

Budget Director's Proposed Reductions

The following table shows the adopted budget for the 2019 biennium, including SB 261 effects, with the Governor's proposed reductions per 17-7-140, by type of expenditure and source of funding.

Proposed Reductions	Approp. Fiscal 2017	Approp. Fiscal 2018	Executive Reductions Fiscal 2018	Budget With Reductions Fiscal 2018	Approp. Fiscal 2019	Executive Reductions Fiscal 2019	Budget With Difference Fiscal 2019	Biennium Reductions Fiscal 18-19
FTE	2,935.24	2,935.24	0.00	0.00	2,935.24	0.00	0.00	0.00
Personal Services	196,966,418	191,740,577	(8,351,036)	183,389,541	193,185,954	(8,353,805)	184,832,149	(16,704,841)
Operating Expenses	119,324,121	122,847,029	(9,380,848)	113,466,181	122,084,014	(9,229,526)	112,854,488	(18,610,374)
Equipment & Intangible Assets	731,721	651,721	0	651,721	651,721	0	651,721	0
Capital Outlay	0	0	0	0	0	0	0	0
Local Assistance	0	0	0	0	0	0	0	0
Grants	78,330,719	79,366,576	(4,654,073)	74,712,503	79,366,579	(4,654,073)	74,712,506	(9,308,146)
Benefits & Claims	1,779,967,830	1,692,031,841	(96,379,966)	1,595,651,875	1,747,146,893	(99,500,360)	1,647,646,533	(195,880,326)
Transfers	3,050,735	2,885,901	(580,001)	2,305,900	2,885,901	(580,001)	2,305,900	(1,160,002)
Debt Service	292,007	292,007	0	292,007	292,007	0	292,007	0
Total Costs	\$2,178,663,551	\$2,089,815,652	(\$119,345,924)	\$1,970,469,728	\$2,145,613,069	(\$122,317,765)	\$2,023,295,304	(\$241,663,689)
General Fund	522,184,237	519,276,637	(51,927,667)	467,348,970	531,031,373	(53,101,824)	477,929,549	(105,029,491)
State/other Special Rev. Funds	164,219,074	156,036,100	(241,849)	155,794,251	155,861,960	(241,312)	155,620,648	(483,161)
Federal Spec. Rev. Funds	1,492,260,240	1,414,502,915	(67,176,408)	1,347,326,507	1,458,719,736	(68,974,629)	1,389,745,107	(136,151,037)
Total Funds	\$2,178,663,551	\$2,089,815,652	(\$119,345,924)	\$1,970,469,728	\$2,145,613,069	(\$122,317,765)	\$2,023,295,304	(\$241,663,689)
Total Ongoing	\$2,176,908,143	\$2,081,478,470	(\$119,345,924)	\$1,962,132,546	\$2,136,107,638	(\$122,317,765)	\$2,013,789,873	(\$241,663,689)
Total OTO	\$1,755,408	\$8,337,182	\$0	\$8,337,182	\$9,505,431	\$0	\$9,505,431	\$0

Summary of Proposed Spending Reductions

OBPP recommends the general fund expenditures for the Department of Health and Human Services (DPHHS) be reduced by 10.0% from the HB 2/SB 294 level. The recommended general fund reduction is \$105.0 million with recognition from OBPP that matching federal funds will be reduced by \$136.2 million due to the reduction in state funds. Federal reductions are discussed in a later section. There is a minimal amount of state special revenue included in the Governor's reduction, all of which is due to proposed eliminated positions across the department, which is funded by general fund and state special revenue.

In total, the DPHHS budget reduction is \$241.7 million over the 2019 biennium, 43.5% of which is general fund. Benefits and claims make up 81.1% of the total reduction, the remaining 18.9% is comprised of operating expenses (7.7%), personal services (6.9%) and grants (3.9%).

The Medicaid Services branch accounts for 77.2% of the general fund reduction. The proposed reduction in this branch is primarily in benefits and claims. The Child and Family Services Division (CFSD), Human and Community Services Division (HCSD) and the Technology Services Division (TSD) make up the majority of the remaining reduction. The reduction from CFSD is in benefits and claims, grants and operating expense. The HCSD reduction is primarily in grants and personal services and the TSD reduction is mostly in operating expense.

The majority of the reduction for DPHHS is comprised of three types of components, which make up almost 90.0% of the total reduction:

1. The elimination or reduction of a variety of optional non-targeted case management Medicaid services
2. Reduced Medicaid provider rates
3. The elimination of optional Medicaid targeted case management services

The elimination or reduction of a variety of optional non-targeted case management Medicaid services

OBPP recommends the elimination or reduction of certain optional Medicaid services. In order to participate in Medicaid states must offer about fifteen types of benefits to enrollees (mandatory benefits). States may also offer about thirty other optional Medicaid benefits to enrollees; services like dental care, eyeglasses, hospice, and prescription drugs. OBPP has recommended the elimination of targeted case management services, another optional benefit. This recommendation is summarized in more detail below.

In addition to case management OBPP has recommended the elimination or reduction of other optional Medicaid benefits. Included in these recommendations for changes to Medicaid benefits is a reduction in certain dental services, the elimination of the Healthcare for Healthcare Workers program, the elimination of hospice services, the elimination of personal assistance services, the elimination of the Health Improvement Program, the elimination of the Medicaid Passport to Health Program, and a reduction of services in the Big Sky Waiver.

Reduced Medicaid provider rates

OBPP recommends the reduction of Medicaid provider rates for certain services. The most significant of these reductions involves payments for outpatient PPS (prospective payment system) hospitals, provider based clinic payments, durable medical equipment (wheelchairs and similar items), and payments for critical access (mostly rural) hospitals.

The elimination of optional Medicaid Targeted Case Management (TCM) services

OBPP recommends reducing the general fund portion of the Medicaid TCM budget by \$16.7 million over the 2019 biennium which represents almost 16.0% of the total general fund reduction. This reduction will eliminate federal funds as well, because the state will lose federal matching dollars for these services. In total the TCM budget will decrease by \$48.8 million, with the federal portion declining by \$32.0 million. The programs primarily effected by OBPP's recommendation are Developmental Services Division (DSD) and the Addictive and Mental Disorders Division (AMDD). TCM in DSD could be reduced by \$8.3 million general fund and \$16.6 million federal special revenue. The services effected will be optional services in the Children's Mental Health Program, the Developmental Disabilities Program and services for children with special health care needs. TCM in AMDD could be reduced by \$7.9 million general fund and \$14.5 million federal special revenue. The services effected will be Severe Disabling Mental Illness and Substance Use Disorder services.

The remaining 10.0% of the DPHHS reduction is a combination of maintaining vacancies, enforcing furloughs, closing smaller offices, reducing services associated with IT projects, delaying IT projects and contract reductions and eliminations.

For a complete narrative description of the proposed reductions see the program narratives that follow.

Legal Issues

Several reductions across the agency involve the elimination or reduction of contracts and/or the reduction of provider rates. These changes could pose potential legal issues depending on the nature of the individual contracts.

