

# LFD Budget Analysis: DPHHS Addictive and Mental Disorders Division

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

**Program Biennium Comparison**

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

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	103,561,685	107,221,247	3,659,562	3.53 %
Operating Expenses	37,184,134	36,330,758	(853,376)	(2.30)%
Equipment & Intangible Assets	212,420	284,920	72,500	34.13 %
Grants	7,672,746	11,197,746	3,525,000	45.94 %
Benefits & Claims	258,596,010	380,880,923	122,284,913	47.29 %
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>\$536,156,127</b>	<b>\$128,551,015</b>	<b>31.54 %</b>
General Fund	167,887,831	180,848,227	12,960,396	7.72 %
State/Other Special Rev. Funds	40,595,219	63,867,457	23,272,238	57.33 %
Federal Spec. Rev. Funds	199,122,062	291,440,443	92,318,381	46.36 %
<b>Total Funds</b>	<b>\$407,605,112</b>	<b>\$536,156,127</b>	<b>\$128,551,015</b>	<b>31.54 %</b>
<b>Total Ongoing</b>	<b>\$407,605,112</b>	<b>\$536,156,127</b>	<b>\$128,551,015</b>	<b>31.54 %</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>

<b>AMDD Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• There is a proposed increase in benefits and claims in AMDD for the 2023 biennium of \$122.3 million; a 47.3% increase. This request is a present law adjustment for Medicaid caseload, utilization and costs for services along with the new proposal to combat Montana's substance use epidemic.</li> <li>• There is a request to move the Suicide Prevention Program from the Directors Office to AMDD. This includes \$0.8 million in general fund and \$1.0 million in state special revenue in FY 2022 and FY 2023. There is also a request for an increase of \$1.0 million in state special revenue funds for the suicide prevention program</li> </ul>

## Program Actuals and Budget Comparison

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

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	741.75	741.75	742.75	742.75
Personal Services	45,751,759	51,233,745	52,327,940	52,885,935	54,335,312
Operating Expenses	22,866,062	19,775,273	17,408,861	18,163,114	18,167,644
Equipment & Intangible Assets	15,100	69,960	142,460	142,460	142,460
Grants	6,404,109	4,163,873	3,508,873	5,598,873	5,598,873
Benefits & Claims	116,288,579	129,661,141	128,934,869	186,454,591	194,426,332
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>\$263,382,619</b>	<b>\$272,773,508</b>
General Fund	73,927,762	82,137,974	85,749,857	89,198,151	91,650,076
State/Other Special Rev. Funds	18,081,317	20,082,719	20,512,500	31,370,281	32,497,176
Federal Spec. Rev. Funds	99,691,400	102,921,293	96,200,769	142,814,187	148,626,256
<b>Total Funds</b>	<b>\$191,700,479</b>	<b>\$205,141,986</b>	<b>\$202,463,126</b>	<b>\$263,382,619</b>	<b>\$272,773,508</b>
<b>Total Ongoing</b>	<b>\$191,700,479</b>	<b>\$205,141,986</b>	<b>\$202,463,126</b>	<b>\$263,382,619</b>	<b>\$272,773,508</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Figure 1: AMDD 2023 Biennium Budget Request by Major Program in Millions

