

**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	402,468,278	(6,820,114)	(1.67)%
Operating Expenses	311,685,202	308,925,795	(2,759,407)	(0.89)%
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	5,223,477,651	58,330,159	1.13%
Transfers	9,286,952	6,497,802	(2,789,150)	(30.03)%
Debt Service	1,119,928	573,931	(545,997)	(48.75)%
<b>Total Expenditures</b>	<b>\$6,047,916,006</b>	<b>\$6,083,684,577</b>	<b>\$35,768,571</b>	<b>0.59%</b>
General Fund	1,180,677,442	1,227,187,361	46,509,919	3.94%
State/Other Special Rev. Funds	480,109,612	464,967,122	(15,142,490)	(3.15)%
Federal Spec. Rev. Funds	4,387,128,952	4,391,530,094	4,401,142	0.10%
<b>Total Funds</b>	<b>\$6,047,916,006</b>	<b>\$6,083,684,577</b>	<b>\$35,768,571</b>	<b>0.59%</b>
<b>Total Ongoing</b>	<b>\$6,047,916,006</b>	<b>\$6,086,905,409</b>	<b>\$38,989,403</b>	<b>0.64%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$3,220,832)</b>	<b>(\$3,220,832)</b>	<b>100.00%</b>

**Page Reference**

LFD Budget Analysis B-1

**Agency Highlights**

**DPHHS  
Major Budget Highlights**

- The 2023 biennium HB 2 budget is 0.6% higher than the 2021 biennium budget and totals \$6,086.9 million
  - The FY 2022 HB 2 budget is a 3.2% decrease from the FY 2021 base, while the FY 2023 budget is a 0.3% decrease from the FY 2021 base

Significant actions include:

- Reduced FTE by a net 20.50 for the 2023 biennium
- Created an unrestricted contingency funding appropriation 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 at six divisions across DPHHS relative to the personal services budget requested by the executive
- Medicaid line items were restricted by division
- A decrease in Montana's FMAP for FFY 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 year of the 2023 biennium
- Funding and FTE for the Boulder campus was removed, lowering the budget by \$2.0 million general fund over the biennium. The FY 2022 reduction is contingent upon the passage of a bill that would transfer the Boulder campus to the Department of Justice
- Adopted a restricted Medicaid provider rate increase, exempting hospitals and physicians, of 1.0% in FY 2022 and 2.0% in FY 2023 in the Health Resources Division and of 2.0% in FY 2022 and 4.0% in FY 2023 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
- 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 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	2,853.02	2,853.02
Personal Services	193,712,324	204,095,759	205,192,633	199,344,702	203,123,576
Operating Expenses	150,996,643	162,926,971	148,758,231	150,539,228	158,386,567
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	2,574,537,747	2,648,939,904
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
<b>Total Expenditures</b>	<b>\$2,746,757,318</b>	<b>\$2,952,920,974</b>	<b>\$3,094,995,032</b>	<b>\$2,998,845,483</b>	<b>\$3,084,839,094</b>
General Fund	497,319,792	551,289,292	629,388,150	598,904,539	628,282,822
State/Other Special Rev. Funds	218,657,797	236,382,829	243,726,783	232,561,660	232,405,462
Federal Spec. Rev. Funds	2,030,779,729	2,165,248,853	2,221,880,099	2,167,379,284	2,224,150,810
<b>Total Funds</b>	<b>\$2,746,757,318</b>	<b>\$2,952,920,974</b>	<b>\$3,094,995,032</b>	<b>\$2,998,845,483</b>	<b>\$3,084,839,094</b>
<b>Total Ongoing</b>	<b>\$2,746,757,318</b>	<b>\$2,952,920,974</b>	<b>\$3,094,995,032</b>	<b>\$3,002,066,315</b>	<b>\$3,084,839,094</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$3,220,832)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-3

**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	2,853.02	(21.50)	2,874.52	2,853.02	(21.50)	(21.50)
Personal Services	205,192,633	204,358,920	199,344,702	(5,014,218)	208,142,717	203,123,576	(5,019,141)	(10,033,359)
Operating Expenses	148,758,231	151,075,115	150,539,228	(535,887)	158,965,695	158,386,567	(579,128)	(1,115,015)
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	2,574,537,747	(59,248,367)	2,702,570,656	2,648,939,904	(53,630,752)	(112,879,119)
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)
<b>Total Costs</b>	<b>\$3,094,995,032</b>	<b>\$3,066,971,887</b>	<b>\$2,998,845,483</b>	<b>(\$68,126,404)</b>	<b>\$3,147,396,047</b>	<b>\$3,084,839,094</b>	<b>(\$62,556,953)</b>	<b>(\$130,683,357)</b>
General Fund	629,388,150	618,344,339	598,904,539	(19,439,800)	648,611,534	628,282,822	(20,328,712)	(39,768,512)
State/other Special Rev. Funds	243,726,783	252,376,781	232,561,660	(19,815,121)	249,105,269	232,405,462	(16,699,807)	(36,514,928)
Federal Spec. Rev. Funds	2,221,880,099	2,196,250,767	2,167,379,284	(28,871,483)	2,249,679,244	2,224,150,810	(25,528,434)	(54,399,917)
<b>Total Funds</b>	<b>\$3,094,995,032</b>	<b>\$3,066,971,887</b>	<b>\$2,998,845,483</b>	<b>(\$68,126,404)</b>	<b>\$3,147,396,047</b>	<b>\$3,084,839,094</b>	<b>(\$62,556,953)</b>	<b>(\$130,683,357)</b>
<b>Total Ongoing</b>	<b>\$3,094,995,032</b>	<b>\$3,070,192,719</b>	<b>\$3,002,066,315</b>	<b>(\$68,126,404)</b>	<b>\$3,147,396,047</b>	<b>\$3,084,839,094</b>	<b>(\$62,556,953)</b>	<b>(\$130,683,357)</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$3,220,832)</b>	<b>(\$3,220,832)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

The legislative budget is \$130.7 million total funds lower than the executive request over the biennium.