Several reductions across the agency involve the elimination of positions and mandatory furloughs. These changes could pose potential legal issues depending on the nature of the individual collective bargaining agreements.

For additional details refer to the legal memorandum by Julie Johnson fo the Legislative Services Division, dated September 29, 2017, and is attached as Appendix B.

Cost Shifts

No apparent cost shifts in the OBPP recommendation at this time.

Federal Special Revenue Funds

The proposed total reduction to the department is \$241.7 million. The proposed OBPP reduction is made up of \$105.5 million general fund, however because the department will be eliminating or cutting Medicaid services and provider rates, federal matching funds for these services will be reduced by \$136.2 million. Of the federal reduction, 88.4% is in the Medicaid Services Branch. This branch's expenditures are primarily in benefits and claims. Similar to the general fund reduction, the remainder of the federal reduction is in CFSD, HCSD and TSD.

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

New Proposals

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

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 690101 - Do not fill positions	0.00	(84,072)	0	(579,030)	(663,102)	0.00	(85,178)	0	(579,030)	(664,208)
DP 690102 - Close satellite offices	0.00	(6,180)	0	(22,832)	(29,012)	0.00	(6,180)	0	(22,832)	(29,012)
DP 690103 - Eliminate all in-person staff trainings	0.00	(21,300)	0	(78,700)	(100,000)	0.00	(21,300)	0	(78,700)	(100,000)
DP 690104 - Reduce rates in community rehabilitation provider (CRP) ag	0.00	(32,229)	0	(119,082)	(151,311)	0.00	(32,229)	0	(119,082)	(151,311)
DP 690105 - Eliminate MT Youth Leadership Forum	0.00	(41,002)	0	(151,498)	(192,500)	0.00	(41,002)	0	(151,498)	(192,500)
DP 690106 - Eliminate MT Youth Transitions	0.00	(42,174)	0	(155,826)	(198,000)	0.00	(42,174)	0	(155,826)	(198,000)
DP 690107 - Eliminate Orientation and Mobility Instruction contract	0.00	(87,788)	0	0	(87,788)	0.00	(87,788)	0	0	(87,788)
DP 690108 - Reduce Extended Employment contract	0.00	(285,000)	0	0	(285,000)	0.00	(285,000)	0	0	(285,000)
Total	0.00	(\$599,745)	\$0	(\$1,106,968)	(\$1,706,713)	0.00	(\$600,851)	\$0	(\$1,106,968)	(\$1,707,819)

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

DP 690101 - Do not fill positions -

Maintains vacancy of 11% of division positions through FY 2019.

DP 690102 - Close satellite offices -

Eliminates satellite office locations in Hamilton, Polson, Browning and Bozeman.

DP 690103 - Eliminate all in-person staff trainings -

Eliminates in-person training's designed to meet federal criteria for implementing a comprehensive system of personnel development. Training's will be delivered via WebEx.

DP 690104 - Reduce rates in community rehabilitation provider (CRP) ag -

Reduces rates in Community Rehab Program agreements from \$64.00/hr to \$37.88/hr for individual services and \$21.90/hr for group services.

DP 690105 - Eliminate MT Youth Leadership Forum -

Eliminates expenditures for week-long seminar at Carroll College to develop self-advocacy and self-determination skills for students with disabilities who have exhibited leadership ability.

DP 690106 - Eliminate MT Youth Transitions -

Eliminates youth transitions program, including the transition website, the annual transitions conference, coordination of regional task forces on transitions, and some pre-employment transition services for students with disabilities.

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

DP 690107 - Eliminate Orientation and Mobility Instruction contract -

Eliminates contract for orientation and mobility skill instruction for approximately 300 children with low vision or blindness.

DP 690108 - Reduce Extended Employment contract -

Reduces contract for providing ongoing support services to persons with severe disabilities who work in a facility or a community-based employment setting.

New Proposals

The “New Proposals” table shows new changes to expenditures.

New Proposals	Fiscal 2018				Fiscal 2019					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 690201 - Do Not Fill Positions	0.00	(92,036)	(3,899)	(212,781)	(308,716)	0.00	(92,036)	(3,899)	(212,781)	(308,716)
DP 690202 - Reduce Funding for quality provisions of STARS infrastru	0.00	(497,246)	0	0	(497,246)	0.00	(497,246)	0	0	(497,246)
DP 690203 - Eliminate TANF funding for Second Chance Homes	0.00	(300,000)	0	0	(300,000)	0.00	(300,000)	0	0	(300,000)
DP 690204 - Close Offices of Public Assistance w/ 3 employees or less	0.00	(464,347)	(56,657)	(720,667)	(1,241,671)	0.00	(464,347)	(56,657)	(720,667)	(1,241,671)
DP 690205 - Reduce TANF Pathways contracts	0.00	(1,919,612)	0	0	(1,919,612)	0.00	(1,919,612)	0	0	(1,919,612)
DP 690207 - Restructure Division Management to eliminate redundancy	0.00	(335,553)	(22,746)	(423,590)	(781,889)	0.00	(335,149)	(22,746)	(423,590)	(781,485)
Total	0.00	(\$3,608,794)	(\$83,302)	(\$1,357,038)	(\$5,049,134)	0.00	(\$3,608,390)	(\$83,302)	(\$1,357,038)	(\$5,048,730)

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

DP 690201 - Do Not Fill Positions -

Maintains vacancy of 9% of central office positions through FY 2019.

DP 690202 - Reduce Funding for quality provisions of STARS infrastru

Reduces expenditures for Best Beginnings Advisory Council, limits to one meeting per year; reduces provider grants in STARS and child care; reduces professional development incentives for providers; reduces Child Care and Development Fund (CCDF) contracts by 1%; and reduces Child Care under the Big Sky (CCUBS) maintenance and operations contract with Northrup Grumman by one LOE (level of effort).

DP 690203 - Eliminate TANF funding for Second Chance Homes -

Eliminates expenditures for second chance homes located in Missoula, Billings and Helena. These homes provide services to teen parents. This will allow the TANF Maintenance of Effort to be met at 75% instead of 80%.

DP 690204 - Close Offices of Public Assistance w/ 3 employees or less -

Eliminates office locations in communities with low staffing numbers (0-3 staff per location) in the Office of Public Assistance and reduces motor pool by 50% statewide. Reduces 14 eligibility positions and transfers 14 eligibility staff to larger offices.

DP 690205 - Reduce TANF Pathways contracts -

Reduces TANF Pathways contracts by 10%.

DP 690207 - Restructure Division Management to eliminate redundancy -

Eliminates positions in division management structure, including four Regional Field Managers, one Contract Relations Manager, one Customer Service Supervisor, one QA Call Monitor, and an Associate Administrator. This decision package also consolidates the Field Operations Manager for Miles City and Wolfpoint.

