	0	0
DP 22333 - Traditional Medicaid Legislative Caseload SLTC	0.00	(1,951,847)	(1,015,805)	(5,813,537)	(8,781,189)	0.00	(1,999,320)	(1,016,002)	(5,883,687)	(8,899,009)
DP 22334 - Medicaid Expansion Legislative Caseload SLTC	0.00	(26,537)	0	(269,990)	(296,527)	0.00	(26,759)	0	(271,989)	(298,748)
Total	1.00	\$41,272	(\$1,958,332)	(\$3,682,381)	(\$5,599,441)	1.00	(\$601,135)	(\$1,958,706)	(\$5,063,308)	(\$7,623,149)

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

DP 787 - Medicaid PRI - Exempt Hosp & Phys 1%+2% (RST) -

The legislature approved a 1.0% increase for Medicaid providers in FY 2022 and an additional 1.0% in FY 2023. Hospitals and physicians are exempt from the increase.

DP 1111 - Personal Services Reduction -

The legislature approved a reduction of personal services in addition to the executive request for vacancy savings. The total fund reduction in the Senior and Long-Term Care Division is \$144,404 in FY 2022 and \$144,706 in FY 2023.

DP 1112 - Direct Care Worker Recruitment and Retention -

The legislature reduced the provider rate increase amount in the Senior and Long-Term Care Division in order to fund direct care worker recruitment and retention and a provider rate increase in the Developmental Services Division.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 22001 - SW MT Veterans Home FTE -

The legislature approved the addition of 1.00 FTE to serve as a full time, on-site liaison to oversee the operations of Southwest Montana Veterans Home, which will be managed by a third-party vendor. The federal Veterans Administration requires this liaison to be onsite in order to be eligible for VA funding.

DP 22006 - Medicaid Fund Switch -

The legislature approved a present law change package which reduces state special expenditures by \$851,852 each fiscal year of the biennium with an offsetting increase in general fund to align appropriation with anticipated expenditures.

DP 22113 - Medically Needy Adjustment (Bien) -

The legislature funded an increase in the Medically Needy Program which will permit DPHHS to increase the income disregard amount in this program. This appropriation is biennial.

DP 22333 - Traditional Medicaid Legislative Caseload SLTC -

The legislature approved a reduction for traditional Medicaid in the Senior and Long-Term Care Division. The total funds adjustment for the biennium is \$17,680,198 including \$3,951,167 in general fund.

DP 22334 - Medicaid Expansion Legislative Caseload SLTC -

The legislature approved a reduction for Medicaid expansion in the Senior and Long-Term Care Division. The total funds adjustment for the biennium is \$595,275 including \$53,296 in general fund.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	9,429,992	9,524,293	94,301	1.00 %
Operating Expenses	7,265,441	7,500,998	235,557	3.24 %
Equipment & Intangible Assets	220,000	150,000	(70,000)	(31.82)%
Grants	36,666,056	33,438,004	(3,228,052)	(8.80)%
Benefits & Claims	116,717,017	117,759,654	1,042,637	0.89 %
Transfers	10,000	10,000	0	0.00 %
Debt Service	14,462	0	(14,462)	(100.00)%
Total Expenditures	\$170,322,968	\$168,382,949	(\$1,940,019)	(1.14)%
General Fund	26,600,951	24,087,456	(2,513,495)	(9.45)%
State/Other Special Rev. Funds	8,210,235	8,616,921	406,686	4.95 %
Federal Spec. Rev. Funds	135,511,782	135,678,572	166,790	0.12 %
Total Funds	\$170,322,968	\$168,382,949	(\$1,940,019)	(1.14)%
Total Ongoing	\$170,322,968	\$168,393,771	(\$1,929,197)	(1.13)%
Total OTO	\$0	(\$10,822)	(\$10,822)	100.00 %

Program Description

The Early Childhood and Family Support Division (ECFSD) is led by an administrator and a senior team, comprised of bureau chiefs and program managers. The three primary bureaus are:

- The Early Childhood Services Bureau
- The Family and Community Health Bureau
- The Fiscal and Operations Bureau

In addition to the three bureaus, the No Kid Hungry Project and the Children’s Trust Fund round out the senior team. The bulk of the work in the Early Childhood and Family Support Division is in partnership with local community based organizations, businesses, and clinics across the state.