- The legislative budget includes 2,853.02 FTE, 21.50 fewer than the executive request. The legislature removed FTE from the Developmental Services Division and the Director's Office
- The legislative budget is \$39.8 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 legislature not approving state special revenue funds for the HEART (Healing and Ending Addiction Through Recovery and Treatment) Act, 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 \$54.4 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

**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	1,230,408,193	(3,220,832)	0	0	1,227,187,361	19.52 %	
State Special Total	464,967,122	0	0	8,495,884	473,463,006	7.53 %	
Federal Special Total	4,391,530,094	0	0	193,456,010	4,584,986,104	72.94 %	
Proprietary Total	0	0	0	0	0	0.00 %	
Other Total	0	0	0	0	0	0.00 %	
<b>Total All Funds</b>	<b>\$6,086,905,409</b>	<b>(\$3,220,832)</b>	<b>\$0</b>	<b>\$201,951,894</b>	<b>\$6,285,636,471</b>		
<b>Percent - Total All Sources</b>	<b>96.84 %</b>	<b>(0.05)%</b>	<b>0.00 %</b>	<b>3.21 %</b>			

**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	629,388,150	629,388,150	1,258,776,300	102.57 %	3,094,995,032	3,094,995,032	6,189,990,064	101.75 %
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)	(1.32)%	(39,466,853)	29,815,232	(9,651,621)	(0.16)%
New Proposals	(14,864,648)	(3,124,397)	(17,989,045)	(1.47)%	(58,831,186)	(42,198,523)	(101,029,709)	(1.66)%
<b>Total Budget</b>	<b>\$598,904,539</b>	<b>\$628,282,822</b>	<b>\$1,227,187,361</b>		<b>\$2,998,845,483</b>	<b>\$3,084,839,094</b>	<b>\$6,083,684,577</b>	

**Language and Statutory Authority**

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.

If [HB 686] is not passed and approved and provides for the transfer of the Boulder campus from the Department of Public Health and Human Services to the Department of Justice for use by the Montana Highway Patrol, the appropriation for the Developmental Services Division in HB 2 is increased by \$1,188,629 general fund in FY 2022.

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.

**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)%
<b>Total Expenditures</b>	<b>\$58,556,047</b>	<b>\$58,633,866</b>	<b>\$77,819</b>	<b>0.13 %</b>
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 %
<b>Total Funds</b>	<b>\$58,556,047</b>	<b>\$58,633,866</b>	<b>\$77,819</b>	<b>0.13 %</b>
<b>Total Ongoing</b>	<b>\$58,556,047</b>	<b>\$58,701,136</b>	<b>\$145,089</b>	<b>0.25 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$67,270)</b>	<b>(\$67,270)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-17

**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
<b>Total Expenditures</b>	<b>\$19,318,779</b>	<b>\$29,056,455</b>	<b>\$29,499,592</b>	<b>\$29,273,064</b>	<b>\$29,360,802</b>
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
<b>Total Funds</b>	<b>\$19,318,779</b>	<b>\$29,056,455</b>	<b>\$29,499,592</b>	<b>\$29,273,064</b>	<b>\$29,360,802</b>
<b>Total Ongoing</b>	<b>\$19,318,779</b>	<b>\$29,056,455</b>	<b>\$29,499,592</b>	<b>\$29,340,334</b>	<b>\$29,360,802</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$67,270)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-18

**Funding**

Disability Employment & Transitions (DET) 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.

**Program 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	6,093,902	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)%
<b>Total Budget</b>	<b>\$6,042,818</b>	<b>\$6,113,229</b>	<b>\$12,156,047</b>		<b>\$29,273,064</b>	<b>\$29,360,802</b>	<b>\$58,633,866</b>	

**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	16,600	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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$16,186</b>	<b>\$29,316</b>	<b>\$195,240</b>	<b>\$240,742</b>	<b>0.00</b>	<b>\$19,327</b>	<b>\$29,561</b>	<b>\$212,322</b>	<b>\$261,210</b>

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

**DP 1 - Personal Services -**

The 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
<b>Total</b>	<b>0.00</b>	<b>(\$67,270)</b>	<b>(\$400,000)</b>	<b>\$0</b>	<b>(\$467,270)</b>	<b>0.00</b>	<b>\$0</b>	<b>(\$400,000)</b>	<b>\$0</b>	<b>(\$400,000)</b>

\*"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)%
<b>Total Expenditures</b>	<b>\$563,388,898</b>	<b>\$566,942,175</b>	<b>\$3,553,277</b>	<b>0.63 %</b>
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 %
<b>Total Funds</b>	<b>\$563,388,898</b>	<b>\$566,942,175</b>	<b>\$3,553,277</b>	<b>0.63 %</b>
<b>Total Ongoing</b>	<b>\$563,388,898</b>	<b>\$567,302,796</b>	<b>\$3,913,898</b>	<b>0.69 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$360,621)</b>	<b>(\$360,621)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-23

**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
<b>Total Expenditures</b>	<b>\$254,843,754</b>	<b>\$279,826,420</b>	<b>\$283,562,478</b>	<b>\$283,247,993</b>	<b>\$283,694,182</b>
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
<b>Total Funds</b>	<b>\$254,843,754</b>	<b>\$279,826,420</b>	<b>\$283,562,478</b>	<b>\$283,247,993</b>	<b>\$283,694,182</b>
<b>Total Ongoing</b>	<b>\$254,843,754</b>	<b>\$279,826,420</b>	<b>\$283,562,478</b>	<b>\$283,608,614</b>	<b>\$283,694,182</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$360,621)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-24

**Funding**

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

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

**Program Budget Summary by Category**

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)%
<b>Total Budget</b>	<b>\$24,291,908</b>	<b>\$24,682,405</b>	<b>\$48,974,313</b>		<b>\$283,247,993</b>	<b>\$283,694,182</b>	<b>\$566,942,175</b>	

**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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$40,942)</b>	<b>\$37,643</b>	<b>\$378,780</b>	<b>\$375,481</b>	<b>0.00</b>	<b>(\$10,745)</b>	<b>\$40,742</b>	<b>\$431,925</b>	<b>\$461,922</b>

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

DP 1 - Personal Services -

The 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
<b>Total</b>	<b>0.00</b>	<b>(\$481,671)</b>	<b>(\$14,574)</b>	<b>(\$193,721)</b>	<b>(\$689,966)</b>	<b>0.00</b>	<b>(\$121,371)</b>	<b>(\$14,612)</b>	<b>(\$194,235)</b>	<b>(\$330,218)</b>

\*\*"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.