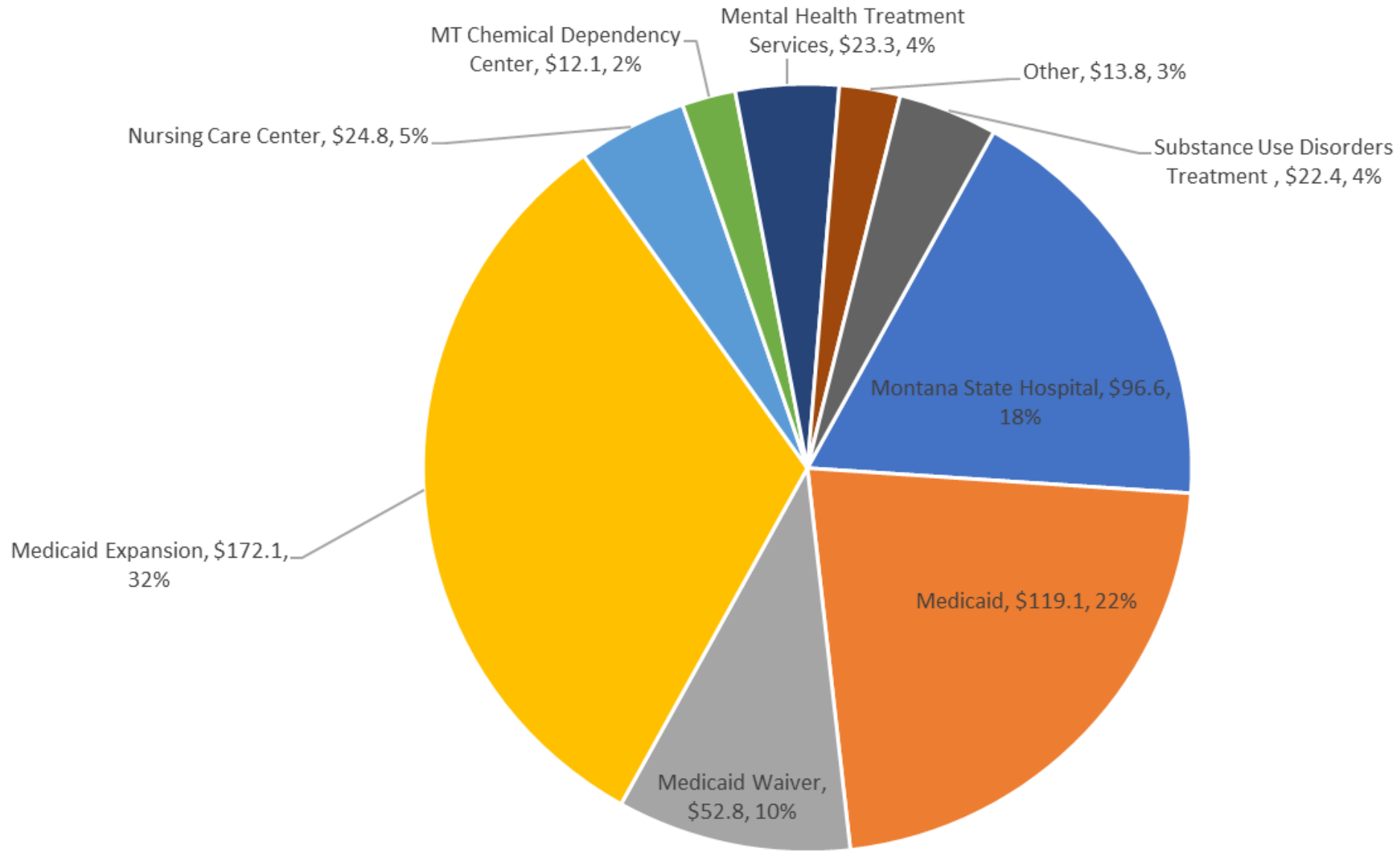


Figure 2: State Facilities Administered by AMDD 2021 Biennium Compared to 2023 Biennium Budget Request

Facility Cost/Funding	FY 2020 Actuals	FY 2021 Appropriated	FY 2022 Requested	FY 2023 Requested
<u>Montana State Hospital</u>				
FTE	525.29	525.29	525.29	525.29
Personal Services	\$31,095,198	\$37,586,814	\$37,198,343	\$38,524,167
All Other				
Total	\$47,539,638	\$48,127,213	\$47,655,656	\$48,949,278
General Fund	\$45,271,880	\$46,733,578	\$46,262,021	\$47,555,643
State Special Revenue	\$2,267,758	\$1,393,635	\$1,393,635	\$1,393,635
General Fund Revenue <sup>1</sup>	\$8,398,798	\$8,775,064	\$9,168,187	\$9,578,922
Average Daily Population	210.68	210.68	210.68	210.68
Cost Per Person/Day	\$618	\$626	\$620	\$637
Facility Cost Per Day	\$130,246	\$131,855	\$130,563	\$134,108
Annual Change		1.2%	-1.0%	2.7%
<u>Mental Health Nursing Care Center</u>				
FTE	130.71	130.71	130.71	130.71
Personal Services	\$8,283,679	\$8,278,175	\$8,698,336	\$8,796,028
All Other				
Total	\$12,362,145	\$11,915,348	\$12,361,224	\$12,459,502
General Fund	\$12,362,145	\$11,915,348	\$12,361,224	\$12,459,502
General Fund Revenue <sup>2</sup>	\$4,262,059	\$4,326,842	\$4,392,610	\$4,459,378
Average Population	74.8	74.8	74.8	74.8
Cost Per Person/Day	\$453	\$437	\$453	\$457
Facility Cost Per Day	\$33,869	\$32,645	\$33,866	\$34,136
Annual Change		-3.6%	3.7%	0.8%

Figure 2: State Facilities Administered by AMDD 2021 Biennium Compared to 2023 Biennium Budget Request