The Early Childhood Services Bureau (ECSB) manages the funds which pay for child care for TANF participants, child protective services child care, working caretaker relatives, and low-income working families. In addition the ECSB team licenses child care facilities across the state and provides training and technical assistance through community partners. Other programs within ECSB include the Child and Adult Care Food Program which provides reimbursement to child care providers and Head Starts for the cost of meals served to eligible children and adults, the Head Start Collaboration Grant, and the Montana Milestones Program which works with community partners to support children 0-3 with developmental delays.

The Family and Community Health Bureau (FCHB) provides a variety of programs targeted at improving the lives of women, infants, children, adolescents, and families. This includes universal newborn screenings and other support for parents and children through the Maternal Child Health Block Grant. Nutrition and breastfeeding support and education is provided across the state through the Women, Infants, and Children Supplemental Nutrition Program (WIC). In addition, FCHB supports children with special health care needs through parent mentoring, financial assistance, and technical assistance. Other programs include reproductive health and clinical preventive services to women and men, as well as the Healthy Montana Families Program that provides home visits to at risk families.

The Fiscal and Operations Bureau coordinates, analyzes, implements and monitors the division budget; purchases supplies and equipment; assists with grant reporting and contracts; manages the division’s data systems, and provides internal control oversight for the division.

Program Highlights

Early Childhood & Family Support Major Budget Highlights
<ul style="list-style-type: none"> • The legislative budget for ECFSD is a 1.1% decrease relative to the 2021 biennium budget. • The funding was removed for the STARS to Quality Program which results in a decrease of \$1.2 million in general fund for each fiscal year of the biennium

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	59.24	59.24	59.24	59.24
Personal Services	4,928,649	4,858,180	4,571,812	4,747,218	4,777,075
Operating Expenses	3,425,306	3,514,308	3,751,133	3,750,354	3,750,644
Equipment & Intangible Assets	81,208	145,000	75,000	75,000	75,000
Grants	17,362,536	18,747,054	17,919,002	16,719,002	16,719,002
Benefits & Claims	47,359,604	57,837,190	58,879,827	58,879,827	58,879,827
Transfers	0	5,000	5,000	5,000	5,000
Debt Service	5,717	14,462	0	0	0
Total Expenditures	\$73,163,020	\$85,121,194	\$85,201,774	\$84,176,401	\$84,206,548
General Fund	11,733,695	13,359,180	13,241,771	12,038,326	12,049,130
State/Other Special Rev. Funds	3,480,817	4,053,840	4,156,395	4,308,288	4,308,633
Federal Spec. Rev. Funds	57,948,508	67,708,174	67,803,608	67,829,787	67,848,785
Total Funds	\$73,163,020	\$85,121,194	\$85,201,774	\$84,176,401	\$84,206,548
Total Ongoing	\$73,163,020	\$85,121,194	\$85,201,774	\$84,187,223	\$84,206,548
Total OTO	\$0	\$0	\$0	(\$10,822)	\$0

Program Narrative

The ECFSD biennial budget decreased by 1.1% relative to the 2021 biennium budget. The funding was removed for the STARS to Quality Program which represents a decrease of \$2.4 million in general fund for the biennium.

Funding

The following table shows adopted program funding by source of authority.

69010 - Department of Public Health & Human Services25-Early Childhood & Family Support Div.