## 69010 - Department Of Public Health & Human Services 03-Child and Family Services 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	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 %
<b>Total Expenditures</b>	<b>\$209,611,854</b>	<b>\$216,884,909</b>	<b>\$7,273,055</b>	<b>3.47 %</b>
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 %
<b>Total Funds</b>	<b>\$209,611,854</b>	<b>\$216,884,909</b>	<b>\$7,273,055</b>	<b>3.47 %</b>
<b>Total Ongoing</b>	<b>\$209,611,854</b>	<b>\$217,595,127</b>	<b>\$7,983,273</b>	<b>3.81 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$710,218)</b>	<b>(\$710,218)</b>	<b>100.00 %</b>

### Page Reference

LFD Budget Analysis B-29

### 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	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
<b>Total Expenditures</b>	<b>\$100,267,988</b>	<b>\$102,876,960</b>	<b>\$106,734,894</b>	<b>\$108,074,405</b>	<b>\$108,810,504</b>
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
<b>Total Funds</b>	<b>\$100,267,988</b>	<b>\$102,876,960</b>	<b>\$106,734,894</b>	<b>\$108,074,405</b>	<b>\$108,810,504</b>
<b>Total Ongoing</b>	<b>\$100,267,988</b>	<b>\$102,876,960</b>	<b>\$106,734,894</b>	<b>\$108,784,623</b>	<b>\$108,810,504</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$710,218)</b>	<b>\$0</b>

### Page Reference

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

LFD Budget Analysis B-31

## Funding

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

## Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 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 %
<b>Total Budget</b>	<b>\$63,445,757</b>	<b>\$64,177,672</b>	<b>\$127,623,429</b>		<b>\$108,074,405</b>	<b>\$108,810,504</b>	<b>\$216,884,909</b>	

## 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	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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$199,428</b>	<b>\$0</b>	<b>\$70,925</b>	<b>\$270,353</b>	<b>0.00</b>	<b>\$255,070</b>	<b>\$0</b>	<b>\$95,914</b>	<b>\$350,984</b>

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

## DP 1 - Personal Services -

The 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 -

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

---

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 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
<b>Total</b>	<b>0.00</b>	<b>\$392,995</b>	<b>\$0</b>	<b>\$676,163</b>	<b>\$1,069,158</b>	<b>0.00</b>	<b>\$1,069,268</b>	<b>\$0</b>	<b>\$655,358</b>	<b>\$1,724,626</b>

\*"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. 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	13,844,325	11,327,869	(2,516,456)	(18.18)%
Operating Expenses	14,476,584	2,362,092	(12,114,492)	(83.68)%
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)%
<b>Total Expenditures</b>	<b>\$29,831,083</b>	<b>\$15,196,063</b>	<b>(\$14,635,020)</b>	<b>(49.06)%</b>
General Fund	10,895,172	6,627,124	(4,268,048)	(39.17)%
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)%
<b>Total Funds</b>	<b>\$29,831,083</b>	<b>\$15,196,063</b>	<b>(\$14,635,020)</b>	<b>(49.06)%</b>
<b>Total Ongoing</b>	<b>\$29,831,083</b>	<b>\$15,300,355</b>	<b>(\$14,530,728)</b>	<b>(48.71)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$104,292)</b>	<b>(\$104,292)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-39

**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	1,180,876	1,181,216
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
<b>Total Expenditures</b>	<b>\$16,009,205</b>	<b>\$20,808,918</b>	<b>\$9,022,165</b>	<b>\$7,537,285</b>	<b>\$7,658,778</b>
General Fund	4,188,758	6,893,446	4,001,726	3,256,968	3,370,156
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
<b>Total Funds</b>	<b>\$16,009,205</b>	<b>\$20,808,918</b>	<b>\$9,022,165</b>	<b>\$7,537,285</b>	<b>\$7,658,778</b>
<b>Total Ongoing</b>	<b>\$16,009,205</b>	<b>\$20,808,918</b>	<b>\$9,022,165</b>	<b>\$7,641,577</b>	<b>\$7,658,778</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$104,292)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-40

**Funding**

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.

**Program 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	120.77 %	9,022,165	9,022,165	18,044,330	118.74 %
SWPL Adjustments	(70,944)	(61,966)	(132,910)	(2.01)%	(141,901)	(123,941)	(265,842)	(1.75)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(673,814)	(569,604)	(1,243,418)	(18.76)%	(1,342,979)	(1,239,446)	(2,582,425)	(16.99)%
<b>Total Budget</b>	<b>\$3,256,968</b>	<b>\$3,370,156</b>	<b>\$6,627,124</b>		<b>\$7,537,285</b>	<b>\$7,658,778</b>	<b>\$15,196,063</b>	

**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	(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)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$70,944)</b>	<b>(\$8,486)</b>	<b>(\$62,471)</b>	<b>(\$141,901)</b>	<b>0.00</b>	<b>(\$61,966)</b>	<b>(\$7,228)</b>	<b>(\$54,747)</b>	<b>(\$123,941)</b>

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

**DP 1 - Personal Services -**

The 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 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)
<b>Total</b>	<b>(4.50)</b>	<b>(\$673,814)</b>	<b>(\$523,683)</b>	<b>(\$145,482)</b>	<b>(\$1,342,979)</b>	<b>(4.50)</b>	<b>(\$569,604)</b>	<b>(\$523,778)</b>	<b>(\$146,064)</b>	<b>(\$1,239,446)</b>

\*"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 3.5 vacant FTE and the associated funding from the Director's Office. The positions include 69104160, classified as a Human Resource Specialist, 69100120 classified as a Lawyer, 69104006 classified as a Paralegal Legal Assistant, and 69105152 classified as a Paralegal Legal Assistant. The total fund decrease in FY 2022 is \$338,332 including \$169,167 in general fund, \$23,683 in state special revenue, and \$145,482 in federal funds. The total fund decrease in FY 2023 is \$339,684, including \$169,842 in general fund, \$23,778 in state special revenue, and \$146,064 in federal funds.

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 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)%	
<b>Total Expenditures</b>	<b>\$22,854,486</b>	<b>\$23,134,973</b>	<b>\$280,487</b>	<b>1.23 %</b>	
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 %	
<b>Total Funds</b>	<b>\$22,854,486</b>	<b>\$23,134,973</b>	<b>\$280,487</b>	<b>1.23 %</b>	
<b>Total Ongoing</b>	<b>\$22,854,486</b>	<b>\$23,226,804</b>	<b>\$372,318</b>	<b>1.63 %</b>	
<b>Total OTO</b>	<b>\$0</b>	<b>(\$91,831)</b>	<b>(\$91,831)</b>	<b>100.00 %</b>	

### Page Reference

LFD Budget Analysis B-44

### 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
<b>Total Expenditures</b>	<b>\$11,283,065</b>	<b>\$11,370,584</b>	<b>\$11,483,902</b>	<b>\$11,506,185</b>	<b>\$11,628,788</b>
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
<b>Total Funds</b>	<b>\$11,283,065</b>	<b>\$11,370,584</b>	<b>\$11,483,902</b>	<b>\$11,506,185</b>	<b>\$11,628,788</b>
<b>Total Ongoing</b>	<b>\$11,283,065</b>	<b>\$11,370,584</b>	<b>\$11,483,902</b>	<b>\$11,598,016</b>	<b>\$11,628,788</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$91,831)</b>	<b>\$0</b>

### Page Reference

LFD Budget Analysis B-45

### Funding

Child Support Services Division (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.

