



GOVERNOR
GREG GIANFORTE

STATE OF MONTANA

SECTION B: PUBLIC HEALTH & HUMAN SERVICES

Department of Public Health and Human Services

OBPP Staff:

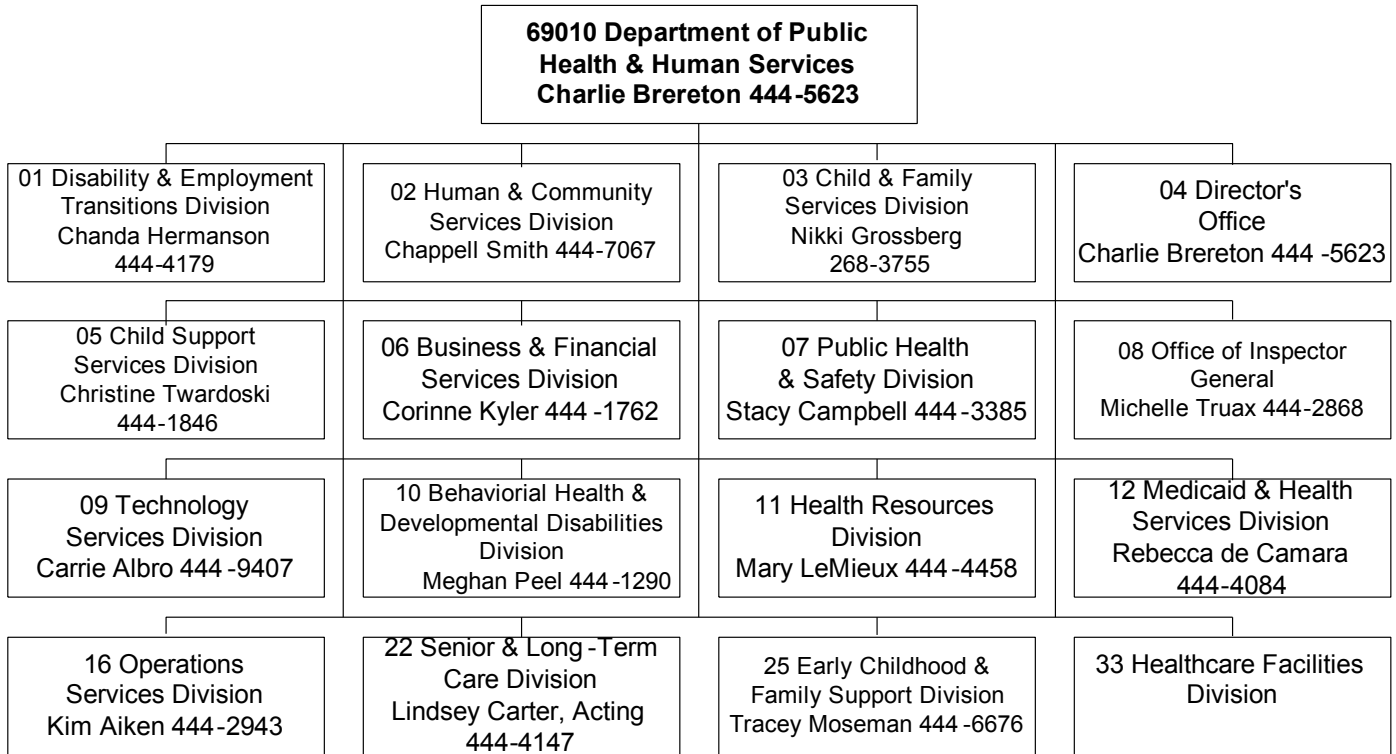
Brian Hannan
Aimee Franks

444-7802
444-1207



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Department of Public Health & Human Services - 69010



Mission Statement - The mission of the Department of Public Health and Human Services is to serve Montanans in their communities to improve health, safety, well-being, and empower independence.

Statutory Authority - Title 2-15-2201, MCA

Language - The following language is recommended for HB 2:

"If legislation authorizing a statutory appropriation for SNAP benefits (LC ####) is not passed and approved, the appropriation for the Human and Community Services Division is increased by \$172,572,822 federal funds each year."

Agency Proposed Budget			
Budget Item	Total Exec. Budget Fiscal 2026	Total Exec. Budget Fiscal 2027	Total Exec. Budget 2027 Biennium
FTE	2,759.62	2,759.62	
Personal Services	240,768,980	242,380,653	483,149,633
Operating Expenses	258,778,649	265,855,824	524,634,473
Equipment & Intangible Assets	426,370	426,370	852,740
Grants	93,849,835	93,956,145	187,805,980
Benefits & Claims	2,815,094,822	2,973,911,996	5,789,006,818
Transfers	3,604,708	3,604,708	7,209,416
Debt Service	8,388,020	8,388,020	16,776,040
Total Costs	\$3,420,911,384	\$3,588,523,716	\$7,009,435,100
General Fund	835,572,797	877,011,698	1,712,584,495
State/Other Special	293,038,766	285,411,635	578,450,401
Federal Spec. Rev. Funds	2,292,299,821	2,426,100,383	4,718,400,204
Total Funds	\$3,420,911,384	\$3,588,523,716	\$7,009,435,100

Department of Public Health & Human Services - 69010

Agency Appropriated Biennium to Biennium Comparison								
Program	2025 Biennium Appropriated Budget		2027 Biennium Requested Budget		Biennium to Biennium Difference (dollars)		Biennium to Biennium Difference (percent)	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
01 - Disability Employment & Transitions	14,021,343	63,753,660	13,522,393	63,602,288	(498,950)	(151,372)	(3.56)%	(0.24)%
02 - Human and Community Services	53,066,105	580,502,911	53,192,798	257,960,151	126,693	(322,542,760)	0.24 %	(55.56)%
03 - Child & Family Services	142,379,123	241,943,957	160,449,639	260,273,235	18,070,516	18,329,278	12.69 %	7.58 %
04 - Directors Office	11,158,742	29,310,481	11,466,685	33,628,146	307,943	4,317,665	2.76 %	14.73 %
05 - Child Support Services	7,212,272	24,721,319	7,411,771	25,338,964	199,499	617,645	2.77 %	2.50 %
06 - Business & Financial Services	10,634,509	28,972,393	11,025,916	29,289,311	391,407	316,918	3.68 %	1.09 %
07 - Public Health & Safety Division	6,656,723	79,557,114	6,682,216	79,850,701	25,493	293,587	0.38 %	0.37 %
08 - Office of Inspector General	5,893,084	19,334,022	5,729,894	20,632,121	(163,190)	1,298,099	(2.77)%	6.71 %
09 - Technology Services Division	50,023,671	154,662,433	70,352,840	189,267,511	20,329,169	34,605,078	40.64 %	22.37 %
10 - Behavioral Health & Dev Disability	262,137,249	1,086,331,591	315,193,195	1,223,312,418	53,055,946	136,980,827	20.24 %	12.61 %
11 - Health Resources Division	489,228,718	3,549,501,820	552,192,722	3,534,057,453	62,964,004	(15,444,367)	12.87 %	(0.44)%
12 - Medicaid & Health Svcs Mngmt	2,803,291	10,663,788	2,707,154	10,525,756	(96,137)	(138,032)	(3.43)%	(1.29)%
16 - Operations Services Division	1,692,397	5,418,569	1,846,372	5,854,772	153,975	436,203	9.10 %	8.05 %
22 - Senior & Long Term Care Svcs	204,848,723	796,790,577	233,927,718	789,689,904	29,078,995	(7,100,673)	14.20 %	(0.89)%
25 - Early Childhood & Family Support	28,246,301	181,643,250	41,838,867	191,904,498	13,592,566	10,261,248	48.12 %	5.65 %
33 - Health Care Facilities	149,793,433	226,816,792	225,044,315	294,247,871	75,250,882	67,431,079	50.24 %	29.73 %
Agency Total	\$1,439,795,684	\$7,079,924,677	\$1,712,584,495	\$7,009,435,100	\$272,788,811	(\$70,489,577)	18.95 %	(1.00)%

Department of Public Health & Human Services - 69010

Disability Employment & Transitions - 01

**01 Disability & Employment
Transition Division
Chanda Hermanson-Dudley
444-4179**

Program Description - The Disability Employment and Transitions Division (DETD) advances the independence and employment of Montanans with disabilities. It is guided by the goal of promoting opportunities for rewarding careers and achieving maximum personal potential through informed choice. DETD is comprised of five bureaus: Vocational Rehabilitation, Blind and Low Vision Services, Pre-Employment Transition Services, Disability Determination Services, and Operations and Support. The Montana Telecommunications Access Program is administratively attached to DETD. DETD also includes several small programs serving Montanans with disabilities and their families.

Program Proposed Budget	Starting Point	Budget	Total	Budget	Total	Executive
Budget Item	Fiscal 2025	Adjustments	Exec. Budget	Adjustments	Exec. Budget	Budget Request
	Fiscal 2025	Fiscal 2026	Fiscal 2026	Fiscal 2027	Fiscal 2027	2027 Biennium
FTE	139.07	8.00	147.07	8.00	147.07	
Personal Services	11,626,531	(120,905)	11,505,626	(94,637)	11,531,894	23,037,520
Operating Expenses	5,001,334	365,561	5,366,895	392,697	5,394,031	10,760,926
Grants	719,317	(501,030)	218,287	(501,030)	218,287	436,574
Benefits & Claims	13,510,785	0	13,510,785	0	13,510,785	27,021,570
Transfers	411,032	0	411,032	0	411,032	822,064
Debt Service	761,817	0	761,817	0	761,817	1,523,634
Total Costs	\$32,030,816	(\$256,374)	\$31,774,442	(\$202,970)	\$31,827,846	\$63,602,288
General Fund	6,778,258	(16,441)	6,761,817	(17,682)	6,760,576	13,522,393
State/Other Special	1,809,133	421,344	2,230,477	466,495	2,275,628	4,506,105
Federal Spec. Rev. Funds	23,443,425	(661,277)	22,782,148	(651,783)	22,791,642	45,573,790
Total Funds	\$32,030,816	(\$256,374)	\$31,774,442	(\$202,970)	\$31,827,846	\$63,602,288

Program Proposed Budget Adjustments	Budget Adjustments		Budget Adjustments	
	Fiscal 2026		Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(185,469)	(750,586)	(181,219)	(724,838)
SWPL - 3 - Inflation Deflation	(221)	(1,036)	(149)	(700)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$185,690)</i>	<i>(\$751,622)</i>	<i>(\$181,368)</i>	<i>(\$725,538)</i>
Present Law Adjustments				
PL - 1003 - Decreasing Approp for MonTech Program - DETD	0	(501,030)	0	(501,030)
<i>Total Present Law Adjustments</i>	<i>\$0</i>	<i>(\$501,030)</i>	<i>\$0</i>	<i>(\$501,030)</i>
New Proposals				
NP - 1001 - MTAP Appropriation Increase for Expanded Services - DETD	0	480,437	0	523,537
NP - 1004 - Vocational Rehab for Clients with SDMI or Co-Occurring Illnesses - DETD	75,042	352,316	72,832	341,933
NP - 1005 - Vocational Rehabilitation Counselor at MT State Hospital - DETD	18,761	88,079	18,208	85,482
NP - 1007 - Independent Living Skills Program for Blind/Low Vision - Homemaker	75,446	75,446	72,646	72,646
<i>Total New Proposals</i>	<i>\$169,249</i>	<i>\$996,278</i>	<i>\$163,686</i>	<i>\$1,023,598</i>
Total Budget Adjustments	(\$16,441)	(\$256,374)	(\$17,682)	(\$202,970)

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Disability Employment & Transitions - 01

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$185,469)	(\$750,586)
FY 2027	(\$181,219)	(\$724,838)

SWPL - 1 - Personal Services -

The budget includes reductions of \$750,586 in FY 2026 and \$724,838 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$221)	(\$1,036)
FY 2027	(\$149)	(\$700)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$1,036 in FY 2026 and \$700 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$501,030)
FY 2027	\$0	(\$501,030)

PL - 1003 - Decreasing Approp for MonTech Program - DETD -

This present law adjustment removes the appropriation for the MonTECH Program in the Disability Employment and Transitions Division (DETD). Historically, funding for the program passed through DETD, with the University of Montana as the ultimate recipient. The funding stream has changed, and the University of Montana receives funding directly from its federal partner, leaving excess federal appropriation in the DPHHS budget. This package requests a reduction of \$501,030 in federal funds in each year of the biennium.