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

New Proposals

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

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 690301 - Reduce number of cell phones issued in field services	0.00	(22,084)	0	(9,464)	(31,548)	0.00	(22,084)	0	(9,464)	(31,548)
DP 690302 - Eliminate contracts for forensic interviews	0.00	(102,000)	0	0	(102,000)	0.00	(102,000)	0	0	(102,000)
DP 690303 - Restructure division management	0.00	(78,908)	0	(22,714)	(101,622)	0.00	(85,812)	0	(22,714)	(108,526)
DP 690304 - Eliminate services with Second Chance Home/Center for Chil	0.00	(720,100)	0	0	(720,100)	0.00	(720,100)	0	0	(720,100)
DP 690305 - Reduce costs associated with chemical screening	0.00	(1,200,000)	0	0	(1,200,000)	0.00	(1,200,000)	0	0	(1,200,000)
DP 690306 - Suspend development of new case management system - MFSIS	0.00	(599,347)	0	(599,347)	(1,198,694)	0.00	(599,347)	0	(599,347)	(1,198,694)
DP 690307 - Eliminate foster child health / public nurse partnership p	0.00	(174,420)	0	0	(174,420)	0.00	(174,420)	0	0	(174,420)
DP 690308 - Eliminate un-matched general fund in the Title IV-B (In Ho	0.00	(903,005)	0	0	(903,005)	0.00	(903,005)	0	0	(903,005)
DP 690309 - Eliminate un-matched general fund support for the pre-hear	0.00	(46,928)	0	0	(46,928)	0.00	(46,928)	0	0	(46,928)
DP 690310 - Eliminate un-matched general fund contract with Big Brothe	0.00	(49,996)	0	0	(49,996)	0.00	(49,996)	0	0	(49,996)
DP 690311 - Eliminate un-matched general fund in the Domestic Violence	0.00	(117,962)	0	0	(117,962)	0.00	(117,962)	0	0	(117,962)
DP 690312 - Eliminate general fund granted to tribes	0.00	(199,999)	0	0	(199,999)	0.00	(199,999)	0	0	(199,999)
DP 690313 - Eliminate general fund match provided to Tribes for IV-E c	0.00	(417,000)	0	0	(417,000)	0.00	(417,000)	0	0	(417,000)
DP 690314 - Eliminate diaper allowance to foster care providers	0.00	(110,663)	(1,100)	(98,880)	(210,643)	0.00	(110,663)	(1,100)	(98,880)	(210,643)
Total	0.00	(\$4,742,412)	(\$1,100)	(\$730,405)	(\$5,473,917)	0.00	(\$4,749,316)	(\$1,100)	(\$730,405)	(\$5,480,821)

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

DP 690301 - Reduce number of cell phones issued in field services -

Eliminates cell phone plans for employees who do not use them regularly in the course of their daily work.

DP 690302 - Eliminate contracts for forensic interviews -

Cancels contracts with Child Advocacy Centers across the state for conducting forensic interviews with children who are victims of abuse or neglect. These responsibilities would either shift back to child protection specialists, or local law enforcement.

DP 690303 - Restructure division management -

Eliminates overlap in division management structure.

DP 690304 - Eliminate services with Second Chance Home/Center for Chil -

Eliminates expenditures to provide housing and treatment services, allowing a parent and a child to remain together in a placement, while the parent completes substance abuse treatment.

DP 690305 - Reduce costs associated with chemical screening -

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

Restructures the service provision of chemical screening services provided to parents of children in state care. Individuals with chemical dependency issues are required to participate in drug testing as part of the reunification process. There are several providers of this service that charge varying, inconsistent rates. By utilizing the RFP procurement process, specific providers could be identified, establishing universal rates.

DP 690306 - Suspend development of new case management system - MFSIS -

Suspends development and deployment of new case management system for Child & Family Services.

DP 690307 - Eliminate foster child health / public nurse partnership p -

Eliminates comprehensive health care case management for foster children in Missoula, Cascade and Yellowstone counties. Currently, this service allows the state to comply with certain provisions of the Fostering Connections Act of 2008. Service providers include Missoula County Health Department, Cascade City-County Health Department, and Riverstone Health. There could be a legal issue with this change if it impacted state compliance with the Fostering Connections Act.

DP 690308 - Eliminate un-matched general fund in the Title IV-B (In Ho -

Eliminate unmatched general fund for In-Home / Prevention service providers. Funds are used to provide prevention and family preservation services, reunification services, and permanency for children. Contracts for providers in communities across the state would be limited to the federal grant amount, and the associated required general fund match.

DP 690309 - Eliminate un-matched general fund support for the pre-hear -

Reduces expenditures to support a contracted coordinator to facilitate pre-hearing conferences to engage families in the court process, increase coordination and use of mediation and alternate dispute resolution methods and promote the concept of team decision-making. In use in the 13th Judicial Court, Yellowstone County.

DP 690310 - Eliminate un-matched general fund contract with Big Brothe -

Reduces expenditures used to provide mentoring services to eligible youth via eight Big Brother Big Sister contracts

DP 690311 - Eliminate un-matched general fund in the Domestic Violence -

Eliminates unmatched general fund portion of contracts supporting domestic violence services. These funds support technical assistance and training to Montana domestic violence shelters, and provide direct funding to cover the cost of shelter expenses. Contracts for shelters in communities across the state would be limited to the federal grant amount, and the available state special revenue funds purposed for these services.

DP 690312 - Eliminate general fund granted to tribes -

Eliminates expenditures intended to equalize services between tribal and non-tribal children in foster care. These funds are used by tribal social service agencies to provide non IV-E eligible services to tribal children in their care, similar to services provided to children in the care of State social services.

DP 690313 - Eliminate general fund match provided to Tribes for IV-E c -

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

Eliminates the state-provided portion of the match required for tribes to draw down federal administrative funds from the Title IV-E program to support child welfare operations on tribal reservations.

DP 690314 - Eliminate diaper allowance to foster care providers -

Eliminates the daily diaper support stipend paid to foster care placement providers.

New Proposals

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

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 690401 - Eliminate non-matched funding for the Children's Trust Fund	0.00	(110,000)	0	0	(110,000)	0.00	(110,000)	0	0	(110,000)
DP 690402 - Restructure Director's Office and Leave Positions	0.00	(178,509)	(13,952)	(124,607)	(317,068)	0.00	(179,709)	(14,045)	(125,445)	(319,199)
Total	0.00	(\$288,509)	(\$13,952)	(\$124,607)	(\$427,068)	0.00	(\$289,709)	(\$14,045)	(\$125,445)	(\$429,199)

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

DP 690401 - Eliminate non-matched funding for the Children's Trust Fund -

Eliminates expenditures to support early education and awareness on shaken baby syndrome.

DP 690402 - Restructure Director's Office and Leave Positions -

Restructures legal services provided in other parts of the agency to centralize within Office of Legal Affairs, and vacant positions will not be filled. Restructures the senior management team, and leaves positions in the Director's Office unfilled.