**Program 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)%
<b>Total Budget</b>	<b>\$3,237,875</b>	<b>\$3,340,168</b>	<b>\$6,578,043</b>		<b>\$11,506,185</b>	<b>\$11,628,788</b>	<b>\$23,134,973</b>	

**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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$38,799</b>	<b>\$0</b>	<b>\$75,315</b>	<b>\$114,114</b>	<b>0.00</b>	<b>\$49,261</b>	<b>\$0</b>	<b>\$95,625</b>	<b>\$144,886</b>

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

DP 1 - Personal Services -

The 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
<b>Total</b>	<b>0.00</b>	<b>(\$91,831)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$91,831)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*"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.

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

### 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)%
<b>Total Expenditures</b>	<b>\$26,107,744</b>	<b>\$25,542,504</b>	<b>(\$565,240)</b>	<b>(2.17)%</b>
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)%
<b>Total Funds</b>	<b>\$26,107,744</b>	<b>\$25,542,504</b>	<b>(\$565,240)</b>	<b>(2.17)%</b>
<b>Total Ongoing</b>	<b>\$26,107,744</b>	<b>\$25,587,941</b>	<b>(\$519,803)</b>	<b>(1.99)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$45,437)</b>	<b>(\$45,437)</b>	<b>100.00 %</b>

### Page Reference

LFD Budget Analysis B-48

### 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	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
<b>Total Expenditures</b>	<b>\$12,424,715</b>	<b>\$13,334,233</b>	<b>\$12,773,511</b>	<b>\$13,016,065</b>	<b>\$12,526,439</b>
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
<b>Total Funds</b>	<b>\$12,424,715</b>	<b>\$13,334,233</b>	<b>\$12,773,511</b>	<b>\$13,016,065</b>	<b>\$12,526,439</b>
<b>Total Ongoing</b>	<b>\$12,424,715</b>	<b>\$13,334,233</b>	<b>\$12,773,511</b>	<b>\$13,061,502</b>	<b>\$12,526,439</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$45,437)</b>	<b>\$0</b>

### Page Reference

LFD Budget Analysis B-49

### Funding

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

Business & Financial Services Division (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 state 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 are facility 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, BFSD collected \$21.4 million for facility reimbursements, most of which are deposited into the general fund.

**Program 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)%
<b>Total Budget</b>	<b>\$4,759,911</b>	<b>\$4,575,692</b>	<b>\$9,335,603</b>		<b>\$13,016,065</b>	<b>\$12,526,439</b>	<b>\$25,542,504</b>	

**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)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$270,508</b>	<b>\$80,535</b>	<b>(\$63,052)</b>	<b>\$287,991</b>	<b>0.00</b>	<b>\$40,852</b>	<b>\$60,906</b>	<b>(\$348,830)</b>	<b>(\$247,072)</b>

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

**DP 1 - Personal Services -**

The 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.

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

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
<b>Total</b>	<b>0.00</b>	<b>(\$45,437)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$45,437)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*"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)%
<b>Total Expenditures</b>	<b>\$77,653,237</b>	<b>\$78,870,451</b>	<b>\$1,217,214</b>	<b>1.57 %</b>
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 %
<b>Total Funds</b>	<b>\$77,653,237</b>	<b>\$78,870,451</b>	<b>\$1,217,214</b>	<b>1.57 %</b>
<b>Total Ongoing</b>	<b>\$77,653,237</b>	<b>\$78,922,344</b>	<b>\$1,269,107</b>	<b>1.63 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$51,893)</b>	<b>(\$51,893)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-52

**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
<b>Total Expenditures</b>	<b>\$34,684,518</b>	<b>\$38,563,844</b>	<b>\$39,089,393</b>	<b>\$39,387,202</b>	<b>\$39,483,249</b>
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
<b>Total Funds</b>	<b>\$34,684,518</b>	<b>\$38,563,844</b>	<b>\$39,089,393</b>	<b>\$39,387,202</b>	<b>\$39,483,249</b>
<b>Total Ongoing</b>	<b>\$34,684,518</b>	<b>\$38,563,844</b>	<b>\$39,089,393</b>	<b>\$39,439,095</b>	<b>\$39,483,249</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$51,893)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-53

**Funding**

The 2023 biennium Public Health & Safety Division (PHSD) budget request is funded by general fund, state special revenue, and federal funds. General fund is used to fund a portion of each of the major functions 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 (see the state special revenue fund balance table in the DPHHS Budget Analysis Agency Summary for detail on these funds)
- 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

**Program 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)%
<b>Total Budget</b>	<b>\$3,149,348</b>	<b>\$3,207,756</b>	<b>\$6,357,104</b>		<b>\$39,387,202</b>	<b>\$39,483,249</b>	<b>\$78,870,451</b>	

**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)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$105,570</b>	<b>(\$45,730)</b>	<b>\$417,776</b>	<b>\$477,616</b>	<b>0.00</b>	<b>\$112,149</b>	<b>(\$37,923)</b>	<b>\$447,984</b>	<b>\$522,210</b>

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

**DP 1 - Personal Services -**

The 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
<b>Total</b>	<b>0.00</b>	<b>(\$70,743)</b>	<b>(\$26,165)</b>	<b>(\$82,899)</b>	<b>(\$179,807)</b>	<b>0.00</b>	<b>(\$18,914)</b>	<b>(\$26,246)</b>	<b>(\$83,194)</b>	<b>(\$128,354)</b>

\*"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. 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	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)%
<b>Total Expenditures</b>	<b>\$16,388,680</b>	<b>\$16,785,299</b>	<b>\$396,619</b>	<b>2.42 %</b>
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 %
<b>Total Funds</b>	<b>\$16,388,680</b>	<b>\$16,785,299</b>	<b>\$396,619</b>	<b>2.42 %</b>
<b>Total Ongoing</b>	<b>\$16,388,680</b>	<b>\$16,849,422</b>	<b>\$460,742</b>	<b>2.81 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$64,123)</b>	<b>(\$64,123)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-59

**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
<b>Total Expenditures</b>	<b>\$7,515,527</b>	<b>\$8,132,199</b>	<b>\$8,256,481</b>	<b>\$8,350,217</b>	<b>\$8,435,082</b>
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
<b>Total Funds</b>	<b>\$7,515,527</b>	<b>\$8,132,199</b>	<b>\$8,256,481</b>	<b>\$8,350,217</b>	<b>\$8,435,082</b>
<b>Total Ongoing</b>	<b>\$7,515,527</b>	<b>\$8,132,199</b>	<b>\$8,256,481</b>	<b>\$8,414,340</b>	<b>\$8,435,082</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$64,123)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-60

**Funding**

Quality Assurance Division (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