-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$480,437
FY 2027	\$0	\$523,537

NP - 1001 - MTAP Appropriation Increase for Expanded Services - DETD -

This new proposal is necessary to increase appropriation and expand services for the Montana Telecommunications Access Program (MTAP) in the Disability Employment and Transitions Division. This service will provide equal access to communication for all Montanans with communication challenges in an evolving world of technology advancement, increased population in Montana, and rises in equipment and contractor fees. This service is funded with state special revenue through assessment of a 10-cent fee collected monthly from users of landlines and cell phones. This package requests \$1,003,974 in state special revenue funds for the biennium.

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Disability Employment & Transitions - 01

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$75,042	\$352,316
FY 2027	\$72,832	\$341,933

NP - 1004 - Vocational Rehab for Clients with SDMI or Co-Occurring Illnesses - DETD -

This new proposal is necessary to add 4 FTE for rehabilitation counselor to the budget for the Vocational Rehabilitation Program in the Disability Employment and Transitions Division. The increase is necessary to provide and coordinate Individualized Placement and Support (IPS) services for clients who live with a Serious and Disabling Mental Illness (SDMI) or co-occurring diagnosis. The funding source for this position is 78.7% federal funds and 21.3% general fund. This package requests \$694,249 in total funds for the biennium, including \$147,874 in general fund and \$546,375 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$18,761	\$88,079
FY 2027	\$18,208	\$85,482

NP - 1005 - Vocational Rehabilitation Counselor at MT State Hospital - DETD -

This new proposal adds 1.00 FTE for a rehabilitation counselor to the budget for the Vocational Rehabilitation Program in the Disability Employment and Transitions Division. The increase is necessary to provide employment and training services to patients who are residing at or discharging from the Montana State Hospital to increase self-sufficiency and independence. The funding source for this position is 78.7% federal funds and 21.3% general fund. This packages requests \$173,561 in total funds for the biennium, including \$36,969 in general fund and \$136,592 of federal funds.

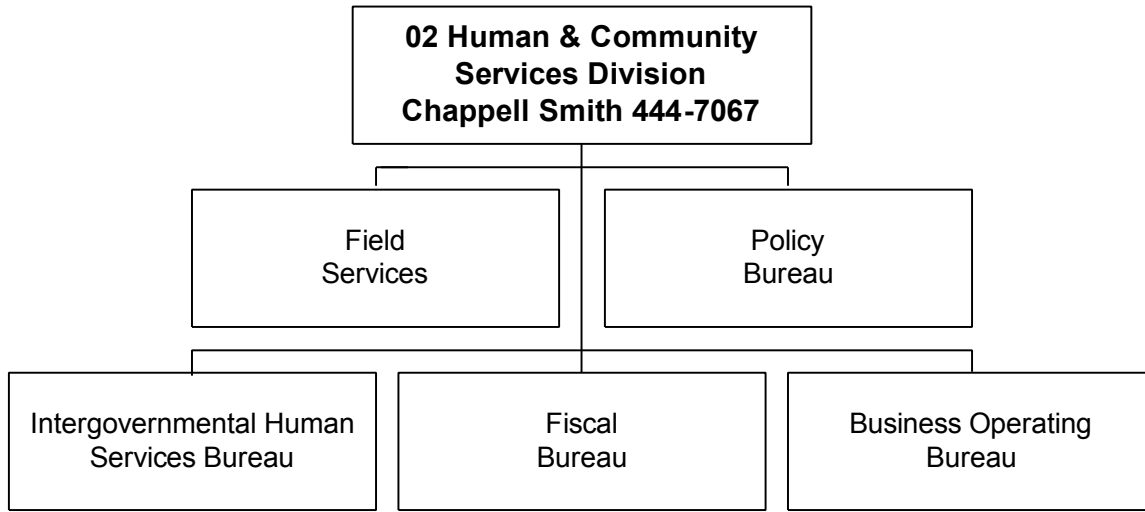
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$75,446	\$75,446
FY 2027	\$72,646	\$72,646

NP - 1007 - Independent Living Skills Program for Blind/Low Vision - Homemaker -

This new proposal adds 1.0 FTE for the Disability Employment and Transitions Division. The FTE will distrivute, and provide training on useage of, equipment assistive technology for individuals adjusting to blindness and vision loss that are now seeking employment. Due to eligibility requirements, these services are currently only available to individuals wishing to maintain, retain, or advance in employment, or those aged 55 and older. This new proposal would provide services to individuals managing the onset of blindness or low vision who do not fit into the other categories. This package requests \$148,092 in general funds for the biennium. This change package is contingent on passage and approval of LCXXX.

Department of Public Health & Human Services - 69010

Human and Community Services - 02



Program Description - The Human and Community Services Division (HCSD) oversees eligibility services and the policies and processes associated with program access for Montanans. HCSD is comprised of five bureaus: Field Services, Policy, Intergovernmental Human Services, Business Operations, and Fiscal. HCSD provides eligibility services to clients for Montana's Temporary Assistance to Needy Families (TANF) program, the Supplemental Nutrition Assistance Program (SNAP), and Health Coverage, including Medicaid programs and Healthy Montana Kids (HMK) programs across the state. There are 19 offices statewide providing eligibility services in addition to supporting the Public Assistance Helpline and the apply.mt.gov self-service portal. HCSD also administers the Low-Income Home Energy Assistance Program (LIHEAP), Weatherization Assistance Program (WAP), and Community Services Block Grant (CSBG) through a statewide network of 10 Human Resource Development Councils to provide a wide range of community-based human services. The division provides further supports through the Emergency Solutions Grant, MT Community VISTA Program, and USDA Commodity Supplemental Food Program.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	492.50	12.00	504.50	12.00	504.50	
Personal Services	41,346,407	(1,162,611)	40,183,796	(1,086,918)	40,259,489	80,443,285
Operating Expenses	8,011,603	693,816	8,705,419	451,014	8,462,617	17,168,036
Equipment & Intangible Assets	26,000	0	26,000	0	26,000	52,000
Grants	24,366,008	(216,300)	24,149,708	(216,300)	24,149,708	48,299,416
Benefits & Claims	217,004,998	(163,142,622)	53,862,376	(163,142,622)	53,862,376	107,724,752
Transfers	2,122,620	0	2,122,620	0	2,122,620	4,245,240
Debt Service	13,711	0	13,711	0	13,711	27,422
Total Costs	\$292,891,347	(\$163,827,717)	\$129,063,630	(\$163,994,826)	\$128,896,521	\$257,960,151
General Fund	26,830,208	(185,014)	26,645,194	(282,604)	26,547,604	53,192,798
State/Other Special	2,179,116	(58,332)	2,120,784	(55,047)	2,124,069	4,244,853
Federal Spec. Rev. Funds	263,882,023	(163,584,371)	100,297,652	(163,657,175)	100,224,848	200,522,500
Total Funds	\$292,891,347	(\$163,827,717)	\$129,063,630	(\$163,994,826)	\$128,896,521	\$257,960,151

Department of Public Health & Human Services - 69010

Human and Community Services - 02

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(928,499)	(2,467,211)	(901,797)	(2,386,221)
SWPL - 3 - Inflation Deflation	(471)	(1,533)	(318)	(1,035)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$928,970)</i>	<i>(\$2,468,744)</i>	<i>(\$902,115)</i>	<i>(\$2,387,256)</i>
Present Law Adjustments				
PL - 2004 - Office of Public Assistance Overtime - HCSD	80,874	252,730	80,874	252,730
<i>Total Present Law Adjustments</i>	<i>\$80,874</i>	<i>\$252,730</i>	<i>\$80,874</i>	<i>\$252,730</i>
New Proposals				
NP - 2001 - Summer EBT Administrative and Benefits - HCSD	352,885	10,135,969	231,235	9,892,669
NP - 2003 - FTE for Medically Needy and Summer EBT Programs - HCSD	310,197	1,134,151	307,402	1,128,854
NP - 2007 - SNAP Benefits Statutory Appropriation - HCSD	0	(172,572,822)	0	(172,572,822)
NP - 2008 - Realign Appropriation with Revenue Commodity Supplemental Food Pgm	0	(309,000)	0	(309,000)
NP - 2009 - Reduce Appropriation for Orphan Fund - HCSD	0	(1)	0	(1)
<i>Total New Proposals</i>	<i>\$663,082</i>	<i>(\$161,611,703)</i>	<i>\$538,637</i>	<i>(\$161,860,300)</i>
Total Budget Adjustments	(\$185,014)	(\$163,827,717)	(\$282,604)	(\$163,994,826)

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$928,499)	(\$2,467,211)
FY 2027	(\$901,797)	(\$2,386,221)

SWPL - 1 - Personal Services -

The budget includes reductions of \$2,467,211 in FY 2026 and \$2,386,221 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$471)	(\$1,533)
FY 2027	(\$318)	(\$1,035)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$1,533 in FY 2026 and \$1,035 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$80,874	\$252,730
FY 2027	\$80,874	\$252,730

PL - 2004 - Office of Public Assistance Overtime - HCSD -

This new proposal restores zero-based authority for overtime for the Office of Public Assistance in the Human and Community Services Division. The increase is necessary to fully fund overtime to maintain the client caseload in addition to what is funded in SWPL 1. This package requests \$505,460 in total funds for the biennium, including \$161,748 in general fund, \$25,274 in state special revenue, and \$318,348 in federal funds.