Department of Public Health & Human Services, 25-Early Childhood & Family Support Div.						
Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	24,087,456	0	0	24,087,456	13.95 %	
02089 Child Abuse & Neglect Program	312,193	0	0	312,193	3.62 %	
02698 69010-Prevention&Stabilization	1,665,164	0	0	1,665,164	19.32 %	
02765 Insurance Policies Fees SB278	2,581,790	0	0	2,581,790	29.96 %	
02772 Tobacco Hlth and Medicaid Init	51,338	0	0	51,338	0.60 %	
02773 Childrens Special Health Svc.	925,743	0	0	925,743	10.74 %	
02790 6901-Statewide Tobacco Sttlmnt	806,340	0	0	806,340	9.36 %	
02987 Tobacco Interest	1,931,030	0	0	1,931,030	22.41 %	
02076 PRAMS Suvey Fees	9,391	0	0	9,391	0.11 %	
02225 02 Indirect Activity Prog 25	333,932	0	0	333,932	3.88 %	
State Special Total	\$8,616,921	\$0	\$0	\$8,616,921	4.99 %	
03146 10.577 WIC BF Peer Counseling	416,580	0	0	416,580	0.30 %	
03236 Child Nutrition	23,123,898	0	0	23,123,898	16.51 %	
03246 WIC Admin	10,728,159	0	0	10,728,159	7.66 %	
03250 Child Care Mandatory/MOE	3,597,650	0	0	3,597,650	2.57 %	
03251 Child Care Admin	1,501,383	0	0	1,501,383	1.07 %	
03252 Child Care Matching	11,040,374	0	0	11,040,374	7.88 %	
03273 Primary Care Services	317,278	0	0	317,278	0.23 %	
03576 LAUNCH Grant	0	0	0	0	0.00 %	
03579 93.667 - SSBG - Benefits	6,371,346	0	0	6,371,346	4.55 %	
03677 6901-CACFP 10.558 & 10.560	1,620,526	0	0	1,620,526	1.16 %	
03690 6901-Rape Prev & Educ 93.126	711,910	0	0	711,910	0.51 %	
03713 6901-WIC Farmer Market 10.572	104,388	0	0	104,388	0.07 %	
03362 Data Integration	180,120	0	0	180,120	0.13 %	
03530 6901-Foster Care 93.658	2,149,146	0	0	2,149,146	1.53 %	
03534 93.672 - Child Abuse Challenge	493,660	0	0	493,660	0.35 %	
03535 WIC EBT Implementation	0	0	0	0	0.00 %	
03539 93.600 Headstart	259,962	0	0	259,962	0.19 %	
03541 State Loan Repayment Program	300,228	0	0	300,228	0.21 %	
03556 84.181 - Part H - Early Interv	3,221,808	0	0	3,221,808	2.30 %	
03026 Family Planning Title X	0	0	4,343,546	4,343,546	3.10 %	
03027 WIC (Women,Infants & Children)	19,741,342	0	0	19,741,342	14.10 %	
03031 Maternal & Child Health	4,478,259	0	0	4,478,259	3.20 %	
03057 Newborn Hearing Screening	503,076	0	0	503,076	0.36 %	
03063 Preschool Development	15,364	0	0	15,364	0.01 %	
03096 Discretionary Child Care	42,033,639	0	0	42,033,639	30.02 %	
03823 Oral Health Workforce	684,692	0	0	684,692	0.49 %	
03826 Healthy Montana Teen Parents 2	216	0	0	216	0.00 %	
03827 Personal Resp Education Prgm	401,160	0	0	401,160	0.29 %	
03206 MIECHV - Service Delivery	824,871	0	0	824,871	0.59 %	
03417 PRAMS Pregnancy Risk Assesment	312,219	0	0	312,219	0.22 %	
03566 93.560 - AFDC Ben FMAP	1,613	0	0	1,613	0.00 %	
03390 Healthy MT Teen Parent PHSD	0	0	0	0	0.00 %	
03039 WIC Infrastructure Crow Clinic	0	0	0	0	0.00 %	
03121 Maternal Health Innov Prgm	0	0	0	0	0.00 %	
03377 Preschool Development-SysGrTB	0	0	0	0	0.00 %	
03446 CACFP Training	0	0	0	0	0.00 %	
03473 Pediatric MH Care Access Prg	0	0	0	0	0.00 %	
03474 MT Adolescent Health Prg(MAHP)	0	0	0	0	0.00 %	
03525 Sexual Risk Avoidance Educatio	0	0	0	0	0.00 %	
03625 03 Indirect Activity Prog 25	543,705	0	0	543,705	0.39 %	
03804 CACFP Technology Innov Grant	0	0	0	0	0.00 %	
Federal Special Total	\$135,678,572	\$0	\$4,343,546	\$140,022,118	81.07 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$168,382,949	\$0	\$4,343,546	\$172,726,495		