**Program 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	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)%
<b>Total Budget</b>	<b>\$2,427,861</b>	<b>\$2,500,107</b>	<b>\$4,927,968</b>		<b>\$8,350,217</b>	<b>\$8,435,082</b>	<b>\$16,785,299</b>	

**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)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$28,538)</b>	<b>(\$5,021)</b>	<b>\$191,418</b>	<b>\$157,859</b>	<b>0.00</b>	<b>(\$20,415)</b>	<b>(\$4,228)</b>	<b>\$203,244</b>	<b>\$178,601</b>

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

**DP 1 - Personal Services -**

The 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
<b>Total</b>	<b>0.00</b>	<b>(\$64,123)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$64,123)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*"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)%
<b>Total Expenditures</b>	<b>\$63,553,123</b>	<b>\$61,324,584</b>	<b>(\$2,228,539)</b>	<b>(3.51)%</b>
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)%
<b>Total Funds</b>	<b>\$63,553,123</b>	<b>\$61,324,584</b>	<b>(\$2,228,539)</b>	<b>(3.51)%</b>
<b>Total Ongoing</b>	<b>\$63,553,123</b>	<b>\$61,370,708</b>	<b>(\$2,182,415)</b>	<b>(3.43)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$46,124)</b>	<b>(\$46,124)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-64

**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
<b>Total Expenditures</b>	<b>\$31,467,171</b>	<b>\$32,029,800</b>	<b>\$31,523,323</b>	<b>\$30,597,225</b>	<b>\$30,727,359</b>
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
<b>Total Funds</b>	<b>\$31,467,171</b>	<b>\$32,029,800</b>	<b>\$31,523,323</b>	<b>\$30,597,225</b>	<b>\$30,727,359</b>
<b>Total Ongoing</b>	<b>\$31,467,171</b>	<b>\$32,029,800</b>	<b>\$31,523,323</b>	<b>\$30,643,349</b>	<b>\$30,727,359</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$46,124)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-65

**Funding**

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

**Program 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)%
<b>Total Budget</b>	<b>\$12,754,004</b>	<b>\$12,833,737</b>	<b>\$25,587,741</b>		<b>\$30,597,225</b>	<b>\$30,727,359</b>	<b>\$61,324,584</b>	

**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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$379,446)</b>	<b>(\$67,819)</b>	<b>(\$443,109)</b>	<b>(\$890,374)</b>	<b>0.00</b>	<b>(\$345,837)</b>	<b>(\$61,099)</b>	<b>(\$399,428)</b>	<b>(\$806,364)</b>

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

DP 1 - Personal Services -

The 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
<b>Total</b>	<b>0.00</b>	<b>(\$35,724)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$35,724)</b>	<b>0.00</b>	<b>\$10,400</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,400</b>

\*"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	616,016,787	58,544,068	10.50 %
Debt Service	77,564	0	(77,564)	(100.00)%
<b>Total Expenditures</b>	<b>\$586,817,978</b>	<b>\$637,736,432</b>	<b>\$50,918,454</b>	<b>8.68 %</b>
General Fund	169,224,373	185,398,186	16,173,813	9.56 %
State/Other Special Rev. Funds	13,148,494	11,401,980	(1,746,514)	(13.28)%
Federal Spec. Rev. Funds	404,445,111	440,936,266	36,491,155	9.02 %
<b>Total Funds</b>	<b>\$586,817,978</b>	<b>\$637,736,432</b>	<b>\$50,918,454</b>	<b>8.68 %</b>
<b>Total Ongoing</b>	<b>\$586,817,978</b>	<b>\$637,947,710</b>	<b>\$51,129,732</b>	<b>8.71 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$211,278)</b>	<b>(\$211,278)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-69

**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	299,748,891	316,267,896
Debt Service	39,156	39,632	37,932	0	0
<b>Total Expenditures</b>	<b>\$252,039,525</b>	<b>\$277,227,721</b>	<b>\$309,590,257</b>	<b>\$310,490,709</b>	<b>\$327,245,723</b>
General Fund	76,856,425	78,840,098	90,384,275	89,535,142	95,863,044
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	215,254,577	225,681,689
<b>Total Funds</b>	<b>\$252,039,525</b>	<b>\$277,227,721</b>	<b>\$309,590,257</b>	<b>\$310,490,709</b>	<b>\$327,245,723</b>
<b>Total Ongoing</b>	<b>\$252,039,525</b>	<b>\$277,227,721</b>	<b>\$309,590,257</b>	<b>\$310,701,987</b>	<b>\$327,245,723</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$211,278)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-71

**Funding**

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 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 US 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.

**Program 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	90,384,275	90,384,275	180,768,550	97.50 %	309,590,257	309,590,257	619,180,514	97.09 %
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	6.39 %	10,421,349	22,031,697	32,453,046	5.09 %
New Proposals	(4,537,514)	(2,617,805)	(7,155,319)	(3.86)%	(9,468,736)	(4,354,333)	(13,823,069)	(2.17)%
<b>Total Budget</b>	<b>\$89,535,142</b>	<b>\$95,863,044</b>	<b>\$185,398,186</b>		<b>\$310,490,709</b>	<b>\$327,245,723</b>	<b>\$637,736,432</b>	

**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	16,741	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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$3,688,381</b>	<b>\$0</b>	<b>\$6,680,807</b>	<b>\$10,369,188</b>	<b>0.00</b>	<b>\$8,096,574</b>	<b>\$0</b>	<b>\$13,913,225</b>	<b>\$22,009,799</b>

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

DP 1 - Personal Services -

The 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 788 - Medicaid PRI - Exempt HRD Hosp Phys 1%+2% (RST)	0.00	952,634	0	1,761,421	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 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 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)
<b>Total</b>	<b>(18.00)</b>	<b>(\$4,537,514)</b>	<b>(\$1,001,022)</b>	<b>(\$3,930,200)</b>	<b>(\$9,468,736)</b>	<b>(18.00)</b>	<b>(\$2,617,805)</b>	<b>(\$1,001,022)</b>	<b>(\$735,506)</b>	<b>(\$4,354,333)</b>

\*\*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 788 - Medicaid PRI - Exempt HRD 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. Funding at the Developmental Services Division for the biennium is \$2.9 million general fund and \$5.3 million federal funds.

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 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 all appropriations for the Boulder Campus in FY 2022. The total reduction is \$987,794 in general fund.