Facility Cost/Funding	FY 2020 Actuals	FY 2021 Appropriated	FY 2022 Requested	FY 2023 Requested
<u>Montana Chemical Dependency Center</u>				
FTE	54.25	54.25	54.25	54.25
Personal Services	\$3,909,765	\$3,944,646	\$4,370,961	\$4,380,910
All Other				
Total	\$5,205,071	\$5,609,408	\$6,036,894	\$6,047,225
General Fund	-	-	-	-
State Special Revenue	\$5,205,071	\$5,609,408	\$6,036,894	\$6,047,225
Average Population	30.1	30.1	30.1	30.1
Cost Per Person/Day	474	511	549	550
Facility Cost Per Day	14,260	15,368	16,539	16,568
Annual Change		7.8%	7.6%	0.2%

1 - FY2021 - FY 2023 revenues are estimated based on average growth of 4.48% from FY2016-FY2020.  
 2 - FY2021 - FY 2023 revenues are estimated based on average growth of 1.52% from FY2016-FY2020.

## Funding

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

Department of Public Health & Human Services, 33-Addictive & Mental Disorders Div.							
Funding by Source of Authority							
Funds	Ongoing	HB2 OTO	HB2 Proprietary	Non-Budgeted Appropriation	Statutory All Sources	Total All Funds	% Total All Funds
01100 General Fund	180,848,227	0	0	0	180,848,227		33.21 %
02034 Earmarked Alcohol Funds	15,090,863	0	0	4,860,884	19,951,747		27.62 %
02384 02 Indirect Activity Prog 33	752,088	0	0	0	752,088		1.04 %
02394 Montana State Hospital Rev Acc	0	0	0	3,505,000	3,505,000		4.85 %
02598 MCDC Cost Recovery	5,865,710	0	0	0	5,865,710		8.12 %
02691 6901-MSH/DOC Maint Agreement	280,162	0	0	0	280,162		0.39 %
02772 Tobacco Hlth and Medicaid Init	22,889,872	0	0	0	22,889,872		31.69 %
02790 6901-Statewide Tobacco Sttlmnt	14,000,000	0	0	0	14,000,000		19.38 %
02987 Tobacco Interest	3,388,762	0	0	0	3,388,762		4.69 %
02365 MTAP Transfers	1,600,000	0	0	0	1,600,000		2.21 %
02060 Medicaid Peer Support	0	0	0	0	0		0.00 %
02064 I190 DPHHS SUD Grants	0	0	0	0	0		0.00 %
<b>State Special Total</b>	<b>\$63,867,457</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,365,884</b>	<b>\$72,233,341</b>		<b>13.27 %</b>
03171 Data Infrastructure Development	265,460	0	0	0	265,460		0.09 %
03580 6901-93.778 - Med Adm 50%	854,757	0	0	0	854,757		0.29 %
03582 93.778 - Med Ben 100%	0	0	0	0	0		0.00 %
03583 93.778 - Med Ben FMAP	119,240,848	0	0	0	119,240,848		40.91 %
03601 03 Indirect Activity Prog 33	532,037	0	0	0	532,037		0.18 %
03491 Tobacco Retail Inspctn Program	0	0	0	0	0		0.00 %
03505 93.150 - Mntal Hlth - Homeless	606,034	0	0	0	606,034		0.21 %
03506 93.279 - ADAD - Data Contract	0	0	0	0	0		0.00 %
03507 93.958 - Mntal Hlth - Blk Grt	1,907,522	0	0	0	1,907,522		0.65 %
03508 93.959 - ADAD - Blk Grt 100%	13,118,075	0	0	0	13,118,075		4.50 %
03974 Medicaid Exp HELP Act Admin	0	0	0	0	0		0.00 %
03975 Medicaid Exp HELP Act Benefit	154,915,710	0	0	0	154,915,710		53.16 %
03065 Opioid STR Grant	0	0	0	0	0		0.00 %
03386 SPF PFS AMDD	0	0	0	0	0		0.00 %
03538 Zero Suicide	0	0	0	0	0		0.00 %
03577 Opioid AMDD Site-Based DOC	0	0	0	0	0		0.00 %
03684 State Opioid Response Grant	0	0	0	0	0		0.00 %
03605 Emergency Mntl Disorders COVID	0	0	0	0	0		0.00 %
<b>Federal Special Total</b>	<b>\$291,440,443</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$291,440,443</b>		<b>53.52 %</b>
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>0.00 %</b>
<b>Total All Funds</b>	<b>\$536,156,127</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,365,884</b>	<b>\$544,522,011</b>		