ECFSD receives general fund, state special revenue fund, and federal special revenue fund authority. The major sources of state special revenue are:

- Tobacco settlement funds and tobacco settlement trust fund interest - For additional information see the state special revenue fund balance table in the DPHHS Budget Analysis Agency Summary

69010 - Department of Public Health & Human Services 25-Early Childhood & Family Support Div.

- Insurance fees for a Genetics Program - \$1.00 annually for each Montana resident insured under any individual or group disability or health insurance policy

Family Planning Title X has statutory authority of \$4,364,430. 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 of the federal Public Health Service Act and 42 CFR, Subpart A, Part 59.

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](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	13,241,771	13,241,771	26,483,542	109.95 %	85,201,774	85,201,774	170,403,548	101.20 %
SWPL Adjustments	7,377	7,359	14,736	0.06 %	185,449	204,774	390,223	0.23 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(1,210,822)	(1,200,000)	(2,410,822)	(10.01)%	(1,210,822)	(1,200,000)	(2,410,822)	(1.43)%
Total Budget	\$12,038,326	\$12,049,130	\$24,087,456		\$84,176,401	\$84,206,548	\$168,382,949	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	7,377	151,893	26,958	186,228	0.00	7,359	152,238	45,666	205,263
DP 3 - Inflation Deflation	0.00	0	0	(779)	(779)	0.00	0	0	(489)	(489)
Grand Total All Present Law Adjustments	0.00	\$7,377	\$151,893	\$26,179	\$185,449	0.00	\$7,359	\$152,238	\$45,177	\$204,774

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

DP 1 - Personal Services -

The budget includes an increase of \$186,228 total funds in FY 2022 and \$205,263 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 3 - Inflation Deflation -

The legislature approved 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.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(10,822)	0	0	(10,822)	0.00	0	0	0	0
DP 25251 - Remove STARS to Quality	0.00	(1,200,000)	0	0	(1,200,000)	0.00	(1,200,000)	0	0	(1,200,000)
Total	0.00	(\$1,210,822)	\$0	\$0	(\$1,210,822)	0.00	(\$1,200,000)	\$0	\$0	(\$1,200,000)

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

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets. The proposal is contingent on passage and approval of SB110.

DP 25251 - Remove STARS to Quality -

The legislature removed the appropriations for the STARS to Quality program in the Early Childhood and Family Support Division. The decrease is \$2,400,000 in general fund for the biennium.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium adopted budget by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 20-21	Legislative Budget 22-23	Biennium Change	Biennium % Change
Personal Services	103,561,685	106,180,260	2,618,575	2.53 %
Operating Expenses	37,184,134	36,301,437	(882,697)	(2.37)%
Equipment & Intangible Assets	212,420	284,920	72,500	34.13 %
Grants	7,672,746	7,017,746	(655,000)	(8.54)%
Benefits & Claims	258,596,010	325,892,769	67,296,759	26.02 %
Transfers	117,500	45,000	(72,500)	(61.70)%
Debt Service	260,617	195,533	(65,084)	(24.97)%
Total Expenditures	\$407,605,112	\$475,917,665	\$68,312,553	16.76 %
General Fund	167,887,831	183,990,210	16,102,379	9.59 %
State/Other Special Rev. Funds	40,595,219	46,293,541	5,698,322	14.04 %
Federal Spec. Rev. Funds	199,122,062	245,633,914	46,511,852	23.36 %
Total Funds	\$407,605,112	\$475,917,665	\$68,312,553	16.76 %
Total Ongoing	\$407,605,112	\$477,214,034	\$69,608,922	17.08 %
Total OTO	\$0	(\$1,296,369)	(\$1,296,369)	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.