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	2,912,561,587	(95,757,853)	(3.18)%
Debt Service	16,842	0	(16,842)	(100.00)%
<b>Total Expenditures</b>	<b>\$3,050,211,580</b>	<b>\$2,951,973,543</b>	<b>(\$98,238,037)</b>	<b>(3.22)%</b>
General Fund	414,496,691	403,388,829	(11,107,862)	(2.68)%
State/Other Special Rev. Funds	265,379,861	259,120,967	(6,258,894)	(2.36)%
Federal Spec. Rev. Funds	2,370,335,028	2,289,463,747	(80,871,281)	(3.41)%
<b>Total Funds</b>	<b>\$3,050,211,580</b>	<b>\$2,951,973,543</b>	<b>(\$98,238,037)</b>	<b>(3.22)%</b>
<b>Total Ongoing</b>	<b>\$3,050,211,580</b>	<b>\$2,952,007,951</b>	<b>(\$98,203,629)</b>	<b>(3.22)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$34,408)</b>	<b>(\$34,408)</b>	<b>100.00%</b>

**Page Reference**

LFD Budget Analysis B-78

**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	1,436,093,676	1,476,467,911
Debt Service	4,839	16,842	0	0	0
<b>Total Expenditures</b>	<b>\$1,390,751,780</b>	<b>\$1,478,753,571</b>	<b>\$1,571,458,009</b>	<b>\$1,455,775,733</b>	<b>\$1,496,197,810</b>
General Fund	148,777,359	181,424,719	233,071,972	195,081,795	208,307,034
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	1,130,501,945	1,158,961,802
<b>Total Funds</b>	<b>\$1,390,751,780</b>	<b>\$1,478,753,571</b>	<b>\$1,571,458,009</b>	<b>\$1,455,775,733</b>	<b>\$1,496,197,810</b>
<b>Total Ongoing</b>	<b>\$1,390,751,780</b>	<b>\$1,478,753,571</b>	<b>\$1,571,458,009</b>	<b>\$1,455,810,141</b>	<b>\$1,496,197,810</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$34,408)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-79

**Funding**

The 2023 biennium Health Resource Division (HRD) HB 2 budget is funded by general fund, state special revenue, and federal funds. General fund pays for the state Medicaid match, state CHIP match, and Medicare buy-in.

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.

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

State Medicaid match

- Hospital utilization fee (\$70 per day assessed for each day of an inpatient stay)
- 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% (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 percentage points higher than the standard FMAP rate

Program 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	233,071,972	233,071,972	466,143,944	115.56 %	1,571,458,009	1,571,458,009	3,142,916,018	106.47 %
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)	(12.33)%	(75,946,350)	(38,550,420)	(114,496,770)	(3.88)%
New Proposals	(8,761,128)	(3,893,149)	(12,654,277)	(3.14)%	(39,292,962)	(36,280,249)	(75,573,211)	(2.56)%
<b>Total Budget</b>	<b>\$195,081,795</b>	<b>\$208,307,034</b>	<b>\$403,388,829</b>		<b>\$1,455,775,733</b>	<b>\$1,496,197,810</b>	<b>\$2,951,973,543</b>	

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	(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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$29,229,049)</b>	<b>\$470,346</b>	<b>(\$47,630,611)</b>	<b>(\$76,389,314)</b>	<b>0.00</b>	<b>(\$20,871,789)</b>	<b>\$3,686,510</b>	<b>(\$21,794,671)</b>	<b>(\$38,979,950)</b>

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

DP 1 - Personal Services -

The 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 and programs 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 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
<b>Total</b>	<b>0.00</b>	<b>(\$8,761,128)</b>	<b>(\$5,263,595)</b>	<b>(\$25,268,239)</b>	<b>(\$39,292,962)</b>	<b>0.00</b>	<b>(\$3,893,149)</b>	<b>(\$9,742,778)</b>	<b>(\$22,644,322)</b>	<b>(\$36,280,249)</b>

\*\*\*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. The total funds at Health Resources Division for the biennium is \$14,986,388 including \$5,260,223 in general fund.

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 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 at 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 at 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	2,706,308	461,798	20.57 %
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)%
<b>Total Expenditures</b>	<b>\$59,524,960</b>	<b>\$71,038,342</b>	<b>\$11,513,382</b>	<b>19.34 %</b>
General Fund	12,614,663	18,570,439	5,955,776	47.21 %
State/Other Special Rev. Funds	274,918	77,348	(197,570)	(71.87)%
Federal Spec. Rev. Funds	46,635,379	52,390,555	5,755,176	12.34 %
<b>Total Funds</b>	<b>\$59,524,960</b>	<b>\$71,038,342</b>	<b>\$11,513,382</b>	<b>19.34 %</b>
<b>Total Ongoing</b>	<b>\$59,524,960</b>	<b>\$71,042,651</b>	<b>\$11,517,691</b>	<b>19.35 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$4,309)</b>	<b>(\$4,309)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-91

**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	10.00	10.00
Personal Services	929,288	1,176,781	1,067,729	1,349,829	1,356,479
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
<b>Total Expenditures</b>	<b>\$23,734,361</b>	<b>\$28,448,441</b>	<b>\$31,076,519</b>	<b>\$31,524,351</b>	<b>\$39,513,991</b>
General Fund	6,231,592	6,608,460	6,006,203	8,190,180	10,380,259
State/Other Special Rev. Funds	62,953	72,231	202,687	37,483	39,865
Federal Spec. Rev. Funds	17,439,816	21,767,750	24,867,629	23,296,688	29,093,867
<b>Total Funds</b>	<b>\$23,734,361</b>	<b>\$28,448,441</b>	<b>\$31,076,519</b>	<b>\$31,524,351</b>	<b>\$39,513,991</b>
<b>Total Ongoing</b>	<b>\$23,734,361</b>	<b>\$28,448,441</b>	<b>\$31,076,519</b>	<b>\$31,528,660</b>	<b>\$39,513,991</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$4,309)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-92

**Funding**

Medicaid & Health Services Management (MHSM) receives general fund, state special revenue fund, and federal special revenue fund authority. The majority of MHSM funding is federal authority from Medicaid Administration (50.0% federal match) or Indirect Activity from the Cost Allocation Plan (CAP). General fund is used for Medicaid administration.