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

New Proposals

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

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 690501 - Do not fill positions	0.00	(178,272)	0	(245,768)	(424,040)	0.00	(178,272)	0	(245,768)	(424,040)
DP 690502 - Mandatory Furlough	0.00	(179,068)	0	(474,409)	(653,477)	0.00	(179,068)	0	(474,409)	(653,477)
DP 690503 - Reduce funding for operations	0.00	(1,923)	0	(3,733)	(5,656)	0.00	(4,174)	0	(8,101)	(12,275)
Total	0.00	(\$359,263)	\$0	(\$723,910)	(\$1,083,173)	0.00	(\$361,514)	\$0	(\$728,278)	(\$1,089,792)

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

DP 690501 - Do not fill positions -

10.7% of division positions will be left unfilled.

DP 690502 - Mandatory Furlough -

All remaining staff will be required to reduce working hours by one hour per working day, starting 01/01/2018 thru 6/30/2018 for FY 2018 and a minimum .5 hours per working day for FY 2019.

DP 690503 - Reduce funding for operations -

30% reduction in travel; eliminates CSED implementation of absorbing employer online payment fees

New Proposals

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

New Proposals	-----Fiscal 2018-----				-----Fiscal 2019-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 690601 - Do not fill positions	0.00	(222,272)	(14,227)	(235,635)	(472,134)	0.00	(225,171)	(14,369)	(237,992)	(477,532)
DP 690602 - Refinance positions to utilize enhanced funding in LRIT	0.00	(12,000)	0	12,000	0	0.00	0	0	0	0
DP 690603 - Reduce operating expenditures	0.00	(19,800)	(2,250)	(22,050)	(44,100)	0.00	(19,800)	(2,250)	(22,050)	(44,100)
DP 690604 - Mandatory Employee Furlough	0.00	(149,600)	(16,650)	(166,925)	(333,175)	0.00	(141,782)	(15,789)	(158,202)	(315,773)
Total	0.00	(\$403,672)	(\$33,127)	(\$412,610)	(\$849,409)	0.00	(\$386,753)	(\$32,408)	(\$418,244)	(\$837,405)

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

DP 690601 - Do not fill positions -

Maintains vacancy for 18% of division positions through FY 2019.

DP 690602 - Refinance positions to utilize enhanced funding in LRIT -

Staff expenditures related to development of Montana's Program for Automating and Transforming Healthcare financial management module are eligible for enhanced funding, reducing general fund expenditures.

DP 690603 - Reduce operating expenditures -

Eliminates all travel, training and temporary services for the division.

DP 690604 - Mandatory Employee Furlough -

All remaining staff will be required to reduce working hours by a minimum of 5 hours per week beginning 10/1/2017 in FY 2018 and a minimum of 4 hours per week in FY 2019.

New Proposals

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

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 690701 - Reduce funding for family planning	0.00	(250,000)	0	0	(250,000)	0.00	(250,000)	0	0	(250,000)
DP 690702 - Reduce Funding for Local Communicable Disease Support	0.00	(32,977)	0	0	(32,977)	0.00	(32,977)	0	0	(32,977)
DP 690703 - Reduce healthcare for individuals with HIV	0.00	(40,452)	0	0	(40,452)	0.00	(40,452)	0	0	(40,452)
DP 690704 - Reduce funding for vaccines for uninsured or underinsured	0.00	(10,115)	0	0	(10,115)	0.00	(10,115)	0	0	(10,115)
DP 690705 - Do not fill positions and reduce operational costs	0.00	(56,327)	0	0	(56,327)	0.00	(57,072)	0	0	(57,072)
Total	0.00	(\$389,871)	\$0	\$0	(\$389,871)	0.00	(\$390,616)	\$0	\$0	(\$390,616)

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

DP 690701 - Reduce funding for family planning -

Reduces expenditures to county health services providing contraception, counseling, and health screenings to low income individuals at a local level.

DP 690702 - Reduce Funding for Local Communicable Disease Support -

Reduces operational support for counties and tribes during communicable disease outbreaks.

DP 690703 - Reduce healthcare for individuals with HIV -

Reduces medical insurance assistance to those living with HIV by 21.5%.

DP 690704 - Reduce funding for vaccines for uninsured or underinsured -

Reduces expenditures by 11% to provide vaccines for uninsured/undersinsured adults that do not qualify for federal programs.

DP 690705 - Do not fill positions and reduce operational costs -

Reduce Public Health & Safety Division's operational costs and do not fill some positions.

New Proposals

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

New Proposals	-----Fiscal 2018-----				-----Fiscal 2019-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 690801 - Do not fill positions	0.00	(134,978)	(6,544)	(267,501)	(409,023)	0.00	(136,328)	(6,609)	(270,176)	(413,113)
DP 690802 - Mandatory Employee Furlough	0.00	(114,708)	(5,562)	(227,330)	(347,600)	0.00	(114,635)	(5,558)	(227,186)	(347,379)
Total	0.00	(\$249,686)	(\$12,106)	(\$494,831)	(\$756,623)	0.00	(\$250,963)	(\$12,167)	(\$497,362)	(\$760,492)

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

DP 690801 - Do not fill positions -

Maintains vacancy of 14% of division positions through FY 2019.

DP 690802 - Mandatory Employee Furlough -

All remaining staff will be required to reduce working hours by a minimum of 3 hours per week beginning 10/1/2017 in FY 2018 and a minimum of 2 hour per week in FY 2019.

New Proposals

The “New Proposals” table shows new changes to expenditures.

New Proposals	Fiscal 2018					Fiscal 2019				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 690901 - Reduce usage of SITSD service items	0.00	(197,692)	(45,195)	(269,005)	(511,892)	0.00	(197,692)	(45,195)	(269,005)	(511,892)
DP 690902 - Operating Reductions	0.00	(126,637)	(21,326)	(155,485)	(303,448)	0.00	(138,059)	(21,326)	(155,485)	(314,870)
DP 690903 - Reduction in WAN connections - OPA Offices	0.00	(28,579)	(6,533)	(38,888)	(74,000)	0.00	(28,579)	(6,533)	(38,888)	(74,000)
DP 690904 - Reduce - IT contract for CAPS	0.00	(257,898)	0	(72,740)	(330,638)	0.00	(257,898)	0	(72,740)	(330,638)
DP 690905 - Reduce - IT contracts for CHIMES	0.00	(482,531)	0	(2,250,000)	(2,732,531)	0.00	(468,485)	0	(2,010,000)	(2,478,485)
DP 690906 - Reduction in Force	0.00	(119,700)	(19,950)	(145,350)	(285,000)	0.00	(119,700)	(19,950)	(145,350)	(285,000)
DP 690907 - Eliminate desk phones	0.00	(35,153)	0	(15,065)	(50,218)	0.00	(35,153)	0	(15,065)	(50,218)
Total	0.00	(\$1,248,190)	(\$93,004)	(\$2,946,533)	(\$4,287,727)	0.00	(\$1,245,566)	(\$93,004)	(\$2,706,533)	(\$4,045,103)

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

DP 690901 - Reduce usage of SITSD service items -

Reduction in service engagements for Professional Services/Expert time, Virtual Server, WAN, Data Center, Cabling, Splunk, and Network Connections.