Program Highlights

Addictive & Mental Disorders Division Major Budget Highlights
<ul style="list-style-type: none"> • The legislature adopted a budget for AMDD that was a 16.8% increase over the AMDD appropriation from last biennium. This primarily represents an increase in benefits and claims • The legislature: <ul style="list-style-type: none"> ◦ Adopted an increase for caseload adjustments for Medicaid ◦ Adopted a restricted Medicaid provider rate increase, exempting hospitals and physicians ◦ Moved the Suicide Prevention Program and 1.0 FTE from the Directors Office to AMDD.

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium adopted budget by year, type of expenditure, and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Legislative Fiscal 2022	Legislative Fiscal 2023
FTE	0.00	741.75	741.75	742.75	742.75
Personal Services	45,751,759	51,233,745	52,327,940	52,366,214	53,814,046
Operating Expenses	22,866,062	19,775,273	17,408,861	18,148,870	18,152,567
Equipment & Intangible Assets	15,100	69,960	142,460	142,460	142,460
Grants	6,404,109	4,163,873	3,508,873	3,508,873	3,508,873
Benefits & Claims	116,288,579	129,661,141	128,934,869	158,413,319	167,479,450
Transfers	108,500	95,000	22,500	22,500	22,500
Debt Service	266,370	142,994	117,623	115,146	80,387
Total Expenditures	\$191,700,479	\$205,141,986	\$202,463,126	\$232,717,382	\$243,200,283
General Fund	73,927,762	82,137,974	85,749,857	90,551,681	93,438,529
State/Other Special Rev. Funds	18,081,317	20,082,719	20,512,500	22,600,107	23,693,434
Federal Spec. Rev. Funds	99,691,400	102,921,293	96,200,769	119,565,594	126,068,320
Total Funds	\$191,700,479	\$205,141,986	\$202,463,126	\$232,717,382	\$243,200,283
Total Ongoing	\$191,700,479	\$205,141,986	\$202,463,126	\$234,013,751	\$243,200,283
Total OTO	\$0	\$0	\$0	(\$1,296,369)	\$0

Program Narrative

The AMDD biennial budget increased by 16.8% relative to the 2021 biennium budget with a 9.6% increase in general fund. This increase is primarily the result of present law adjustment for Medicaid caseload, utilization and costs for services. The legislature added 1.00 FTE to AMDD by transferring the Suicide Prevention Program from the Director's Office.

In addition to what is shown, the passage of HB 701, regulation of marijuana, adds \$6.0 million in state special revenue from the healing and ending addiction through recovery and treatment (HEART) fund and \$18.6 million in federal Medicaid match funds in each fiscal year of the biennium. These funds will be used to combat Montana's substance abuse epidemic through community-based prevention and treatment.

Funding

The following table shows adopted program funding by source of authority.