**Program 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	64.69 %	31,076,519	31,076,519	62,153,038	87.49 %
SWPL Adjustments	87,353	88,073	175,426	0.94 %	286,376	288,729	575,105	0.81 %
PL Adjustments	2,100,933	4,285,983	6,386,916	34.39 %	165,765	8,148,743	8,314,508	11.70 %
New Proposals	(4,309)	0	(4,309)	(0.02)%	(4,309)	0	(4,309)	(0.01)%
<b>Total Budget</b>	<b>\$8,190,180</b>	<b>\$10,380,259</b>	<b>\$18,570,439</b>		<b>\$31,524,351</b>	<b>\$39,513,991</b>	<b>\$71,038,342</b>	

**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	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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$2,188,286</b>	<b>(\$165,204)</b>	<b>(\$1,570,941)</b>	<b>\$452,141</b>	<b>0.00</b>	<b>\$4,374,056</b>	<b>(\$162,822)</b>	<b>\$4,226,238</b>	<b>\$8,437,472</b>

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

DP 1 - Personal Services -

The 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 \$8,314,507 for the biennium. This biennial funding includes an increase in general fund of \$6,386,915, 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 5555 - Reduce GF Budget for State Share Holiday	0.00	(4,309)	0	0	(4,309)	0.00	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>(\$4,309)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$4,309)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*"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	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)%
<b>Total Expenditures</b>	<b>\$15,024,745</b>	<b>\$10,870,295</b>	<b>(\$4,154,450)</b>	<b>(27.65)%</b>
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)%
<b>Total Funds</b>	<b>\$15,024,745</b>	<b>\$10,870,295</b>	<b>(\$4,154,450)</b>	<b>(27.65)%</b>
<b>Total Ongoing</b>	<b>\$15,024,745</b>	<b>\$10,892,634</b>	<b>(\$4,132,111)</b>	<b>(27.50)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$22,339)</b>	<b>(\$22,339)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-95

**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
<b>Total Expenditures</b>	<b>\$6,158,664</b>	<b>\$7,543,011</b>	<b>\$7,481,734</b>	<b>\$5,421,675</b>	<b>\$5,448,620</b>
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
<b>Total Funds</b>	<b>\$6,158,664</b>	<b>\$7,543,011</b>	<b>\$7,481,734</b>	<b>\$5,421,675</b>	<b>\$5,448,620</b>
<b>Total Ongoing</b>	<b>\$6,158,664</b>	<b>\$7,543,011</b>	<b>\$7,481,734</b>	<b>\$5,444,014</b>	<b>\$5,448,620</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$22,339)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-96

**Funding**

Operations Services Division (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.

**Program Budget Summary by Category**

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)%
<b>Total Budget</b>	<b>\$948,266</b>	<b>\$971,760</b>	<b>\$1,920,026</b>		<b>\$5,421,675</b>	<b>\$5,448,620</b>	<b>\$10,870,295</b>	

**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)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$14,952)</b>	<b>(\$959,886)</b>	<b>(\$24,084)</b>	<b>(\$998,922)</b>	<b>0.00</b>	<b>(\$13,784)</b>	<b>(\$958,228)</b>	<b>(\$22,256)</b>	<b>(\$994,268)</b>

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

DP 1 - Personal Services -

The 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)
<b>Total</b>	<b>0.00</b>	<b>(\$31,461)</b>	<b>(\$1,016,474)</b>	<b>(\$13,202)</b>	<b>(\$1,061,137)</b>	<b>0.00</b>	<b>(\$9,135)</b>	<b>(\$1,016,490)</b>	<b>(\$13,221)</b>	<b>(\$1,038,846)</b>

\*"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	614,322,662	4,718,723	0.77 %
Transfers	192,150	8,000	(184,150)	(95.84)%
Debt Service	197,499	182,198	(15,301)	(7.75)%
<b>Total Expenditures</b>	<b>\$690,463,511</b>	<b>\$700,452,395</b>	<b>\$9,988,884</b>	<b>1.45 %</b>
General Fund	140,888,834	160,261,499	19,372,665	13.75 %
State/Other Special Rev. Funds	95,084,837	88,179,220	(6,905,617)	(7.26)%
Federal Spec. Rev. Funds	454,489,840	452,011,676	(2,478,164)	(0.55)%
<b>Total Funds</b>	<b>\$690,463,511</b>	<b>\$700,452,395</b>	<b>\$9,988,884</b>	<b>1.45 %</b>
<b>Total Ongoing</b>	<b>\$690,463,511</b>	<b>\$700,551,893</b>	<b>\$10,088,382</b>	<b>1.46 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$99,498)</b>	<b>(\$99,498)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-99

**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	303,578,919	310,743,743
Transfers	6,555	188,150	4,000	4,000	4,000
Debt Service	74,720	121,215	76,284	91,099	91,099
<b>Total Expenditures</b>	<b>\$321,394,767</b>	<b>\$334,685,637</b>	<b>\$355,777,874</b>	<b>\$346,416,881</b>	<b>\$354,035,514</b>
General Fund	64,377,303	65,342,888	75,545,946	78,724,918	81,536,581
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	223,606,876	228,404,800
<b>Total Funds</b>	<b>\$321,394,767</b>	<b>\$334,685,637</b>	<b>\$355,777,874</b>	<b>\$346,416,881</b>	<b>\$354,035,514</b>
<b>Total Ongoing</b>	<b>\$321,394,767</b>	<b>\$334,685,637</b>	<b>\$355,777,874</b>	<b>\$346,516,379</b>	<b>\$354,035,514</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$99,498)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-100

**Funding**

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

The general fund supports:

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

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.

**Program 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	75,545,946	75,545,946	151,091,892	94.28 %	355,777,874	355,777,874	711,555,748	101.59 %
SWPL Adjustments	275,955	288,554	564,509	0.35 %	289,581	324,041	613,622	0.09 %
PL Adjustments	1,010,110	2,599,946	3,610,056	2.25 %	(9,337,479)	(5,015,944)	(14,353,423)	(2.05)%
New Proposals	1,892,907	3,102,135	4,995,042	3.12 %	(313,095)	2,949,543	2,636,448	0.38 %
<b>Total Budget</b>	<b>\$78,724,918</b>	<b>\$81,536,581</b>	<b>\$160,261,499</b>		<b>\$346,416,881</b>	<b>\$354,035,514</b>	<b>\$700,452,395</b>	

**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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,286,065</b>	<b>(\$2,566,472)</b>	<b>(\$7,767,491)</b>	<b>(\$9,047,898)</b>	<b>0.00</b>	<b>\$2,888,500</b>	<b>(\$2,557,052)</b>	<b>(\$5,023,351)</b>	<b>(\$4,691,903)</b>

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

DP 1 - Personal Services -

The 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 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 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. This change package requests \$576,403 in total funds for the biennium. 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 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 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 788 - Medicaid PRI - Exempt HRD 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 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)
<b>Total</b>	<b>1.00</b>	<b>\$1,892,907</b>	<b>(\$1,958,332)</b>	<b>(\$247,670)</b>	<b>(\$313,095)</b>	<b>1.00</b>	<b>\$3,102,135</b>	<b>(\$1,958,706)</b>	<b>\$1,806,114</b>	<b>\$2,949,543</b>

\*\*\*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. The total funds at Senior and Long-Term Care Division for the biennium is \$9,220,145 including \$3,236,271 in general fund.

DP 788 - Medicaid PRI - Exempt HRD 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. Funding at the Senior and Long-Term Care Division for the biennium is \$3.2 million general fund and \$6.0 million in federal funds.