Department of Public Health & Human Services - 69010

Human and Community Services - 02

-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$352,885	\$10,135,969
FY 2027	\$231,235	\$9,892,669

NP - 2001 - Summer EBT Administrative and Benefits - HCSD -

This new proposal is necessary to incorporate funding for the Summer EBT Program into the budget for the Human and Community Services Division. The now permanent Summer EBT Program, first implemented in FY 2024, provides food assistance to children who are eligible for free or reduced school lunch during the summer when school lunch is unavailable. This package requests \$20,028,638 in total funds for the biennium, including \$584,120 in general fund and \$19,444,518 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$310,197	\$1,134,151
FY 2027	\$307,402	\$1,128,854

NP - 2003 - FTE for Medically Needy and Summer EBT Programs - HCSD -

This new proposal adds 12.00 FTE for the Medically Needy, Summer EBT, SNAP Education, and EBT programs, in the Human and Community Services Division. The increase is necessary to support compliance with federal and state regulations for the Medicaid, S-EBT, SNAP Ed, and EBT programs. This is funded with 27% general fund and 73% federal funds. This package requests \$2,263,005 in total funds for the biennium, including \$617,599 in general fund and \$1,645,406 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$172,572,822)
FY 2027	\$0	(\$172,572,822)

NP - 2007 - SNAP Benefits Statutory Appropriation - HCSD -

Due to the pass-through and unpredictable nature of permanent federal Supplemental Nutrition Assistance Program (SNAP) benefits, it is more prudent to remove this funding from HB 2 and establish it as a statutory appropriation. This new proposal requests that federal funds be reduced by \$172,572,822 in HB 2 during each year of the 2027 biennium. If the proposed legislation is not approved, then federal SNAP authority will need to be funded at \$172,572,822 in HB 2 in each year of the 2027 biennium. This package is contingent on passage and approval of **LCXXX**.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$309,000)
FY 2027	\$0	(\$309,000)

NP - 2008 - Realign Appropriation with Revenue Commodity Supplemental Food Pgm -

This new proposal reduces the appropriation of federal revenue to the CSFP program to align appropriation with anticipated expenditures. This change package requests a reduction of \$309,000 in federal revenue in each year of the biennium.

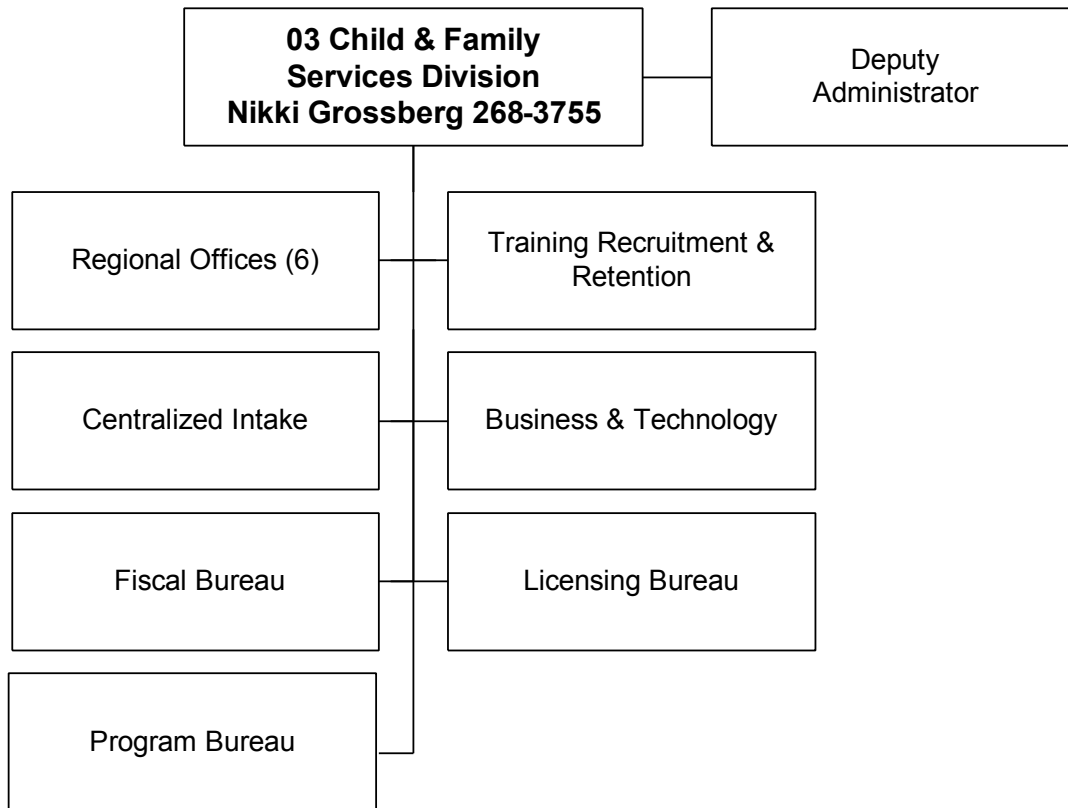
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$1)
FY 2027	\$0	(\$1)

NP - 2009 - Reduce Appropriation for Orphan Fund - HCSD -

This new proposal reduces the appropriation of federal funds for the Homeless Mgmt Info System fund. This fund has a base appropriation of \$1 per year with no active revenue for the past several years. This change package requests a reduction of \$2 in federal funds over the biennium.

Department of Public Health & Human Services - 69010

Child & Family Services - 03



Program Description - The Child and Family Services Division (CFSD) administers child protective services, reunification services, prevention services, adoption and guardianship services, and other programs designed to keep children safe and families strong. CFSD is focused on the overarching goal of improving safety, permanency, and well-being for children. CFSD is comprised of five bureaus: Training, Recruitment and Retention, Fiscal, Business and Technology, Program, and Licensing. CFSD has six regions and 31 offices that administer programs statewide. The division is advised by one state and nine local advisory councils, which ensure that CFSD is cognizant of the unique needs of local communities.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	449.97	1.00	450.97	1.00	450.97	
Personal Services	36,865,435	1,155,369	38,020,804	1,271,513	38,136,948	76,157,752
Operating Expenses	5,911,903	71,819	5,983,722	78,254	5,990,157	11,973,879
Grants	4,939,476	600,000	5,539,476	666,951	5,606,427	11,145,903
Benefits & Claims	72,103,213	6,282,981	78,386,194	6,603,042	78,706,255	157,092,449
Transfers	593,356	0	593,356	0	593,356	1,186,712
Debt Service	1,358,270	0	1,358,270	0	1,358,270	2,716,540
Total Costs	\$121,771,653	\$8,110,169	\$129,881,822	\$8,619,760	\$130,391,413	\$260,273,235
General Fund	69,664,550	10,230,120	79,894,670	10,890,419	80,554,969	160,449,639
State/Other Special	1,478,208	(4,219)	1,473,989	(6,280)	1,471,928	2,945,917
Federal Spec. Rev. Funds	50,628,895	(2,115,732)	48,513,163	(2,264,379)	48,364,516	96,877,679
Total Funds	\$121,771,653	\$8,110,169	\$129,881,822	\$8,619,760	\$130,391,413	\$260,273,235

Department of Public Health & Human Services - 69010

Child & Family Services - 03

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	84,041	156,244	138,018	226,116
SWPL - 3 - Inflation Deflation	(22,239)	(28,181)	(15,028)	(19,046)
<i>Total Statewide Present Law Adjustments</i>	<i>\$61,802</i>	<i>\$128,063</i>	<i>\$122,990</i>	<i>\$207,070</i>
Present Law Adjustments				
PL - 3001 - Foster Care Caseload Adjustment - CFSD	4,583,941	3,194,580	4,540,836	3,238,341
PL - 3002 - Adoption Caseload Adjustment - CFSD	1,524,493	2,201,949	1,577,167	2,263,445
PL - 3003 - Guardianship Caseload Adjustment - CFSD	985,978	886,452	1,147,940	1,101,256
PL - 3004 - Holiday/Overtime/Differential - CFSD	761,391	918,203	799,460	964,113
PL - 3996 - Guardianship FMAP Adjustment - CFSD	6,366	0	93,039	0
PL - 3997 - Adoption FMAP Adjustment - CFSD	752,196	0	936,177	0
PL - 3998 - Foster Care FMAP Adjustment - CFSD	782,333	0	836,577	0
<i>Total Present Law Adjustments</i>	<i>\$9,396,698</i>	<i>\$7,201,184</i>	<i>\$9,931,196</i>	<i>\$7,567,155</i>
New Proposals				
NP - 3006 - Post Adoption Case Management - CFSD	685,904	685,904	750,517	750,517
NP - 3011 - Replace CPS Owned Vehicles with Leases - CFSD	85,716	105,018	85,716	105,018
NP - 3015 - Reduce Appropriation for Orphan Fund - CFSD	0	(10,000)	0	(10,000)
<i>Total New Proposals</i>	<i>\$771,620</i>	<i>\$780,922</i>	<i>\$836,233</i>	<i>\$845,535</i>
Total Budget Adjustments	\$10,230,120	\$8,110,169	\$10,890,419	\$8,619,760

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$84,041	\$156,244
FY 2027	\$138,018	\$226,116

SWPL - 1 - Personal Services -

The budget includes \$156,244 in FY 2026 and \$226,116 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$22,239)	(\$28,181)
FY 2027	(\$15,028)	(\$19,046)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$28,181 in FY 2026 and \$19,046 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

Department of Public Health & Human Services - 69010

Child & Family Services - 03

-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$4,583,941	\$3,194,580
FY 2027	\$4,540,836	\$3,238,341

PL - 3001 - Foster Care Caseload Adjustment - CFSD -

This present law adjustment is necessary to fund the caseload growth for the Foster Care Program. The rate of growth expected for this program is estimated to decrease at 0.20% per year, with historical growth of 12.66% from FY 2023 to FY 2024 and a decrease of 2.33% from FY 2024 to FY 2025, and an estimated decrease of 0.32% from FY 2025 to FY 2026 and a decrease of 0.08% from FY 2026 to FY 2027. This package increases \$6,432,921 in total funds for the biennium, including \$9,124,777 in general fund, a \$10,499 decrease in state special revenue, and a \$2,681,357 decrease of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$1,524,493	\$2,201,949
FY 2027	\$1,577,167	\$2,263,445

PL - 3002 - Adoption Caseload Adjustment - CFSD -

This present law adjustment is necessary to fund the caseload growth for the Adoption Program. The rate of growth expected for this program is estimated to increase at 0.21% per year, with historical growth of 5.85% from FY 2023 to FY 2024 and 11.55% from FY 2024 to FY 2025, and an estimated increase of 0.21% from FY 2025 to FY 2026 and 0.21% from FY 2026 to FY 2027. This change package includes \$4,465,394 in total funds for the biennium, including \$3,101,660 in general fund and \$1,363,734 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$985,978	\$886,452
FY 2027	\$1,147,940	\$1,101,256

PL - 3003 - Guardianship Caseload Adjustment - CFSD -

This present law adjustment is necessary to fund the caseload growth for the Guardianship Program. The rate of growth expected for this program is estimated at 25.54% per year, with historical growth of 24.54% from FY 2023 to FY 2024 and 24.54% from FY 2024 to FY 2025, and an estimated increase of 24.54% from FY 2025 to FY 2026 and 24.54% from FY 2026 to FY 2027. This package increases \$1,987,708 in total funds for the biennium, including \$2,133,918 in general fund and a reduction of \$146,210 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$761,391	\$918,203
FY 2027	\$799,460	\$964,113

PL - 3004 - Holiday/Overtime/Differential - CFSD -

This present law adjustment is necessary to restore zero-based authority for overtime for the Child and Family Services Division. The increase is necessary to fully fund overtime to maintain the client case load in addition to what is funded in SWPL 1. This package requests \$1,882,316 in total funds for the biennium, including \$1,560,851 in general fund and \$321,465 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$6,366	\$0
FY 2027	\$93,039	\$0

PL - 3996 - Guardianship FMAP Adjustment - CFSD -

This present law adjustment is necessary to maintain existing services for the Guardianship Program in the Child and Family Services Division. The biennial funding increases general fund by \$99,405 and includes an offsetting reduction in federal funds. The total cost for the program does not change.