Department of Public Health & Human Services, 33-Addictive & Mental Disorders Div.						
Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	183,990,210	0	0	183,990,210	37.99 %	
02034 Earmarked Alcohol Funds	14,995,412	0	4,860,884	19,856,296	36.33 %	
02384 02 Indirect Activity Prog 33	658,579	0	0	658,579	1.20 %	
02394 Montana State Hospital Rev Acc	0	0	3,505,000	3,505,000	6.41 %	
02598 MDCDC Cost Recovery	5,865,710	0	0	5,865,710	10.73 %	
02691 6901-MSH/DOC Maint Agreement	280,162	0	0	280,162	0.51 %	
02772 Tobacco Hlth and Medicaid Init	22,114,735	0	0	22,114,735	40.46 %	
02790 6901-Statewide Tobacco Sttlmnt	0	0	0	0	0.00 %	
02987 Tobacco Interest	2,378,943	0	0	2,378,943	4.35 %	
02365 MTAP Transfers	0	0	0	0	0.00 %	
02060 Medicaid Peer Support	0	0	0	0	0.00 %	
02064 HEART	0	0	0	0	0.00 %	
State Special Total	\$46,293,541	\$0	\$8,365,884	\$54,659,425	11.29 %	
03171 Data Infastructure Developmnt	265,460	0	0	265,460	0.11 %	
03580 6901-93.778 - Med Adm 50%	854,757	0	0	854,757	0.35 %	
03582 93.778 - Med Ben 100%	0	0	0	0	0.00 %	
03583 93.778 - Med Ben FMAP	108,797,218	0	0	108,797,218	44.29 %	
03601 03 Indirect Activity Prog 33	506,609	0	0	506,609	0.21 %	
03491 Tobacco Retail Inspctn Program	0	0	0	0	0.00 %	
03505 93.150 - Mntal Hlth - Homeless	606,034	0	0	606,034	0.25 %	
03506 93.279 - ADAD - Data Contract	0	0	0	0	0.00 %	
03507 93.958 - Mntal Hlth - Blk Grt	1,907,522	0	0	1,907,522	0.78 %	
03508 93.959 - ADAD - Blk Grt 100%	13,118,075	0	0	13,118,075	5.34 %	
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0.00 %	
03975 Medicaid Exp HELP Act Benefit	119,578,239	0	0	119,578,239	48.68 %	
03065 Opioid STR Grant	0	0	0	0	0.00 %	
03386 SPF PFS AMDD	0	0	0	0	0.00 %	
03538 Zero Suicide	0	0	0	0	0.00 %	
03577 Opioid AMDD Site-Based DOC	0	0	0	0	0.00 %	
03684 State Opioid Response Grant	0	0	0	0	0.00 %	
03605 Emergency Mntl Disorders COVID	0	0	0	0	0.00 %	
Federal Special Total	\$245,633,914	\$0	\$0	\$245,633,914	50.72 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$475,917,665	\$0	\$8,365,884	\$484,283,549		

AMDD is funded by general fund, state special revenue funds. and federal funds. General funds are used to support:

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

State special revenue funds are used for:

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

Federal funds 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

There is \$8.4 million in statutory funding, which accounts for 15.3% of state special revenue 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](#).

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	85,749,857	85,749,857	171,499,714	93.21 %	202,463,126	202,463,126	404,926,252	85.08 %
SWPL Adjustments	658,608	765,745	1,424,353	0.77 %	1,002,790	1,126,162	2,128,952	0.45 %
PL Adjustments	5,685,700	6,734,712	12,420,412	6.75 %	36,216,322	44,188,063	80,404,385	16.89 %
New Proposals	(1,542,484)	188,215	(1,354,269)	(0.74)%	(6,964,856)	(4,577,068)	(11,541,924)	(2.43)%
Total Budget	\$90,551,681	\$93,438,529	\$183,990,210		\$232,717,382	\$243,200,283	\$475,917,665	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	718,556	361,776	(18,644)	1,061,688	0.00	856,349	373,210	(14,270)	1,215,289
DP 2 - Fixed Costs	0.00	(48,940)	2,195	0	(46,745)	0.00	(83,699)	2,195	0	(81,504)
DP 3 - Inflation Deflation	0.00	(11,008)	(1,024)	(121)	(12,153)	0.00	(6,905)	(642)	(76)	(7,623)
DP 33001 - Overtime-Holiday-Differential-MSH	0.00	432,062	0	0	432,062	0.00	432,062	0	0	432,062
DP 33002 - Overtime-Holiday-Differential-MCDC	0.00	0	74,410	0	74,410	0.00	0	74,410	0	74,410
DP 33003 - Overtime-Holiday-Differential-MMHNCC	0.00	196,523	0	0	196,523	0.00	196,523	0	0	196,523
DP 33891 - Med Exp Core AMDD	0.00	1,979,121	0	17,812,090	19,791,211	0.00	2,266,087	0	20,394,788	22,660,875
DP 33991 - Med Core AMDD	0.00	3,396,879	64,892	6,431,830	9,893,601	0.00	4,114,615	111,817	7,814,687	12,041,119
DP 33992 - Med Waiver AMDD	0.00	0	1,952,590	3,627,834	5,580,424	0.00	0	2,995,779	5,539,204	8,534,983
DP 33993 - Med Federal AMDD	0.00	0	0	248,091	248,091	0.00	0	0	248,091	248,091
DP 33996 - Med Core FMAP AMDD	0.00	(318,885)	336,770	(17,885)	0	0.00	(274,575)	340,432	(65,857)	0
DP 33997 - MED Waiver FMAP AMDD	0.00	0	66,172	(66,172)	0	0.00	0	87,475	(87,475)	0
DP 69010 - Line Item DPHHS Budget	0.00	0	0	0	0	0.00	0	0	0	0
Grand Total All Present Law Adjustments	0.00	\$6,344,308	\$2,857,781	\$28,017,023	\$37,219,112	0.00	\$7,500,457	\$3,984,676	\$33,829,092	\$45,314,225