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 Senior and Long-Term Care Division is \$144,404 in FY 2022 and \$144,706 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 22001 - SW MT Veterans Home FTE -

The legislature approve 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. DPHHS currently has a modified FTE in the position but needs a permanent FTE to fulfill the VA requirements.

DP 22006 - Medicaid Fund Switch -

The legislature approved a present law change package which reduces state special expenditures by \$851,852 each 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 at 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 at 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)%
<b>Total Expenditures</b>	<b>\$170,322,968</b>	<b>\$168,382,949</b>	<b>(\$1,940,019)</b>	<b>(1.14)%</b>
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 %
<b>Total Funds</b>	<b>\$170,322,968</b>	<b>\$168,382,949</b>	<b>(\$1,940,019)</b>	<b>(1.14)%</b>
<b>Total Ongoing</b>	<b>\$170,322,968</b>	<b>\$168,393,771</b>	<b>(\$1,929,197)</b>	<b>(1.13)%</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$10,822)</b>	<b>(\$10,822)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-113

**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	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
<b>Total Expenditures</b>	<b>\$73,163,020</b>	<b>\$85,121,194</b>	<b>\$85,201,774</b>	<b>\$84,176,401</b>	<b>\$84,206,548</b>
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
<b>Total Funds</b>	<b>\$73,163,020</b>	<b>\$85,121,194</b>	<b>\$85,201,774</b>	<b>\$84,176,401</b>	<b>\$84,206,548</b>
<b>Total Ongoing</b>	<b>\$73,163,020</b>	<b>\$85,121,194</b>	<b>\$85,201,774</b>	<b>\$84,187,223</b>	<b>\$84,206,548</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$10,822)</b>	<b>\$0</b>

**Page Reference**

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

LFD Budget Analysis B-114

## Funding

Early Childhood & Family Support Division (ECFS) 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
- Insurance fees for a genetics program - \$1.00 annually for each Montana resident insured under any individual or group disability or health insurance policy

## Program 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)%
<b>Total Budget</b>	<b>\$12,038,326</b>	<b>\$12,049,130</b>	<b>\$24,087,456</b>		<b>\$84,176,401</b>	<b>\$84,206,548</b>	<b>\$168,382,949</b>	

## 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	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)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$7,377</b>	<b>\$151,893</b>	<b>\$26,179</b>	<b>\$185,449</b>	<b>0.00</b>	<b>\$7,359</b>	<b>\$152,238</b>	<b>\$45,177</b>	<b>\$204,774</b>

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

## DP 1 - Personal Services -

The 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)
<b>Total</b>	<b>0.00</b>	<b>(\$1,210,822)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,210,822)</b>	<b>0.00</b>	<b>(\$1,200,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,200,000)</b>

\*"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	329,890,901	71,294,891	27.57 %
Transfers	117,500	45,000	(72,500)	(61.70)%
Debt Service	260,617	195,533	(65,084)	(24.97)%
<b>Total Expenditures</b>	<b>\$407,605,112</b>	<b>\$479,915,797</b>	<b>\$72,310,685</b>	<b>17.74 %</b>
General Fund	167,887,831	185,393,554	17,505,723	10.43 %
State/Other Special Rev. Funds	40,595,219	46,293,541	5,698,322	14.04 %
Federal Spec. Rev. Funds	199,122,062	248,228,702	49,106,640	24.66 %
<b>Total Funds</b>	<b>\$407,605,112</b>	<b>\$479,915,797</b>	<b>\$72,310,685</b>	<b>17.74 %</b>
<b>Total Ongoing</b>	<b>\$407,605,112</b>	<b>\$481,212,166</b>	<b>\$73,607,054</b>	<b>18.06 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>(\$1,296,369)</b>	<b>(\$1,296,369)</b>	<b>100.00 %</b>

**Page Reference**

LFD Budget Analysis B-119

**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	159,746,029	170,144,872
Transfers	108,500	95,000	22,500	22,500	22,500
Debt Service	266,370	142,994	117,623	115,146	80,387
<b>Total Expenditures</b>	<b>\$191,700,479</b>	<b>\$205,141,986</b>	<b>\$202,463,126</b>	<b>\$234,050,092</b>	<b>\$245,865,705</b>
General Fund	73,927,762	82,137,974	85,749,857	91,019,462	94,374,092
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	120,430,523	127,798,179
<b>Total Funds</b>	<b>\$191,700,479</b>	<b>\$205,141,986</b>	<b>\$202,463,126</b>	<b>\$234,050,092</b>	<b>\$245,865,705</b>
<b>Total Ongoing</b>	<b>\$191,700,479</b>	<b>\$205,141,986</b>	<b>\$202,463,126</b>	<b>\$235,346,461</b>	<b>\$245,865,705</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,296,369)</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis B-121

**Funding**

Addictive and Mental Disorders Division (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

**Program 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	85,749,857	85,749,857	171,499,714	92.51 %	202,463,126	202,463,126	404,926,252	84.37 %
SWPL Adjustments	658,608	765,745	1,424,353	0.77 %	1,002,790	1,126,162	2,128,952	0.44 %
PL Adjustments	5,685,700	6,734,712	12,420,412	6.70 %	36,216,322	44,188,063	80,404,385	16.75 %
New Proposals	(1,074,703)	1,123,778	49,075	0.03 %	(5,632,146)	(1,911,646)	(7,543,792)	(1.57)%
<b>Total Budget</b>	<b>\$91,019,462</b>	<b>\$94,374,092</b>	<b>\$185,393,554</b>		<b>\$234,050,092</b>	<b>\$245,865,705</b>	<b>\$479,915,797</b>	

**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.

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

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
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$6,344,308</b>	<b>\$2,857,781</b>	<b>\$28,017,023</b>	<b>\$37,219,112</b>	<b>0.00</b>	<b>\$7,500,457</b>	<b>\$3,984,676</b>	<b>\$33,829,092</b>	<b>\$45,314,225</b>

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

DP 1 - Personal Services -

The 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.

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 788 - Medicaid PRI - Exempt HRD Hosp Phys 1%+2% (RST)	0.00	467,781	0	864,929	1,332,710	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)
<b>Total</b>	<b>1.00</b>	<b>(\$1,074,703)</b>	<b>(\$770,174)</b>	<b>(\$3,787,269)</b>	<b>(\$5,632,146)</b>	<b>1.00</b>	<b>\$1,123,778</b>	<b>(\$803,742)</b>	<b>(\$2,231,682)</b>	<b>(\$1,911,646)</b>

\*\*"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 788 - Medicaid PRI - Exempt HRD 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 the Addictive and Mental Disorders Division are \$1.4 million in general fund and \$2.6 million in federal funds.

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 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 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. The request 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. This transfer is dependent on passage of HB 70.

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.