Department of Public Health & Human Services - 69010

Child & Family Services - 03

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$752,196	\$0
FY 2027	\$936,177	\$0

PL - 3997 - Adoption FMAP Adjustment - CFSD -

This present law adjustment is necessary to maintain existing services for the Adoption Program in the Child and Family Services Division. The biennial funding increases general fund by \$1,688,373 and includes an offsetting reduction in federal funds. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$782,333	\$0
FY 2027	\$836,577	\$0

PL - 3998 - Foster Care FMAP Adjustment - CFSD -

This present law adjustment is necessary to maintain existing services for the Adoption Program in the Child and Family Services Division. The biennial funding increases general fund by \$1,618,910 and includes an offsetting reduction in federal funds. The total cost for the program does not change.

-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$685,904	\$685,904
FY 2027	\$750,517	\$750,517

NP - 3006 - Post Adoption Case Management - CFSD -

This new proposal is to provide services and FTE for the Post-Adoption Program in the Child and Family Services Division. The increase is necessary to provide case management services for families who have adopted/guardianship of youth from foster care and provides ancillary services (e.g., respite, non-Medicaid services, therapeutic treatment services) that is helpful for families and assists with preventing adoption/guardianship break-downs and youth returning to foster care. This package requests \$1,436,421 in general fund over the biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$85,716	\$105,018
FY 2027	\$85,716	\$105,018

NP - 3011 - Replace CPS Owned Vehicles with Leases - CFSD -

This new proposal request is to replace aged, high-mileage vehicles currently owned with leased vehicles available through the State Motor Pool to ensure the safety of state workers and children served by the Child and Family Services Division. This package requests \$210,036 in total funds for the 2027 biennium, including \$171,432 in general fund and \$38,604 of federal funds.

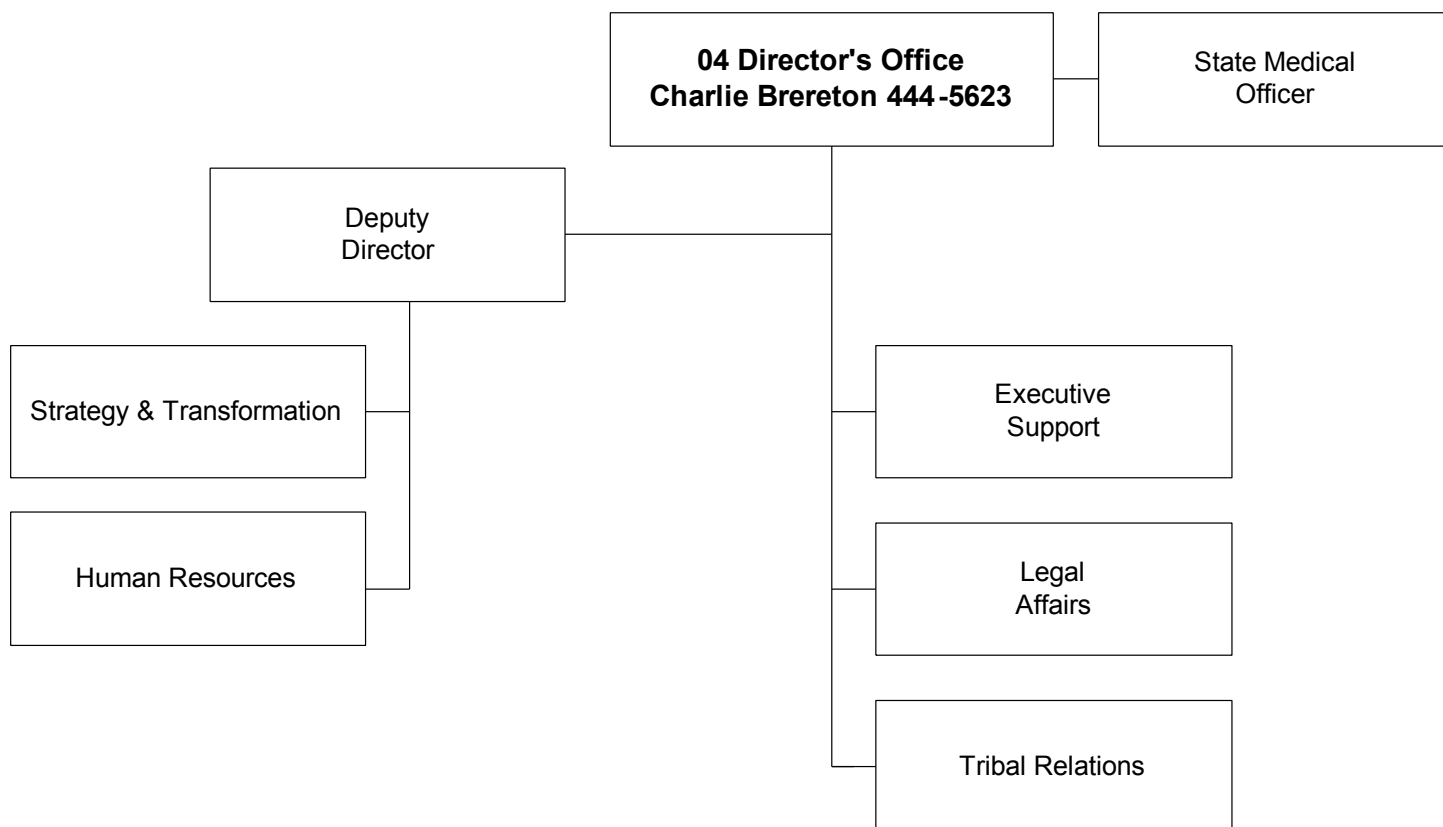
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$10,000)
FY 2027	\$0	(\$10,000)

NP - 3015 - Reduce Appropriation for Orphan Fund - CFSD -

This new proposal reduces the appropriation of federal funds for the Children's Alliance of MT fund. This fund has a base appropriation of \$10,000 per year with no active revenue for the past several years. This change package requests a reduction of \$20,000 in federal funds over the biennium.

Department of Public Health & Human Services - 69010

Directors Office - 04



Program Description - The Director's Office (DO) ensures a cohesive and strategic approach to serving Montanans in their communities to improve health, safety, well-being, and empower independence. The DO includes the Office of Legal Affairs, Office of Human Resources, Office of Strategy and Transformation, and the State Medical Officer, in addition to other executive leaders who report to the Department Director and oversee discrete practices, programs, and offices throughout the agency.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	79.25	1.00	80.25	1.00	80.25	
Personal Services	8,432,135	642,046	9,074,181	660,712	9,092,847	18,167,028
Operating Expenses	7,329,112	104,356	7,433,468	106,310	7,435,422	14,868,890
Grants	219,829	0	219,829	0	219,829	439,658
Benefits & Claims	2,549	0	2,549	0	2,549	5,098
Transfers	68,100	0	68,100	0	68,100	136,200
Debt Service	5,636	0	5,636	0	5,636	11,272
Total Costs	\$16,057,361	\$746,402	\$16,803,763	\$767,022	\$16,824,383	\$33,628,146
General Fund	5,403,662	324,880	5,728,542	334,481	5,738,143	11,466,685
State/Other Special	3,380,959	(29,905)	3,351,054	(29,066)	3,351,893	6,702,947
Federal Spec. Rev. Funds	7,272,740	451,427	7,724,167	461,607	7,734,347	15,458,514
Total Funds	\$16,057,361	\$746,402	\$16,803,763	\$767,022	\$16,824,383	\$33,628,146

Department of Public Health & Human Services - 69010

Directors Office - 04

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	198,347	498,730	207,779	517,396
SWPL - 2 - Fixed Costs	48,748	98,702	50,319	103,063
SWPL - 3 - Inflation Deflation	0	(904)	0	(611)
<i>Total Statewide Present Law Adjustments</i>	<i>\$247,095</i>	<i>\$596,528</i>	<i>\$258,098</i>	<i>\$619,848</i>
New Proposals				
NP - 4001 - Procurement Staff Attorney - Director's Office	77,785	149,874	76,383	147,174
<i>Total New Proposals</i>	<i>\$77,785</i>	<i>\$149,874</i>	<i>\$76,383</i>	<i>\$147,174</i>
Total Budget Adjustments	\$324,880	\$746,402	\$334,481	\$767,022

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$198,347	\$498,730
FY 2027	\$207,779	\$517,396

SWPL - 1 - Personal Services -

The budget includes \$498,730 in FY 2026 and \$517,396 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$48,748	\$98,702
FY 2027	\$50,319	\$103,063

SWPL - 2 - Fixed Costs -

The request includes \$98,702 in FY 2026 and \$103,063 in FY 2027 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$904)
FY 2027	\$0	(\$611)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$904 in FY 2026 and \$611 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

-----New Proposals-----

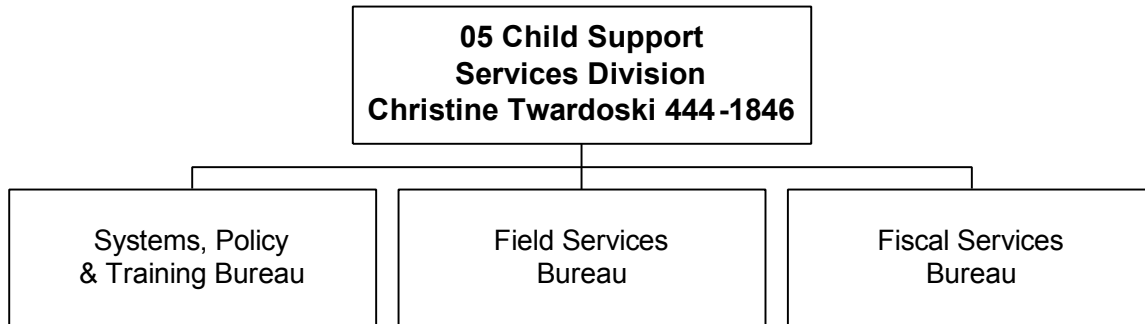
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$77,785	\$149,874
FY 2027	\$76,383	\$147,174

NP - 4001 - Procurement Staff Attorney - Director's Office -

This new proposal adds 1.00 FTE for a Lawyer in the Director's Office to help meet increased contract demands, support internal controls, provide training, and enforce centralized processes implemented by DOA State Procurement Bureau. This package requests \$297,048 in total funds for the biennium, including \$154,168 in general fund, \$6,030 in state special revenue, and \$136,850 of federal funds.