LFD COMMENT	SITSD has indicated this reduction will not shift costs to other agencies, SITSD will absorb the reductions.
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DP 690902 - Operating Reductions -

Eliminates support services and software for Microsoft products, including desktop support. Reduces operating budgets for equipment purchase, service, and maintenance.

DP 690903 - Reduction in WAN connections - OPA Offices -

Reduces Network connections procured for Office of Public Assistance office closures.

DP 690904 - Reduce - IT contract for CAPS -

20% reduction in the service contract with Northrup Grumman for the maintenance and operation of the current system in use in Child & Family Services (CAPS), impacting changes to federal reporting required by law.

DP 690905 - Reduce - IT contracts for CHIMES -

Reduces service contracts with Deloitte by 10%, which support the CHIMES benefits eligibility system for Medicaid, SNAP and TANF. This amount is in addition to a \$2.6 million dollar reduction in previously planned enhancements.

DP 690906 - Reduction in Force -

Three positions will be eliminated, impacting desktop support, system development and operations and maintenance.

DP 690907 - Eliminate desk phones -

Eliminates desk phones for Child & Family Services field workers that have agency-issued cell phones.

New Proposals

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

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 691001 - Eliminate Services - Medicaid Targeted Case Management CMH	0.00	(2,248,848)	0	(4,555,546)	(6,804,394)	0.00	(2,561,009)	0	(5,086,077)	(7,647,086)
DP 691002 - Eliminate Program - DDP Family Education and Support	0.00	(287,000)	0	(300,000)	(587,000)	0.00	(287,000)	0	(300,000)	(587,000)
DP 691003 - Eliminate Program - Evaluation & Diagnosis (E&D) Clinics	0.00	(250,000)	0	0	(250,000)	0.00	(250,000)	0	0	(250,000)
DP 691004 - Add Utilization Review - Medicaid Partial Hospital Program	0.00	(67,702)	0	(144,798)	(212,500)	0.00	(67,702)	0	(144,798)	(212,500)
DP 691005 - Eliminate Services - Non-Medicaid Targeted Case Management	0.00	(70,000)	0	0	(70,000)	0.00	(70,000)	0	0	(70,000)
DP 691006 - Eliminate Services - Supported Employment Leadership Netwo	0.00	(13,700)	0	(21,300)	(35,000)	0.00	(13,700)	0	(21,300)	(35,000)
DP 691007 - Eliminate Contract - Dental Lifeline	0.00	(30,000)	0	0	(30,000)	0.00	(30,000)	0	0	(30,000)
DP 691008 - Eliminate Contract - PLUK Referral Library	0.00	(28,453)	0	0	(28,453)	0.00	(28,453)	0	0	(28,453)
DP 691009 - Reduce Provider Support and Operations	0.00	(183,500)	0	(183,500)	(367,000)	0.00	(183,500)	0	(183,500)	(367,000)
DP 691010 - Add Utilization Review - Medicaid Childrens Mental Health	0.00	(194,290)	0	(419,784)	(614,074)	0.00	(194,290)	0	(419,784)	(614,074)
DP 691011 - Reduce Rates - Medicaid Out-of-State PRTF	0.00	(223,457)	0	(451,543)	(675,000)	0.00	(223,457)	0	(451,543)	(675,000)
DP 691012 - Reduce Grants - Youth Crisis Diversion Grants	0.00	(300,000)	0	0	(300,000)	0.00	(300,000)	0	0	(300,000)
DP 691013 - Limit Services - Medicaid Home Support Services	0.00	(187,049)	0	(374,551)	(561,600)	0.00	(187,049)	0	(374,551)	(561,600)
DP 691014 - Limit Services - Medicaid Outpatient Childrens Mental Heal	0.00	(41,091)	0	(83,909)	(125,000)	0.00	(41,091)	0	(83,909)	(125,000)
DP 691015 - Limit Services - Medicaid Services Therapeutic Group Home	0.00	(49,246)	0	(99,504)	(148,750)	0.00	(49,246)	0	(99,504)	(148,750)
DP 691016 - Reduce Rates - Medicaid Psychiatric and Testing Services	0.00	(30,102)	0	(61,798)	(91,900)	0.00	(30,102)	0	(61,798)	(91,900)
DP 691017 - Eliminate Services - Medicaid Targeted Case Management	0.00	(1,672,203)	0	(3,456,767)	(5,128,970)	0.00	(1,672,203)	0	(3,456,767)	(5,128,970)
DP 691018 - Eliminate Program - Part C	0.00	(2,871,667)	0	(2,148,938)	(5,020,605)	0.00	(2,871,667)	0	(2,148,938)	(5,020,605)
Total	0.00	(\$8,748,308)	\$0	(\$12,301,938)	(\$21,050,246)	0.00	(\$9,060,469)	\$0	(\$12,832,469)	(\$21,892,938)

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

DP 691001 - Eliminate Services - Medicaid Targeted Case Management CMH -

Eliminate optional targeted case management services in Children's Mental Health program.

DP 691002 - Eliminate Program - DDP Family Education and Support -

Eliminate the Family Education and Support Program within DDP.

DP 691003 - Eliminate Program - Evaluation & Diagnosis (E&D) Clinics -

Terminates E&D clinics, these clinics specialize in evaluating and diagnosing developmental disabilities in children.

DP 691004 - Add Utilization Review - Medicaid Partial Hospital Program -

Implements prior authorization for the partial hospital program in Children's Mental Health.

DP 691005 - Eliminate Services - Non-Medicaid Targeted Case Management -

Eliminates general fund only targeted case management for non-Medicaid eligible children.

DP 691006 - Eliminate Services - Supported Employment Leadership Netwo -

Eliminates SELN, an advisory group that provides an employment conference for individuals with disabilities and information and research about improvement and development of employment services to the department.

DP 691007 - Eliminate Contract - Dental Lifeline -

Eliminates contract that provides coordination activities between dentists and individuals to improve dental care availability for individuals with a disability.

DP 691008 - Eliminate Contract - PLUK Referral Library -

Eliminates contract with Parents Let's Unite for Kids (PLUK), which funds a referral library for individuals and families who are impacted by disabilities, some specific to Part C. This includes the Training Resource and Information Center (TRIC) and the Family Support Services Information network (FSSIN).

DP 691009 - Reduce Provider Support and Operations -

Reduces staff hours associated with provider and member services support.

DP 691010 - Add Utilization Review - Medicaid Childrens Mental Health -

Implements utilization review of laboratory services for genetics testing in Children's Mental Health.

DP 691011 - Reduce Rates - Medicaid Out-of-State PRTF -

Limits out of state non-hospital facility providers to 133% of the state rate.

DP 691012 - Reduce Grants - Youth Crisis Diversion Grants -

Reduces Youth Crisis Diversion Grants by \$300,00 each year of the biennium.

DP 691013 - Limit Services - Medicaid Home Support Services -

Changes billing practices in Home Support Services (HSS) so that providers can bill only for days where there is direct contact with clients or family.