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

DP 1 - Personal Services -

The budget includes an increase of \$1,061,688 total funds in FY 2022 and \$1,215,289 total funds in FY 2023 to annualize various personal services costs including FY 2021 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

DP 2 - Fixed Costs -

The legislature approved funding to pay for increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include the following: 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 approved 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 33001 - Overtime-Holiday-Differential-MSH -

The legislature approved an increase of \$864,124 in general fund for the biennium to maintain existing services for the Montana State Hospital program in the Addictive and Mental Disorders Division. The increase is necessary to fully fund overtime to maintain required staffing levels at this 24/7 acute services facility in addition to what is funded in SWPL 1. This service is funded with 100% general fund.

DP 33002 - Overtime-Holiday-Differential-MCDC -

The legislature approved an increase of \$148,820 in state special revenue for the biennium to maintain existing services for the Montana Chemical Dependency Center in the Addictive and Mental Disorders Division. The increase is necessary to fully fund overtime to maintain required staffing levels at this 24/7 acute services facility in addition to what is funded in SWPL 1.

DP 33003 - Overtime-Holiday-Differential-MMHNCC -

The legislature approved an increase of \$393,046 in general fund for the biennium to maintain existing services for the Montana Mental Health Nursing Care Center Program in the Addictive and Mental Disorders Division. The increase is necessary to fully fund overtime and maintain required staffing levels at this 24/7 acute services facility in addition to what is funded in SWPL 1. This service is funded with 100% general fund.

DP 33891 - Med Exp Core AMDD -

The legislature approved an increase of \$42,452,086 in total funds for Medicaid Expansion caseload growth in the Addictive and Mental Disorders Division to cover the increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. The biennial funding is \$4,245,208 in general fund, and \$38,206,878 in federal funds.

DP 33991 - Med Core AMDD -

The legislature approved an increase of \$21,934,720 in total funds for caseload growth in the Addictive and Mental Disorders Division to cover the increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. The biennial funding is \$7,511,494 in general fund, \$176,709 in state special revenue, and \$14,246,517 in federal funds.

DP 33992 - Med Waiver AMDD -

The legislature approved an increase of \$14,115,407 in total funds for caseload growth in the Addictive and Mental Disorders Division to cover the increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. The biennial funding is \$4,948,369 in state special revenue and \$9,167,038 in federal funds.

69010 - Department of Public Health & Human Services 33-Addictive & Mental Disorders Div.

DP 33993 - Med Federal AMDD -

The legislature approved an increase in federal funds of \$248,091 in FY 2022 and \$248,091 in FY 2023 to fund growth for Medicaid services within the Addictive and Mental Disorders Division. Funding is 100% federal funds.

DP 33996 - Med Core FMAP AMDD -

The legislature approved a reduction in general fund of \$318,885 in FY 2022 and \$274,575 in FY 2023 with an offsetting increase state special revenue funds of \$336,770 in FY 2022 and \$340,432 in FY 2023 as well as an offsetting reduction in federal funds of \$17,885 in FY 2022 and \$65,857 in FY 2023. The total cost for the Medicaid Core program in the Addictive and Mental Disorders Division does not change.