Department of Public Health & Human Services - 69010

Child Support Services - 05



Program Description -

The Child Support Services Division (CSSD) works to improve the economic stability of families through the establishment and enforcement of child support and medical support orders. CSSD is comprised of three bureaus: Budget and Administrative Services, Field Services, and System Program and Training. The division offers services designed to locate parents, establish paternity, establish financial and medical support orders, enforce child support orders, including medical support orders, and modify child support orders.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	129.81	0.00	129.81	0.00	129.81	
Personal Services	10,504,717	133,266	10,637,983	157,592	10,662,309	21,300,292
Operating Expenses	1,456,890	0	1,456,890	0	1,456,890	2,913,780
Equipment & Intangible Assets	21,456	0	21,456	0	21,456	42,912
Debt Service	540,990	0	540,990	0	540,990	1,081,980
Total Costs	\$12,524,053	\$133,266	\$12,657,319	\$157,592	\$12,681,645	\$25,338,964
General Fund	3,656,440	45,310	3,701,750	53,581	3,710,021	7,411,771
State/Other Special	363,458	0	363,458	0	363,458	726,916
Federal Spec. Rev. Funds	8,504,155	87,956	8,592,111	104,011	8,608,166	17,200,277
Total Funds	\$12,524,053	\$133,266	\$12,657,319	\$157,592	\$12,681,645	\$25,338,964

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	45,310	133,266	53,581	157,592
<i>Total Statewide Present Law Adjustments</i>	<i>\$45,310</i>	<i>\$133,266</i>	<i>\$53,581</i>	<i>\$157,592</i>
Total Budget Adjustments	\$45,310	\$133,266	\$53,581	\$157,592

-----Statewide Present Law Adjustments-----

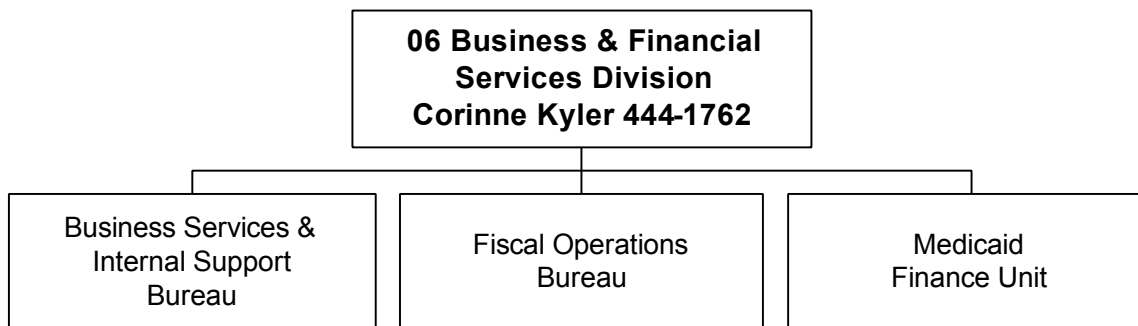
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$45,310	\$133,266
FY 2027	\$53,581	\$157,592

SWPL - 1 - Personal Services -

The budget includes \$133,266 in FY 2026 and \$157,592 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Department of Public Health & Human Services - 69010

Business & Financial Services - 06



Program Description - The Business and Financial Services Division (BFSD) manages the development and implementation of agency-wide accounting policies, procedures, and best business practices that support the mission of the Department.

Program Proposed Budget	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
Budget Item						
FTE	56.00	2.00	58.00	2.00	58.00	
Personal Services	4,712,515	36,492	4,749,007	50,948	4,763,463	9,512,470
Operating Expenses	9,587,317	753,880	10,341,197	(167,525)	9,419,792	19,760,989
Debt Service	7,926	0	7,926	0	7,926	15,852
Total Costs	\$14,307,758	\$790,372	\$15,098,130	(\$116,577)	\$14,191,181	\$29,289,311
General Fund	5,358,999	397,172	5,756,171	(89,254)	5,269,745	11,025,916
State/Other Special	1,607,484	34,290	1,641,774	(6,884)	1,600,600	3,242,374
Federal Spec. Rev. Funds	7,341,275	358,910	7,700,185	(20,439)	7,320,836	15,021,021
Total Funds	\$14,307,758	\$790,372	\$15,098,130	(\$116,577)	\$14,191,181	\$29,289,311

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(67,148)	(122,688)	(61,253)	(108,233)
SWPL - 2 - Fixed Costs	391,766	744,159	(98,248)	(171,858)
SWPL - 3 - Inflation Deflation	(37)	(37)	(25)	(25)
<i>Total Statewide Present Law Adjustments</i>	<i>\$324,581</i>	<i>\$621,434</i>	<i>(\$159,526)</i>	<i>(\$280,116)</i>
New Proposals				
NP - 6001 - Procurement Officer - BFSD	72,591	168,938	70,272	163,539
<i>Total New Proposals</i>	<i>\$72,591</i>	<i>\$168,938</i>	<i>\$70,272</i>	<i>\$163,539</i>
Total Budget Adjustments	\$397,172	\$790,372	(\$89,254)	(\$116,577)

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$67,148)	(\$122,688)
FY 2027	(\$61,253)	(\$108,233)

SWPL - 1 - Personal Services -

The budget includes reductions of \$122,688 in FY 2026 and \$108,233 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Department of Public Health & Human Services - 69010

Business & Financial Services - 06

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$391,766	\$744,159
FY 2027	(\$98,248)	(\$171,858)

SWPL - 2 - Fixed Costs -

The request includes \$744,159 in FY 2026 and a reduction of \$171,858 in FY 2027 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$37)	(\$37)
FY 2027	(\$25)	(\$25)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$37 in FY 2026 and \$25 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$72,591	\$168,938
FY 2027	\$70,272	\$163,539

NP - 6001 - Procurement Officer - BFSD -

This new proposal requests to make 1.00 FTE permanent for a procurement officer in the Business & Financial Services Division. The position is currently a modified position and is necessary to meet increased contract demands, support internal controls, provide training, and enforce centralized processes. This package requests \$332,477 in total funds for the biennium, including \$142,863 in general fund, \$18,585 in state special revenue, and \$171,029 of federal funds.

Department of Public Health & Human Services - 69010

Public Health & Safety Division - 07

**07 Public Health &
Safety Division
Stacy Campbell 444-3385**

Program Description - The Public Health and Safety Division (PHSD) works to protect and improve the health of Montanans by advancing conditions for healthy living. PHSD is comprised of five bureaus (Communicable Disease, Laboratory Services, Chronic Disease Prevention and Health Promotion, Epidemiology and Scientific Support, and Financial Services and Operations) and one office (Public Health System Improvement). The division provides a wide range of public health services to individuals and communities that are aimed at the prevention of disease and the promotion of health. Services are provided through nearly 300 contracts with public and private providers, including local and tribal public health departments, clinics, hospitals, and other community-based organizations. Programs administered by the division include clinical and environmental laboratory services, chronic and communicable disease prevention and control, public health emergency preparedness, public health system improvement, vital records, epidemiology and scientific support, and emergency medical services and trauma services.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	153.75	0.00	153.75	0.00	153.75	
Personal Services	14,120,954	(171,704)	13,949,250	(143,883)	13,977,071	27,926,321
Operating Expenses	9,921,150	(2,378)	9,918,772	(1,607)	9,919,543	19,838,315
Equipment & Intangible Assets	141,821	0	141,821	0	141,821	283,642
Grants	13,491,004	(705,150)	12,785,854	(705,055)	12,785,949	25,571,803
Benefits & Claims	2,704,648	0	2,704,648	0	2,704,648	5,409,296
Transfers	346,100	0	346,100	0	346,100	692,200
Debt Service	64,562	0	64,562	0	64,562	129,124
Total Costs	\$40,790,239	(\$879,232)	\$39,911,007	(\$850,545)	\$39,939,694	\$79,850,701
General Fund	3,382,917	(25,655)	3,357,262	(57,963)	3,324,954	6,682,216
State/Other Special	14,394,802	46,892	14,441,694	38,369	14,433,171	28,874,865
Federal Spec. Rev. Funds	23,012,520	(900,469)	22,112,051	(830,951)	22,181,569	44,293,620
Total Funds	\$40,790,239	(\$879,232)	\$39,911,007	(\$850,545)	\$39,939,694	\$79,850,701

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(24,865)	(171,704)	(57,429)	(143,883)
SWPL - 3 - Inflation Deflation	(790)	(2,378)	(534)	(1,607)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$25,655)</i>	<i>(\$174,082)</i>	<i>(\$57,963)</i>	<i>(\$145,490)</i>
New Proposals				
NP - 7001 - Realign Appropriation for Ryan White ADAP	0	(705,150)	0	(705,055)
<i>Total New Proposals</i>	<i>\$0</i>	<i>(\$705,150)</i>	<i>\$0</i>	<i>(\$705,055)</i>
Total Budget Adjustments	(\$25,655)	(\$879,232)	(\$57,963)	(\$850,545)

Department of Public Health & Human Services - 69010

Public Health & Safety Division - 07

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$24,865)	(\$171,704)
FY 2027	(\$57,429)	(\$143,883)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$171,704 in FY 2026 and \$143,883 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$790)	(\$2,378)
FY 2027	(\$534)	(\$1,607)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$2,378 in FY 2026 and \$1,607 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

-----New Proposals-----

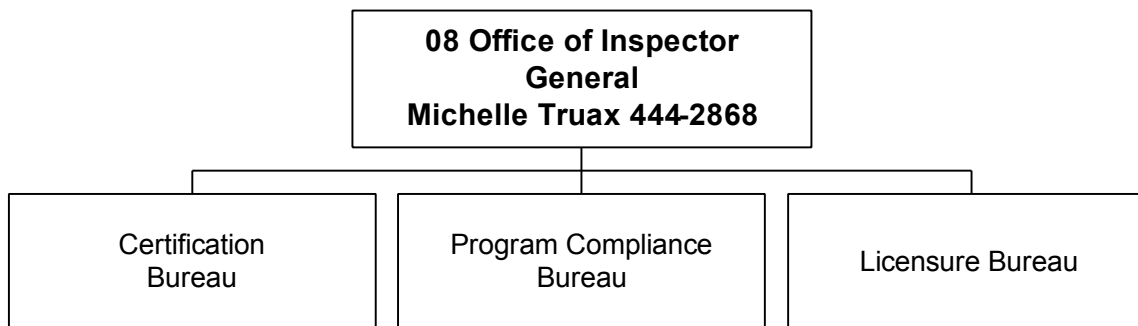
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$705,150)
FY 2027	\$0	(\$705,055)

NP - 7001 - Realign Appropriation for Ryan White ADAP -

This new proposal reduces the appropriation of federal funds for the Ryan White ADAP Shortfall fund to align appropriation with anticipated expenditures. This change package requests a reduction of \$1,410,205 in federal funds over the biennium.