DP 691014 - Limit Services - Medicaid Outpatient Childrens Mental Heal -

Outpatient sessions would be limited to 10 prior to a child receiving a Serious Emotional Disturbance diagnosis, the current limit is 24.

DP 691015 - Limit Services - Medicaid Services Therapeutic Group Home -

Therapeutic Group Home initial stays would be limited to 120 days prior to requiring utilization review.

DP 691016 - Reduce Rates - Medicaid Psychiatric and Testing Services -

Reduce rates for Medicaid Psychiatric and Testing Services in DSD.

DP 691017 - Eliminate Services - Medicaid Targeted Case Management -

Eliminates optional targeted case management as a State Plan service for DDP.

DP 691018 - Eliminate Program - Part C -

Eliminates the Part C Infant and Toddler program serving developmentally disabled and at-risk children aged 0-36 months.

New Proposals

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

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 691101 - Reduce Program Operations - Medicaid Provider Support	0.00	(150,000)	0	(150,000)	(300,000)	0.00	(150,000)	0	(150,000)	(300,000)
DP 691102 - Eliminate Program Operations - Medicaid Passport	0.00	(37,500)	0	(37,500)	(75,000)	0.00	(37,500)	0	(37,500)	(75,000)
DP 691103 - Eliminate Program - Big Sky Rx	0.00	(315,000)	0	0	(315,000)	0.00	(315,000)	0	0	(315,000)
DP 691104 - Eliminate Program - Medicaid Passport to Health	0.00	(996,757)	0	(1,922,618)	(2,919,375)	0.00	(996,757)	0	(1,922,618)	(2,919,375)
DP 691105 - Eliminate Program - Big Sky Rx	0.00	(3,415,000)	0	0	(3,415,000)	0.00	(3,415,000)	0	0	(3,415,000)
DP 691106 - Eliminate Program - Medicaid Plan First Waiver	0.00	(76,936)	0	(692,424)	(769,360)	0.00	(76,936)	0	(692,424)	(769,360)
DP 691107 - Eliminate Service - Medicaid Targeted Case Management	0.00	(263,920)	0	(500,180)	(764,100)	0.00	(263,920)	0	(500,180)	(764,100)
DP 691108 - Reduce Rates - Medicaid Critical Access Hospitals	0.00	(502,000)	0	(951,388)	(1,453,388)	0.00	(502,000)	0	(951,388)	(1,453,388)
DP 691109 - Reduce Rates - Medicaid Outpatient PPS Hospitals	0.00	(1,695,313)	0	(3,212,947)	(4,908,260)	0.00	(2,288,919)	0	(4,345,628)	(6,634,547)
DP 691110 - Add Utilization Review - Medicaid Physician Administered	0.00	(196,478)	0	(372,364)	(568,842)	0.00	(196,478)	0	(372,364)	(568,842)
DP 691111 - Eliminate - Medicaid Services - dental coverage of high co	0.00	(3,077,534)	0	(5,832,524)	(8,910,058)	0.00	(3,077,534)	0	(5,832,524)	(8,910,058)
DP 691112 - Reduce Rates - Medicaid Provider Based Clinic Payment	0.00	(1,465,404)	0	(2,777,225)	(4,242,629)	0.00	(1,465,404)	0	(2,777,225)	(4,242,629)
DP 691113 - Add Utilization Review - Medicaid Advanced imaging: MRI,	0.00	(260,780)	0	(494,229)	(755,009)	0.00	(260,780)	0	(494,229)	(755,009)
DP 691114 - Reduce Rates - Medicaid Member Mileage Reimbursement	0.00	(202,823)	0	(384,389)	(587,212)	0.00	(202,823)	0	(384,389)	(587,212)
DP 691115 - Reduce Rates - Medicaid Incontinence Supplies	0.00	(251,678)	0	(476,979)	(728,657)	0.00	(251,678)	0	(476,979)	(728,657)
DP 691116 - Reduce Rates - Medicaid Out of State Hospitals (COE)	0.00	(311,000)	0	(589,405)	(900,405)	0.00	(311,000)	0	(589,405)	(900,405)
DP 691117 - Add Utilization Review - Medicaid Genetic and Molecular L	0.00	(148,720)	0	(281,853)	(430,573)	0.00	(148,720)	0	(281,853)	(430,573)
DP 691118 - Reduce Rates - Medicaid Durable Medical Equipment (DME)	0.00	(680,838)	0	(1,290,320)	(1,971,158)	0.00	(680,838)	0	(1,290,320)	(1,971,158)
DP 691119 - Reduce Services - Medicaid Eye Exams & Eyeglass Benefits	0.00	(163,734)	0	(310,308)	(474,042)	0.00	(163,734)	0	(310,308)	(474,042)
DP 691120 - Reduce Services - Medicaid Orthodontia	0.00	(443,656)	0	(840,814)	(1,284,470)	0.00	(443,656)	0	(840,814)	(1,284,470)
DP 691121 - Eliminate Program - Medicaid HIP	0.00	(1,009,243)	0	(1,912,711)	(2,921,954)	0.00	(1,009,243)	0	(1,912,711)	(2,921,954)
DP 691122 - Reduce Rates - Medicaid Comprehensive Primary Care Plus (C	0.00	(345,982)	0	(655,703)	(1,001,685)	0.00	(345,982)	0	(655,703)	(1,001,685)
DP 691123 - Reduce Rates - Change Medicaid NCQA providers to PCMH	0.00	(182,942)	0	(346,711)	(529,653)	0.00	(182,942)	0	(346,711)	(529,653)
Total	0.00	(\$16,193,238)	\$0	(\$24,032,592)	(\$40,225,830)	0.00	(\$16,786,844)	\$0	(\$25,165,273)	(\$41,952,117)

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

DP 691101 - Reduce Program Operations - Medicaid Provider Support -

Reduce the number of staff hours providing support services to Medicaid providers.

DP 691102 - Eliminate Program Operations - Medicaid Passport -

Eliminate the Medicaid Passport program (1 FTE and operating costs).

DP 691103 - Eliminate Program - Big Sky Rx -

Eliminate the Staff and Operations for the Medicare Part D premium coverage program (Big Sky RX).

DP 691104 - Eliminate Program - Medicaid Passport to Health -

Eliminate the Medicaid Passport to Health Program. Passport to Health is the primary care case management (PCCM) program for Montana Medicaid and Healthy Montana Kids (HMK) Plus members.

DP 691105 - Eliminate Program - Big Sky Rx -

Eliminate Medicare Part D Benefits (Big Sky RX). Big Sky RX helps about 10,400 Medicare clients pay for Medicare approved prescription drug insurance premiums.

DP 691106 - Eliminate Program - Medicaid Plan First Waiver -

Eliminate the Plan First Waiver, which is a Family Planning waiver that provides a limited benefit package to women ages 19 through 44, able to become pregnant, but not currently pregnant, and up to 211% FPL. Plan First has seen a significant decrease in member enrollment and expenditures in the past three years, particularly with the expansion of Medicaid in Montana, when many women on the waiver became eligible for a comprehensive benefit package.