DP 33997 - MED Waiver FMAP AMDD -

The legislature approved a state special revenue fund increase of \$66,172 in FY 2022 and \$87,475 in FY 2023 with offsetting federal fund adjustments for each year. The total cost for the Medicaid Waiver program in the Addictive and Mental Disorders Division does not change.

DP 69010 - Line Item DPHHS Budget -

The legislature approved a funding allocation intended to show more detail in HB 2.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----				-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 11 - Remove MTAP Transfers Authority	0.00	0	(800,000)	(1,479,202)	(2,279,202)	0.00	0	(800,000)	(1,479,202)	(2,279,202)
DP 787 - Medicaid PRI - Exempt Hosp & Phys 1%+2% (RST)	0.00	467,782	0	864,930	1,332,712	0.00	935,563	0	1,729,859	2,665,422
DP 1111 - Personal Services Reduction	0.00	(460,331)	(46,697)	(12,693)	(519,721)	0.00	(461,719)	(46,812)	(12,735)	(521,266)
DP 5555 - Reduce GF Budget for State Share Holiday	0.00	(1,296,369)	0	0	(1,296,369)	0.00	0	0	0	0
DP 33004 - Transfer Suicide Prevention Prgm from DO to AMDD	1.00	400,355	500,000	0	900,355	1.00	399,762	500,000	0	899,762
DP 33333 - Traditional Medicaid Legislative Caseload AMDD	0.00	(451,183)	(423,477)	(1,740,238)	(2,614,898)	0.00	(474,044)	(456,930)	(1,836,987)	(2,767,961)
DP 33334 - Medicaid Expansion Legislative Caseload AMDD	0.00	(202,738)	0	(2,284,995)	(2,487,733)	0.00	(211,347)	0	(2,362,476)	(2,573,823)
Total	1.00	(\$1,542,484)	(\$770,174)	(\$4,652,198)	(\$6,964,856)	1.00	\$188,215	(\$803,742)	(\$3,961,541)	(\$4,577,068)

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

DP 11 - Remove MTAP Transfers Authority -

The Legislature removed the spending authority associated with the MTAP Transfers fund. The appropriation at Addictive and Mental Disorders Division is reduced by \$800,000 in state special revenue, and by \$1,479,202 in federal funds during FY 2022 and by \$800,000 in state special revenue, and by \$1,479,202 in federal funds during FY 2023.

DP 787 - Medicaid PRI - Exempt Hosp & Phys 1%+2% (RST) -

The legislature approved a 1.0% increase for Medicaid providers in FY 2022 and an additional 1.0% in FY 2023. Hospitals and physicians are exempt from the increase. The total funds at Addictive and Mental Disorders Division for the biennium is \$3,998,133 including \$1,403,345 in general fund.

DP 1111 - Personal Services Reduction -

The legislature approved a reduction of personal services in addition to the executive request for vacancy savings. The total fund reduction at Addictive and Mental Disorders Division is \$519,721 in FY 2022 and \$521,266 in FY 2023.

DP 5555 - Reduce GF Budget for State Share Holiday -

The legislature eliminated the state share contribution to the state employee group benefit plan for two months. Reserves are used to pay benefits during the holiday. This removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, remain in agency personal services budgets.

DP 33004 - Transfer Suicide Prevention Prgm from DO to AMDD -

The legislature transferred current Suicide Prevention budget in the Director's Office to the Addictive and Mental Disorders Division. This moves the FY 2021 budgeted expenses of \$800,117 in general fund and \$1,000,000 in state special revenue to AMDD in FY 2022 and FY 2023.

DP 33333 - Traditional Medicaid Legislative Caseload AMDD -

The legislature approved a reduction for traditional Medicaid at Addictive and Mental Disorders Division. The total funds adjustment for the biennium is \$5,382,859 including \$925,227 in general fund.

DP 33334 - Medicaid Expansion Legislative Caseload AMDD -

The legislature approved a reduction for Medicaid expansion at Addictive and Mental Disorders Division. The total funds adjustment for the biennium is \$5,061,556 including \$414,085 in general fund.