Department of Public Health & Human Services - 69010

Office of Inspector General - 08



Program Description - The Office of the Inspector General (OIG) promotes and protects the safety and well-being of Montanans by providing responsive and independent assessment and monitoring of health and human services programs. OIG is comprised of three bureaus: Certification, Program Compliance, and Licensure. OIG provides services related to licensing, fraud, waste, and abuse, and ensuring federal compliance.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	88.50	0.00	88.50	0.00	88.50	
Personal Services	7,110,747	577,176	7,687,923	594,419	7,705,166	15,393,089
Operating Expenses	2,101,046	(121,734)	1,979,312	(119,680)	1,981,366	3,960,678
Grants	636,577	0	636,577	0	636,577	1,273,154
Debt Service	2,600	0	2,600	0	2,600	5,200
Total Costs	\$9,850,970	\$455,442	\$10,306,412	\$474,739	\$10,325,709	\$20,632,121
General Fund	2,704,940	155,647	2,860,587	164,367	2,869,307	5,729,894
State/Other Special	1,065,729	7,457	1,073,186	7,672	1,073,401	2,146,587
Federal Spec. Rev. Funds	6,080,301	292,338	6,372,639	302,700	6,383,001	12,755,640
Total Funds	\$9,850,970	\$455,442	\$10,306,412	\$474,739	\$10,325,709	\$20,632,121

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	160,205	617,536	167,447	634,779
SWPL - 3 - Inflation Deflation	(4,558)	(6,334)	(3,080)	(4,280)
<i>Total Statewide Present Law Adjustments</i>	<i>\$155,647</i>	<i>\$611,202</i>	<i>\$164,367</i>	<i>\$630,499</i>
New Proposals				
NP - 8001 - Realign Appropriation with Revenue Rural Hospital Flex Pgm	0	(115,400)	0	(115,400)
NP - 8002 - Realign Appropriation with Revenue Clinical Laboratory Improvement	0	(40,360)	0	(40,360)
<i>Total New Proposals</i>	<i>\$0</i>	<i>(\$155,760)</i>	<i>\$0</i>	<i>(\$155,760)</i>
Total Budget Adjustments	\$155,647	\$455,442	\$164,367	\$474,739

Department of Public Health & Human Services - 69010

Office of Inspector General - 08

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$160,205	\$617,536
FY 2027	\$167,447	\$634,779

SWPL - 1 - Personal Services -

The budget includes \$617,536 in FY 2026 and \$634,779 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$4,558)	(\$6,334)
FY 2027	(\$3,080)	(\$4,280)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$6,334 in FY 2026 and \$4,280 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$115,400)
FY 2027	\$0	(\$115,400)

NP - 8001 - Realign Appropriation with Revenue Rural Hospital Flex Pgm -

This new proposal reduces the appropriation of federal revenue to the Rural Hospital Flexibility program to align appropriation with anticipated expenditures. This change package requests a reduction of \$115,400 in federal revenue in each year of the biennium.

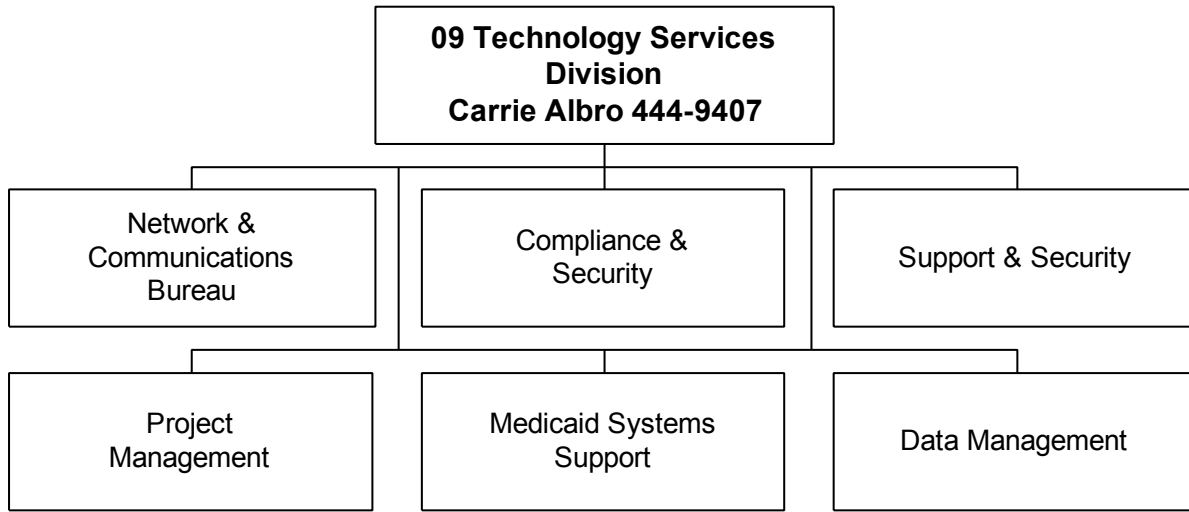
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$40,360)
FY 2027	\$0	(\$40,360)

NP - 8002 - Realign Appropriation with Revenue Clinical Laboratory Improvement -

This new proposal reduces the appropriation of federal revenue to the Title 18 Clinical Laboratory Improvement Amendments program to align appropriation with anticipated expenditures. This change package requests a reduction of \$40,360 in federal revenue in each year of the biennium.

Department of Public Health & Human Services - 69010

Technology Services Division - 09



Program Description - The Technology Services Division (TSD) manages DPHHS's information technology systems and infrastructure. TSD is comprised of three bureaus (Project Management, Application Development and Hosting, and Support and Security), three offices (Program Management, Data Management, and Information Security and Compliance), and one program (Medicaid IT Systems/MPATH). TSD services include programming, help desk functions, database support, web development, enterprise architecture, security, project management, data management, and network management. DPHHS's Chief Information Officer (CIO) leads TSD.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	66.00	(3.00)	63.00	(3.00)	63.00	
Personal Services	6,767,040	(100,685)	6,666,355	(84,640)	6,682,400	13,348,755
Operating Expenses	64,484,160	8,790,979	73,275,139	29,621,457	94,105,617	167,380,756
Equipment & Intangible Assets	85,000	0	85,000	0	85,000	170,000
Debt Service	4,184,000	0	4,184,000	0	4,184,000	8,368,000
Total Costs	\$75,520,200	\$8,690,294	\$84,210,494	\$29,536,817	\$105,057,017	\$189,267,511
General Fund	25,339,380	4,868,809	30,208,189	14,805,271	40,144,651	70,352,840
State/Other Special	2,306,712	66,295	2,373,007	211,272	2,517,984	4,890,991
Federal Spec. Rev. Funds	47,874,108	3,755,190	51,629,298	14,520,274	62,394,382	114,023,680
Total Funds	\$75,520,200	\$8,690,294	\$84,210,494	\$29,536,817	\$105,057,017	\$189,267,511

Department of Public Health & Human Services - 69010

Technology Services Division - 09

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	64,985	203,024	71,608	219,070
SWPL - 2 - Fixed Costs	3,065,733	4,935,299	3,108,253	5,054,716
SWPL - 3 - Inflation Deflation	(543)	(543)	(367)	(367)
<i>Total Statewide Present Law Adjustments</i>	<i>\$3,130,175</i>	<i>\$5,137,780</i>	<i>\$3,179,494</i>	<i>\$5,273,419</i>
Present Law Adjustments				
PL - 9000 - TSD Combined Maintenance & Operational Requests	1,893,077	3,873,147	11,776,320	24,575,932
<i>Total Present Law Adjustments</i>	<i>\$1,893,077</i>	<i>\$3,873,147</i>	<i>\$11,776,320</i>	<i>\$24,575,932</i>
New Proposals				
NP - 9001 - SITSD Security Consolidation	(154,443)	(320,633)	(150,543)	(312,534)
<i>Total New Proposals</i>	<i>(\$154,443)</i>	<i>(\$320,633)</i>	<i>(\$150,543)</i>	<i>(\$312,534)</i>
Total Budget Adjustments	\$4,868,809	\$8,690,294	\$14,805,271	\$29,536,817

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$64,985	\$203,024
FY 2027	\$71,608	\$219,070

SWPL - 1 - Personal Services -

The budget includes \$203,024 in FY 2026 and \$219,070 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$3,065,733	\$4,935,299
FY 2027	\$3,108,253	\$5,054,716

SWPL - 2 - Fixed Costs -

The request includes \$4,935,299 in FY 2026 and \$5,054,716 in FY 2027 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$543)	(\$543)
FY 2027	(\$367)	(\$367)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$543 in FY 2026 and \$367 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

Department of Public Health & Human Services - 69010

Technology Services Division - 09

-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$1,893,077	\$3,873,147
FY 2027	\$11,776,320	\$24,575,932

PL - 9000 - TSD Combined Maintenance & Operational Requests -

This new proposal reflects needed appropriations for increases related to maintenance and operations of existing systems as well as appropriations needed for new system implementations within the Technology Services Division (TSD). This is necessary to fund anticipated increases in existing vendor contracts for Combined Healthcare Information and Montana Eligibility System (CHIMES), Child and Adult Protective System (CAPS), Systems for the Enforcement and Recovery of Child Support (SEARCHS) and Electronic Benefit Transfer (EBT) as well as systems implementations / replacements for the Comprehensive Child Welfare Information System (CCWIS), SEARCHS, Health Information Exchange (HIE), Electronic Health Records System (EHR), and Montana's Program for Automating and Transforming Healthcare (MPATH) modules. This service is funded with 47.92% of general fund, 1.29% of state special revenue, and 50.79% of federal funds. This package requests \$28,449,079 in total funds for the biennium, including \$13,669,397 in general fund, \$492,267 in state special revenue, and \$14,287,415 of federal funds.

-----New Proposals-----

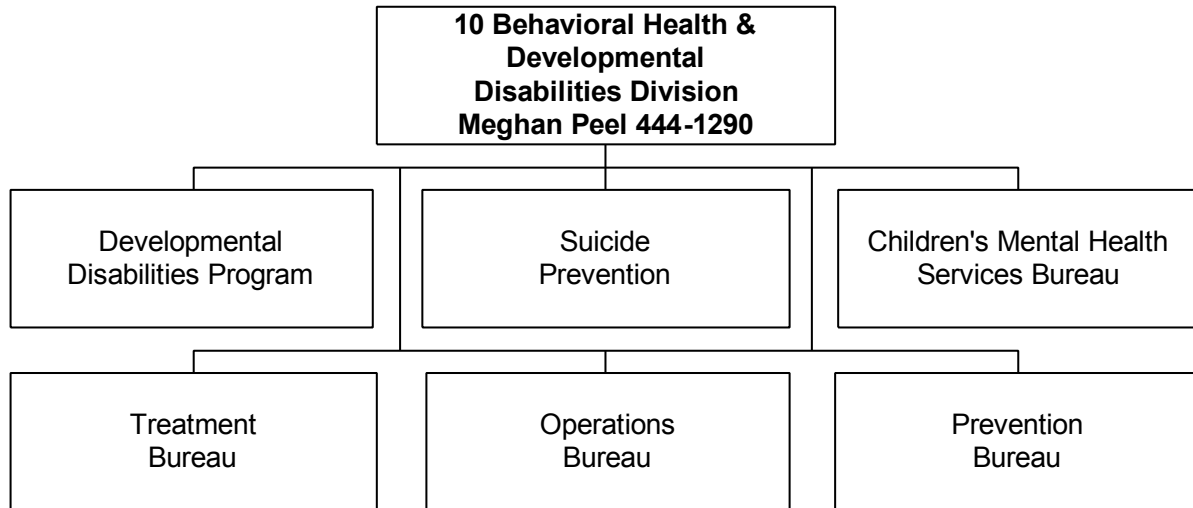
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$154,443)	(\$320,633)
FY 2027	(\$150,543)	(\$312,534)

NP - 9001 - SITSD Security Consolidation -

This new proposal reduces 3.00 FTE from Technology Services Division (TSD) as part of security consolidation efforts across the Executive Branch. Page R-5 of HB 2 from the 68th Legislature directed the State Information Technology Services Division work with the Office of Budget and Program Planning to identify and reduce 8.00 FTE across state agencies as part of the information technology security consolidation project. Three FTE from TSD were identified and are being removed with this change package. The package requests a reduction of \$633,167 in total funds for the biennium, including \$304,986 in general fund, \$48,367 in state special revenue, and \$279,814 of federal funds.