DP 691107 - Eliminate Service - Medicaid Targeted Case Management -

This change would eliminate Targeted Case Management for Children and Youth with Special Health Care Needs.

DP 691108 - Reduce Rates - Medicaid Critical Access Hospitals -

Reduce reimbursement rates for 46 Critical Access Hospitals (CAHs).

DP 691109 - Reduce Rates - Medicaid Outpatient PPS Hospitals -

Reduce Outpatient Prospective Payment System Hospital rates.

DP 691110 - Add Utilization Review - Medicaid Physician Administered -

Implement prior authorization requirements for certain physician administered drugs. The requests for prior authorization will be reviewed by the existing outpatient drug prior authorization vendor. We can utilize the Medicaid Pharmacist, DUR Board, and Drug Prior Authorization vendor to establish appropriate criteria.

DP 691111 - Eliminate - Medicaid Services - dental coverage of high co -

Eliminate dental coverage of high cost, extensive dental procedures and dentures for the adult Medicaid population. The Department will continue to provide preventive and diagnostic dental services along with a basic restorative package to prevent a cost shift to higher levels of care.

DP 691112 - Reduce Rates - Medicaid Provider Based Clinic Payment -

Reduce Medicaid rates for 11 Outpatient Hospitals and 10 Critical Access Hospitals.

DP 691113 - Add Utilization Review - Medicaid Advanced imaging: MRI, -

Establish utilization review for advanced imaging for Medicaid members (MRI, PET scans, and CT scan) with the goal of reducing the incidence of unnecessary imaging procedures.

DP 691114 - Reduce Rates - Medicaid Member Mileage Reimbursement -

The proposal aligns the Medicaid member mileage reimbursement rate with the Montana standard mileage reimbursement rate for state employees.

DP 691115 - Reduce Rates - Medicaid Incontinence Supplies -

Other state Medicaid programs have applied fee schedule rates to incontinence supplies. In a past study the department determined that it is overpaying for incontinence supplies. In a comparison of Montana's average reimbursement to the average reimbursement rate of 15 other states, who have a set fee schedule rate, Montana's overall reimbursement rate was higher than all states except Indiana. Idaho and Wyoming both use a specific fee-for-service rate for the same services as Montana and those states are reimbursing at an average rate of 25.68% less than Montana. This change sets a reimbursement for incontinence supplies to a set fee schedule amount vs 75% of the Manufacturer's Suggested Retail Price.

DP 691116 - Reduce Rates - Medicaid Out of State Hospitals (COE) -

Reduce Medicaid rates for out of state hospitals. The COE hospitals take our members for services that are typically not provided in Montana as they are much more complex than in-state hospitals can handle. The list of our COE providers: Children's Hospital of Colorado; Seattle Children's Hospital; Providence Sacred Heart; Primary Children's Hospital; University of Utah; Harborview; University of Washington; Seattle Cancer Care Alliance; and Oregon Health.

DP 691117 - Add Utilization Review - Medicaid Genetic and Molecular L -

Establish utilization review for genetic/molecular lab tests for Medicaid members with the goal of reducing the incidence of unnecessary testing.

Members (population/acuity): All members who have genetic or molecular tests ordered could be impacted. Services would not be changed, however, the department would decrease the number of tests that may be ordered inappropriately. National studies have indicated there is a high percentage of inappropriately ordered genetic tests.

DP 691118 - Reduce Rates - Medicaid Durable Medical Equipment (DME) -

Adoption of the CY 2018 Medicare Durable Medical Equipment Prosthetics Orthotics and Supplies (DMEPOS) Fee schedule for the Medicaid Durable Medical Equipment (DME) Program. The Department currently reimburses DME providers based on the 2015 Medicare rates. Montana must align payment with CMS by January 1, 2018.

DP 691119 - Reduce Services - Medicaid Eye Exams & Eyeglass Benefits -

Change member eye exams and eyeglass benefits from once per year to once every two years.

DP 691120 - Reduce Services - Medicaid Orthodontia -

Redefine the medical necessity criteria for Medicaid members under the age of 20 to receive orthodontia benefits to reduce the number of members eligible for the benefit. The Handicapping Labio-Lingual Deviation (HLD) scoring index

would increase from 25 to 30 and will result in denials of approximately 25% of the orthodontia requests that are currently approved.

DP 691121 - Eliminate Program - Medicaid HIP -

Medicaid would end the current Health Improvement Program (HIP) and allow non-patient centered medical home (PCMH) / comprehensive primary care+ (CPC+) providers to bill for chronic care codes and add Urban federally qualified health center (FQHC) HIP. The current HIP has less than 2% of all eligible members currently in active and on demand categories. The program as it currently stands does not provide a benefit to the majority of members who are not high risk or high utilizers. In order for a provider to be reimbursed for the chronic care codes, the member must have multiple chronic conditions and be seen face to face by their primary care provider monthly and after any inpatient hospital admission.

DP 691122 - Reduce Rates - Medicaid Comprehensive Primary Care Plus (C -

Reduce Comprehensive Primary Care Plus (CPC+) per member per month capitation rates. Montana Medicaid currently uses the Medicare rates for reimbursing the per member per month capitation rates for CPC+. These rates are set based on the tract the provider is enrolled in and the stratified risk score of the individual member. Medicaid is the only payor in the CPC+ program who is paying the Medicare rates, all other payers are reimbursing at a lower rate. The rate reduction would reduce the CPC+ monthly capitation rates to match our current Patient Centered Medical Home (PCMH) rates.

DP 691123 - Reduce Rates - Change Medicaid NCQA providers to PCMH -

Allow all National Committee for Quality Assurance (NCQA) certified providers to become Patient Centered Medical Home (PCMH) providers. The majority of all federally qualified health centers (FQHCs) within the state are NCQA certified along with a few additional independent providers who are not already enrolled in comprehensive primary care+ (CPC+).

New Proposals

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

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 691202 - Reduce - IT Contracts MMIS & Flexible Rx	0.00	(233,198)	0	(699,594)	(932,792)	0.00	(233,198)	0	(699,594)	(932,792)
Total	0.00	(\$233,198)	\$0	(\$699,594)	(\$932,792)	0.00	(\$233,198)	\$0	(\$699,594)	(\$932,792)

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

DP 691202 - Reduce - IT Contracts MMIS & Flexible Rx -

Reduce payments for Conduent MMIS & Flexible Rx contracts.

New Proposals

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

	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 691601 - Do not fill positions	0.00	(85,741)	(5,258)	(127,691)	(218,690)	0.00	(86,198)	(5,286)	(128,373)	(219,857)
Total	0.00	(\$85,741)	(\$5,258)	(\$127,691)	(\$218,690)	0.00	(\$86,198)	(\$5,286)	(\$128,373)	(\$219,857)

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

DP 691601 - Do not fill positions -

Maintains vacancy of 14% of division positions through FY 2019.

New Proposals

The “New Proposals” table shows new changes to expenditures.