## Present Law Adjustments

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

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

DP 33001 - Overtime-Holiday-Differential-MSH -

This present law adjustment is to maintain existing services for the Montana State Hospital program in the Addictive and Mental Disorders Division. This change package requests \$864,124 in general fund for the biennium. 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 -

This present law adjustment is to maintain existing services for the Montana Chemical Dependency program in the Addictive and Mental Disorders Division. This change package requests \$148,820 in state special revenue for the biennium. 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 -

This present law adjustment is to maintain existing services for the Montana Mental Health Nursing Care Center Program in the Addictive and Mental Disorders Division. The change package requests \$393,046 in general fund for the biennium. 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 -

This present law adjustment for Medicaid Expansion caseload growth in the Addictive and Mental Disorders Division covers the increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This change package requests \$42,452,086 in total funds. The biennial funding is \$4,245,208 in general fund, and \$38,206,878 in federal funds.

DP 33991 - Med Core AMDD -

This present law adjustment for caseload growth in the Addictive and Mental Disorders Division covers the increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This change package requests an increase of \$21,934,720 in total funds. 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 -

This present law adjustment for caseload growth in the Addictive and Mental Disorders Division covers the increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This change package requests an increase of \$14,115,407 in total funds. The biennial funding is \$4,948,3690 in state special revenue and \$9,167,038 in federal funds.

DP 33993 - Med Federal AMDD -

This present law adjustment requests 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 -

This present law adjustment is necessary to maintain existing services for the Medicaid Core program in the Addictive and Mental Disorders Division. This change package requests 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 program does not change.

DP 33997 - MED Waiver FMAP AMDD -

This present law adjustment is necessary to maintain existing services for the Medicaid Waiver program in the Addictive and Mental Disorders Division. The change package requests 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 program does not change.

## 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	(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 33005 - Suicide Prevention	0.00	0	500,000	0	500,000	0.00	0	500,000	0	500,000
DP 33190 - Refinance Local Behavioral Health and Community Health Cris	0.00	(2,000,000)	2,000,000	0	0	0.00	(2,000,000)	2,000,000	0	0
DP 33191 - Combat Montana's Substance Abuse Epidemic	0.00	0	5,000,000	18,596,395	23,596,395	0.00	0	5,000,000	18,596,395	23,596,395
<b>Total</b>	<b>1.00</b>	<b>(\$2,896,014)</b>	<b>\$8,000,000</b>	<b>\$18,596,395</b>	<b>\$23,700,381</b>	<b>1.00</b>	<b>(\$1,600,238)</b>	<b>\$8,000,000</b>	<b>\$18,596,395</b>	<b>\$24,996,157</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 -

Governor Gianforte has proposed legislation to impose a two-month state share holiday for employer contributions into the state health insurance fund. This change package removes the general fund portion of the savings generated by the contribution holiday. Savings from other funding sources will remain in the agency to be able to address ongoing functions of the agency. This change package is contingent on passage and approval of the proposed legislation.

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

This proposal transfers the 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 \$803,840 in general fund and \$1,000,000 in state special revenue to AMDD in FY 2022 and FY 2023. This change package is dependent on passage of proposed legislation.

DP 33005 - Suicide Prevention -

This new proposal is a request for \$500,000 state special revenue funds each year of the biennium to expand training and outreach to communities through evidenced based prevention models. These programs would be overseen by the Montana Department of Public Health and Human Services through contracts with public entities, such as Montana Public Health Institute, county public health departments, and professional associations for targeted training and technical assistance. This would be an expansion of current suicide prevention programs to focus on public health concepts, such as wellness and primary prevention.

DP 33190 - Refinance Local Behavioral Health and Community Health Crisis -

This new proposal reduces \$2,000,000 in general fund in each year of the 2023 biennium and requests an offsetting increase in Substance Abuse Prevention and Treatment state special revenue funds for county and tribal matching grants for local community health crisis and stabilization. This change package is contingent on legislation.

DP 33191 - Combat Montana's Substance Abuse Epidemic -

This New Proposal requests \$5,000,000 in Substance Abuse Prevention and Treatment Special Revenue Funds and \$18,596,395 in Federal Medicaid Match Funds in each year of the 2023 biennium to combat Montana's substance abuse epidemic through community based prevention and treatment. This change package is dependent on legislation.

These two new proposals would appropriate \$7.0 million per year from a Substance Abuse Prevention and Treatment fund that would include funds from medical marijuana revenues as well as tobacco settlement monies. Partially offsetting this increase would be new revenues of up to \$6.0 million per year from recreational marijuana resulting from I-190. This revenue would be the first \$6.0 million to come in before directing I-190 revenues elsewhere and will be contingent on legislation to implement.