Department of Public Health & Human Services - 69010

Behavioral Health & Dev Disability - 10



Program Description - The Behavioral Health and Developmental Disabilities Division (BHDD) works to enhance the quality of life for individuals with behavioral health challenges and/or developmental disabilities by promoting recovery, resilience, and community integration. BHDD administers a wide range of high-quality, accessible, and culturally competent services designed to support, empower, and heal individuals and families. BHDD consists of four bureaus (Prevention, Treatment, Children's Mental Health, and Operations) and two programs (Suicide Prevention and Developmental Disabilities).

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	104.00	0.00	104.00	0.00	104.00	
Personal Services	9,072,333	386,411	9,458,744	668,306	9,740,639	19,199,383
Operating Expenses	4,536,610	23,039,536	27,576,146	9,706,073	14,242,683	41,818,829
Grants	7,878,514	3,155,765	11,034,279	3,159,419	11,037,933	22,072,212
Benefits & Claims	543,257,862	(10,833,768)	532,424,094	63,824,110	607,081,972	1,139,506,066
Debt Service	357,964	0	357,964	0	357,964	715,928
Total Costs	\$565,103,283	\$15,747,944	\$580,851,227	\$77,357,908	\$642,461,191	\$1,223,312,418
General Fund	139,528,384	13,951,449	153,479,833	22,184,978	161,713,362	315,193,195
State/Other Special	40,409,848	25,085,445	65,495,293	17,066,455	57,476,303	122,971,596
Federal Spec. Rev. Funds	385,165,051	(23,288,950)	361,876,101	38,106,475	423,271,526	785,147,627
Total Funds	\$565,103,283	\$15,747,944	\$580,851,227	\$77,357,908	\$642,461,191	\$1,223,312,418

Department of Public Health & Human Services - 69010

Behavioral Health & Dev Disability - 10

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	107,213	168,257	119,824	193,152
SWPL - 3 - Inflation Deflation	(1,591)	(3,429)	(1,075)	(2,318)
<i>Total Statewide Present Law Adjustments</i>	<i>\$105,622</i>	<i>\$164,828</i>	<i>\$118,749</i>	<i>\$190,834</i>
Present Law Adjustments				
PL - 10550 - Medicaid Core Services AMH - BHDD	737,128	1,477,738	1,946,557	4,745,260
PL - 10551 - Medicaid Core Services DDP&CMH - BHDD	2,595,303	(7,832,144)	5,503,375	331,058
PL - 10552 - Medicaid Core FMAP Adjustment AMH - BHDD	1,110,445	0	1,181,654	0
PL - 10553 - Medicaid Core FMAP Adjustment DDP&CMH - BHDD	3,154,959	0	3,321,268	0
PL - 10554 - Medicaid Waiver Services AMH - BHDD	1,580,789	4,986,387	3,255,238	9,565,916
PL - 10555 - Medicaid Waiver Services DDP&CMH- BHDD	(1,111,917)	(4,459,277)	(97,109)	(1,809,264)
PL - 10556 - Medicaid Waiver FMAP Adjustment AMH - BHDD	(258,695)	0	(258,695)	0
PL - 10557 - Medicaid Waiver FMAP Adjustment DDP and CMH - BHDD	4,636,619	0	4,885,679	0
PL - 10560 - Medicaid Expansion Services AMH - BHDD	(1,388,412)	(13,836,472)	(961,346)	(8,838,322)
PL - 10564 - Medicaid Expansion FMAP AMH - BHDD	289,608	0	289,608	0
<i>Total Present Law Adjustments</i>	<i>\$11,345,827</i>	<i>(\$19,663,768)</i>	<i>\$19,066,229</i>	<i>\$3,994,648</i>
New Proposals				
NP - 10001 - State Opioid Response Grant - BHDD	0	4,000,000	0	4,000,000
NP - 10002 - FDA Tobacco Grant - BHDD	0	218,855	0	218,855
NP - 10701 - BHSFG 01. Refine and Reconfigure the Current 0208 Comprehensive Waiver Services Rates	0	950,000	0	7,453,600
NP - 10703 - BHSFG 03. Expand the Service Delivery System to Support Individuals with Complex Needs	0	10,630,000	0	8,830,000
NP - 10704 - BHSFG 04. Redefine and Reopen E&D Clinics to Support Families More Effectively	0	2,025,000	0	1,000,000
NP - 10706 - BHSFG 06. Enhance the Targeted Case Management Program - BHDD	0	1,335,545	0	750,000
NP - 10708 - BHSFG 08. Implement a Care Transitions Program - BHDD	0	1,115,619	0	991,661
NP - 10709 - BHSFG 09. Adopt Electronic Bed Registry and Enhance 988 - BHDD	0	4,216,850	0	1,842,550
NP - 10717 - BHSFG 17. Redesign Rates to Improve In-State Youth Residential Services - BHDD	0	0	0	150,000
NP - 10718 - BHSFG 18. Invest in School-Based Behavioral Health Initiatives - BHDD	0	2,725,015	0	7,246,405
NP - 10719 - BHSFG 19. Incentivize Providers to Join the BH and DD Workforce - BHDD	0	8,030,000	0	250,000
NP - 10722 - BHSFG 22. Expand and Sustain Certified Community Behavioral Health Clinics - BHDD	0	0	0	40,439,355
NP - 10801 - Refinance MED CORE AMH I-149	0	0	0	0
NP - 10802 - Realign Appropriation for HCBS MH Waiver	0	0	0	0
NP - 10803 - Realign Appropriation for Med Waiver AMH	2,500,000	0	3,000,000	0
<i>Total New Proposals</i>	<i>\$2,500,000</i>	<i>\$35,246,884</i>	<i>\$3,000,000</i>	<i>\$73,172,426</i>
Total Budget Adjustments	\$13,951,449	\$15,747,944	\$22,184,978	\$77,357,908

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$107,213	\$168,257
FY 2027	\$119,824	\$193,152

SWPL - 1 - Personal Services -

The budget includes \$168,257 in FY 2026 and \$193,152 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Department of Public Health & Human Services - 69010

Behavioral Health & Dev Disability - 10

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$1,591)	(\$3,429)
FY 2027	(\$1,075)	(\$2,318)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$3,429 in FY 2026 and \$2,318 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$737,128	\$1,477,738
FY 2027	\$1,946,557	\$4,745,260

PL - 10550 - Medicaid Core Services AMH - BHDD -

This present law adjustment for caseload growth in the Adult Mental Health (AMH) Program in the Behavioral Health and Developmental Disabilities Division covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests \$6,222,998 in total funds for the biennium, including an increase of \$2,683,685 in general fund, a decrease of \$288,033 in state special revenue, and an increase of \$3,827,346 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$2,595,303	(\$7,832,144)
FY 2027	\$5,503,375	\$331,058

PL - 10551 - Medicaid Core Services DDP&CMH - BHDD -

This present law adjustment is for the decrease in caseload in the Developmental Disabilities Program (DDP) and Children's Mental Health (CMH) programs in the Behavioral Health and Developmental Disabilities Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$7,501,086 in total funds for the biennium, including an increase of \$8,098,678 in general fund, a decrease of \$10,977,882 in state special revenue, and a decrease of \$4,621,882 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$1,110,445	\$0
FY 2027	\$1,181,654	\$0

PL - 10552 - Medicaid Core FMAP Adjustment AMH - BHDD -

This present law adjustment is necessary to maintain existing services for Adult Mental Health (AMH) services in the Behavioral Health and Developmental Disability Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 35.88% state funds 64.12% federal funds to the FY 2026 rate of 32.39% state funds and 67.61% federal funds, and the FY 2027 rate of 32.53% state funds and 67.47% federal funds. The biennial funding increases the general fund by \$2,292,099, increases state special revenue by \$442,099, and includes an offsetting decrease in federal funds. The total cost for the program does not change.

Department of Public Health & Human Services - 69010

Behavioral Health & Dev Disability - 10

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$3,154,959	\$0
FY 2027	\$3,321,268	\$0

PL - 10553 - Medicaid Core FMAP Adjustment DDP&CMH - BHDD -

This present law adjustment is necessary to maintain existing services for the Developmental Disabilities Program (DDP) and Children's Mental Health (CMH) programs in the Behavioral Health and Developmental Disabilities Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 35.88% state funds 64.12% federal funds to the FY 2026 rate of 38.39% state funds and 61.61% federal funds, and the FY 2027 rate of 38.53% state funds and 61.47% federal funds. The biennial funding increases general fund by \$6,476,227 and increases state special revenue by \$1,079,817, and includes an offsetting decrease in federal funds of \$7,556,044. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$1,580,789	\$4,986,387
FY 2027	\$3,255,238	\$9,565,916

PL - 10554 - Medicaid Waiver Services AMH - BHDD -

This present law adjustment is for the increase of caseload in the Adult Mental Health (AMH) Program in the Behavioral Health and Developmental Disabilities Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care in the Severe and Disabling Mental Illness (SDMI) Waiver. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests \$14,552,303 in total funds for the biennium, including \$4,386,027 in general funds, \$763,995 in state special revenue, and \$8,952,281 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$1,111,917)	(\$4,459,277)
FY 2027	(\$97,109)	(\$1,809,264)

PL - 10555 - Medicaid Waiver Services DDP&CMH- BHDD -

This present law adjustment is for the decrease of caseload in the Developmental Disabilities Program (DDP) and Children's Mental Health (CMH) programs in the Behavioral Health and Developmental Disabilities Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care in the Developmental Disabilities Waiver. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$6,268,541 in total funds for the biennium, including a decrease of \$1,209,026 in general fund, a decrease of \$1,200,000 in state special revenue funds, and a decrease of \$3,859,515 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$258,695)	\$0
FY 2027	(\$258,695)	\$0

PL - 10556 - Medicaid Waiver FMAP Adjustment AMH - BHDD -

This present law adjustment is necessary to maintain existing services for the Adult Mental Health (AMH) Program in the Behavioral Health and Developmental Disabilities Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 35.88% state funds 64.12% federal funds to the FY 2026 rate of 38.39% state funds, and 61.61% federal funds, and the FY 2027 rate of 38.53% state funds and 61.47% federal funds. The biennial funding decreases general fund by \$517,390, increases state special revenue by \$3,522,768, and includes an offsetting decrease in federal funds by \$3,005,378. The total cost for the program does not change.