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 692201 - Reduce Program Operations -Medicaid Provider Support	0.00	(187,500)	0	(187,500)	(375,000)	0.00	(187,500)	0	(187,500)	(375,000)
DP 692202 - Restructure Operations of Adult Protective Services	0.00	(102,900)	0	(66,000)	(168,900)	0.00	(102,900)	0	(66,000)	(168,900)
DP 692203 - Reduce Services - Medicaid Big Sky Waiver	0.00	(1,143,460)	0	(2,267,143)	(3,410,603)	0.00	(1,143,460)	0	(2,267,143)	(3,410,603)
DP 692204 - Eliminate Program - Medicaid Healthcare for Healthcare Wor	0.00	(1,486,821)	0	(3,639,244)	(5,126,065)	0.00	(1,486,821)	0	(3,639,244)	(5,126,065)
DP 692205 - Add Program - Tribal Big Sky Waivers (Medicaid)	0.00	(518,100)	0	0	(518,100)	0.00	(518,100)	0	0	(518,100)
DP 692206 - Eliminate Services - Medicaid Optional Hospice Services	0.00	(1,377,330)	0	(2,610,308)	(3,987,638)	0.00	(1,567,789)	0	(2,971,264)	(4,539,053)
DP 692207 - Eliminate Services - Medicaid Personal Assistance Services	0.00	(1,573,595)	0	(2,982,268)	(4,555,863)	0.00	(1,573,595)	0	(2,982,268)	(4,555,863)
DP 692208 - Reduce Services - Medicaid Community First Choice	0.00	(927,731)	0	(2,303,818)	(3,231,549)	0.00	(927,731)	0	(2,303,818)	(3,231,549)
Total	0.00	(\$7,317,437)	\$0	(\$14,056,281)	(\$21,373,718)	0.00	(\$7,507,896)	\$0	(\$14,417,237)	(\$21,925,133)

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

DP 692201 - Reduce Program Operations -Medicaid Provider Support -

Reduce the number of staff hours providing support for Medicaid providers

DP 692202 - Restructure Operations of Adult Protective Services -

Reorganize Adult Protective Services by closing 1 person offices, discontinue print/mailing of forms, decrease non-service related travel, increase use of electronic meetings.

DP 692203 - Reduce Services - Medicaid Big Sky Waiver -

This option would reduce Medicaid Big Sky Waiver services to the level required by state policies and procedures, set caps on some services, reduce case management team (CMT) budgets and step up case review.

DP 692204 - Eliminate Program - Medicaid Healthcare for Healthcare Wor -

Eliminate add on payment for health care insurance for direct care workers in community based services programs.

DP 692205 - Add Program - Tribal Big Sky Waivers (Medicaid) -

SLTC is working toward getting a tribal waiver program approved by CMS. Most likely this reduction would not occur until FY 2019. Blackfeet and CSKT have shown interest. Workgroup needs to get off the ground. Estimate based on 75 enrolled tribal members being served on CSKT and Blackfeet reservations.

DP 692206 - Eliminate Services - Medicaid Optional Hospice Services -

Eliminate optional hospice service.

DP 692207 - Eliminate Services - Medicaid Personal Assistance Services -

Eliminate Personal Assistant Services (activities of daily living, household support, medical transportation) that are relatively equal to CFC services. Individuals would either lose services or meet NH level of care and go to Community First Choice.

DP 692208 - Reduce Services - Medicaid Community First Choice -

Reduce Community First Choice mileage, household support and streamline authorization.

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New Proposals

The “New Proposals” table shows new changes to expenditures.

New Proposals	-----Fiscal 2018-----					-----Fiscal 2019-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 693301 - Increase pay for psychiatrists to generate a decrease in t	0.00	(187,500)	0	(187,500)	(375,000)	0.00	(187,500)	0	(187,500)	(375,000)
DP 693302 - Improve MSH Care - Psychiatrist Salaries	0.00	(600,000)	0	0	(600,000)	0.00	(600,000)	0	0	(600,000)
DP 693303 - Reduce Operating Costs - Montana State Hospital	0.00	(1,061,000)	0	0	(1,061,000)	0.00	(1,144,938)	0	0	(1,144,938)
DP 693305 - Add Utilization Review - Medicaid Substance Abuse Disorde	0.00	(150,972)	0	(285,292)	(436,264)	0.00	(150,972)	0	(285,292)	(436,264)
DP 693306 - Limit Services -Medicaid Mental Health Outpatient Therapy	0.00	(173,100)	0	(326,900)	(500,000)	0.00	(173,100)	0	(326,900)	(500,000)
DP 693307 - Eliminate Services - Non Federally Funded Chemical Depend	0.00	(822,088)	0	0	(822,088)	0.00	(822,088)	0	0	(822,088)
DP 693308 - Reduce Grants - Mental Health Crisis Intervention and Jai	0.00	(536,258)	0	0	(536,258)	0.00	(536,258)	0	0	(536,258)
DP 693309 - Eliminate Services - Medicaid Substance Use Disorder Targe	0.00	(170,681)	0	(170,681)	(341,362)	0.00	(170,681)	0	(170,681)	(341,362)
DP 693310 - Eliminate adult Severe disabling mental illness Targeted C	0.00	(3,758,004)	0	(7,091,037)	(10,849,041)	0.00	(3,758,004)	0	(7,091,037)	(10,849,041)
Total	0.00	(\$7,459,603)	\$0	(\$8,061,410)	(\$15,521,013)	0.00	(\$7,543,541)	\$0	(\$8,061,410)	(\$15,604,951)

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

DP 693301 - Increase pay for psychiatrists to generate a decrease in t -

Reduces the number of staff hours associated with support services to Medicaid recipients.

DP 693302 - Improve MSH Care - Psychiatrist Salaries -

Increases pay for psychiatrists to generate a decrease in the number of temporary professional staff, decreasing overall costs.

DP 693303 - Reduce Operating Costs - Montana State Hospital -

Reduces operating costs at Montana State Hospital, while maintaining health and safety of clients and staff.

LFD COMMENT	The Montana State Hospital had of finding of "immediate jeopardy" by CMS in January 2017, realted to a shortage of staff and inadequate facilities.
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DP 693305 - Add Utilization Review - Medicaid Substance Abuse Disorde -

Adds utilization review for intensive substance abuse disorder services.

DP 693306 - Limit Services -Medicaid Mental Health Outpatient Therapy -

Requires a physical assessment asserting Severe Disabling Mental Illness status for more than 12 sessions per year.

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DP 693307 - Eliminate Services - Non Federally Funded Chemical Dependence -

Eliminates state only funded chemical dependency treatment services.

DP 693308 - Reduce Grants - Mental Health Crisis Intervention and Jail -

Reduces County Matching Grants awarded for qualifying projects for community jail diversion and crisis intervention, and diversion from the Montana State Hospital.

DP 693309 - Eliminate Services - Medicaid Substance Use Disorder Targeted -

Eliminates Medicaid Substance Use Disorder targeted case management services.

DP 693310 - Eliminate adult Severe disabling mental illness Targeted C -

Eliminates Severe Disabling Mental Illness targeted case management services for adults.