Department of Public Health & Human Services - 69010

Behavioral Health & Dev Disability - 10

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$4,636,619	\$0
FY 2027	\$4,885,679	\$0

PL - 10557 - Medicaid Waiver FMAP Adjustment DDP and CMH - BHDD -

This present law adjustment is necessary to maintain existing services for the Developmental Disabilities and Children's Mental Health Bureaus in the Behavioral Health and Developmental Disabilities Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 35.88% state funds 64.12% federal funds to the SFY 2026 rate of 38.39% state funds and 61.61% federal funds, and the SFY 2027 rate of 38.53% state funds and 61.47% federal funds. The biennial funding decreases general fund by \$9,522,298 and includes an offsetting decrease in federal funds. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$1,388,412)	(\$13,836,472)
FY 2027	(\$961,346)	(\$8,838,322)

PL - 10560 - Medicaid Expansion Services AMH - BHDD -

This present law adjustment is for the decrease of caseload in the Adult Mental Health (AMH) Program in the Behavioral Health & Developmental Disabilities Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Medicaid Expansion. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$22,674,794 in total funds for the biennium including a decrease of \$2,349,758 in general fund, an increase of \$82,279 in state special revenue, and a decrease of \$20,407,315 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$289,608	\$0
FY 2027	\$289,608	\$0

PL - 10564 - Medicaid Expansion FMAP AMH - BHDD -

This present law adjustment is necessary to maintain existing services for the Adult Mental Health (AMH) Program in the Behavioral Health and Developmental Disabilities Division. The biennial funding increases general fund by \$579,216 and includes an offsetting decrease in federal funds. The total cost for the program does not change.

-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$4,000,000
FY 2027	\$0	\$4,000,000

NP - 10001 - State Opioid Response Grant - BHDD -

This new proposal adds the State Opioid Response (SOR) Grant to the Prevention Program budget in the Behavioral Health and Developmental Disabilities Division. The funding has been requested through OBPP using the Budget Amendment process since 2018. The grant dollars are used to address the opioid crisis by providing resources to Montana communities to increase access to FDA-approved medications for the treatment of opioid use disorder (OUD), and to support the continuum of prevention, harm reduction, treatment, and recovery support services for OUD and other concurrent substance use disorders. The SOR Program also supports the continuum of care for stimulant misuse and use disorders, including cocaine and methamphetamine. The request adds \$8,000,000 in federal funds for the biennium.

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	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$218,855
FY 2027	\$0	\$218,855

NP - 10002 - FDA Tobacco Grant - BHDD -

This new proposal adds the federal Food and Drug Administration (FDA) Tobacco Grant to the Prevention Program budget in the Behavioral Health and Developmental Disabilities Division. The request adds \$218,855 in federal funds in each year of the biennium. The funding has been requested through OBPP using the Budget Amendment process since 2018. The grant dollars are used to enforce retailer compliance with tobacco regulations. This service is funded with 100% federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$950,000
FY 2027	\$0	\$7,453,600

NP - 10701 - BHSFG 01. Refine and Reconfigure the Current 0208 Comprehensive Waiver Services Rates -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 01 - Refine and Reconfigure the Current 0208 Comprehensive Waiver Services Rates. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$8,403,600 in total funds for the biennium, including \$3,844,836 in state special revenue and \$4,558,764 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$10,630,000
FY 2027	\$0	\$8,830,000

NP - 10703 - BHSFG 03. Expand the Service Delivery System to Support Individuals with Complex Needs -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 03 - Expand the Service Delivery System to Support Individuals with Complex Needs. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$19,460,000 in total funds for the biennium, including \$14,018,071 in state special revenue and \$5,441,929 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$2,025,000
FY 2027	\$0	\$1,000,000

NP - 10704 - BHSFG 04. Redefine and Reopen E&D Clinics to Support Families More Effectively -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 04 - Redefine and Reopen E&D Clinics to Support Families More Effectively. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$3,025,000 in total funds for the biennium, including \$2,525,000 in state special revenue and \$500,000 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$1,335,545
FY 2027	\$0	\$750,000

NP - 10706 - BHSFG 06. Enhance the Targeted Case Management Program - BHDD -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 06 - Enhance the Targeted Case Management Program. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$2,085,545 in state special revenue funds for the biennium.

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	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$1,115,619
FY 2027	\$0	\$991,661

NP - 10708 - BHSFG 08. Implement a Care Transitions Program - BHDD -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 08 - Implement a Care Transitions Program. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$2,107,280 in state special revenue funds for the biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$4,216,850
FY 2027	\$0	\$1,842,550

NP - 10709 - BHSFG 09. Adopt Electronic Bed Registry and Enhance 988 - BHDD -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 09 - Adopt Electronic Bed Registry and Enhance 988. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$6,059,400 in total funds for the biennium, including \$5,263,125 in state special revenue and \$796,275 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$0
FY 2027	\$0	\$150,000

NP - 10717 - BHSFG 17. Redesign Rates to Improve In-State Youth Residential Services - BHDD -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 17 - Redesign Rates to Improve In-State Youth Residential Services. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$150,000 in total funds for the biennium, including \$75,000 in state special revenue and \$75,000 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$2,725,015
FY 2027	\$0	\$7,246,405

NP - 10718 - BHSFG 18. Invest in School-Based Behavioral Health Initiatives - BHDD -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 18 - Invest in School-Based Behavioral Health Initiatives. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$9,971,420 in total funds for the biennium, including \$7,317,074 in state special revenue funds and \$2,654,346 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$8,030,000
FY 2027	\$0	\$250,000

NP - 10719 - BHSFG 19. Incentivize Providers to Join the BH and DD Workforce - BHDD -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 19 - Incentivize Providers to Join the BH and DD Workforce. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$8,280,000 in state special revenue funds for the biennium.

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	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$0
FY 2027	\$0	\$40,439,355

NP - 10722 - BHSFG 22. Expand and Sustain Certified Community Behavioral Health Clinics - BHDD -

This new proposal is necessary to implement Behavioral Health System for Future Generations (BHSFG) recommendation 22 - Expand and Sustain Certified Community Behavioral Health Clinics. This funding will cover one-time only and initial operations costs for the recommendation during the biennium. This package requests \$40,439,355 in total funds for the biennium, including \$8,477,644 in state special revenue funds and \$31,961,711 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$0
FY 2027	\$0	\$0

NP - 10801 - Refinance MED CORE AMH I-149 -

This new proposal requests a refinance of Medicaid Core Adult Mental Health in the Behavioral Health and Developmental Disabilities Division. This fund switch will increase state special revenue tobacco trust interest funds and decrease state special I-149 revenue by \$2,000,000 each year of the biennium. The total cost for the program is not impacted by this change package.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$0
FY 2027	\$0	\$0

NP - 10802 - Realign Appropriation for HCBS MH Waiver -

This new proposal realigns the appropriation of state special revenue to the the Home and Community Based Services Mental Health Waiver program to align appropriation with anticipated expenditures. This change package requests a reduction of \$1,583,514 in state special revenue I-149 and an offsetting increase in state special tobacco trust interest funds.

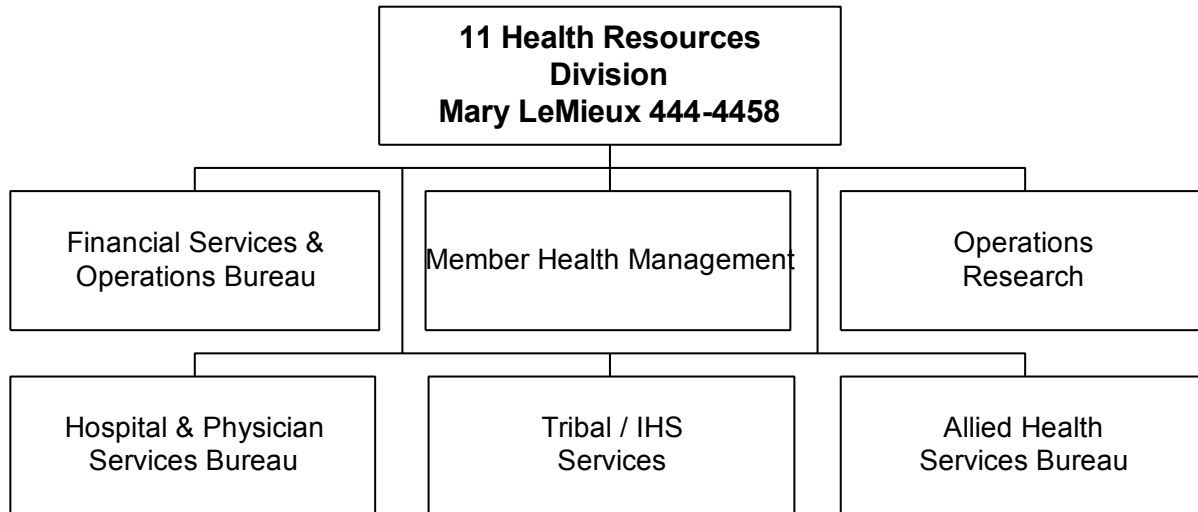
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$2,500,000	\$0
FY 2027	\$3,000,000	\$0

NP - 10803 - Realign Appropriation for Med Waiver AMH -

This new proposal fund switch in the Medicaid Waiver Adult Mental Health program reduces the state special appropriation for I-149 tobacco and increases general fund support. This change package requests a reduction of \$5,500,000 in state special revenue over the biennium, and includes an offsetting increase in general funds. The total cost for the program does not change.

Department of Public Health & Human Services - 69010

Health Resources Division - 11



Program Description - The Health Resources Division (HRD) administers Medicaid primary care services, Healthy Montana Kids (Medicaid and Children's Health Insurance Program services for youth in low-income families), and the Montana Medicaid Expansion Program. HRD is comprised of four bureaus (Member Health Management, Allied Health Services, Hospital and Physician Services, and Fiscal and Operations), the Operations Research Section, and the IHS/ Tribal/Urban Indian Health Program.

HRD reimburses private and public Medicaid providers for a wide range of preventive, primary, and acute care services. The major service providers include physicians, public health departments, clinics, hospitals, dentists, pharmacies, durable medical equipment, and mental health providers. HRD also develops tools, measurements, and reports necessary for management and administration of facets of the Medicaid program. Healthy Montana Kids (HMK) is administered as a separate health insurance program and HRD contracts with Blue Cross Blue Shield to provide third party administrator services.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	41.12	0.00	41.12	0.00	41.12	
Personal Services	3,477,156	338,563	3,815,719	345,909	3,823,065	7,638,784
Operating Expenses	15,753,952	622,247	16,376,199	761,490	16,515,442	32,891,641
Benefits & Claims	1,792,081,842	(82,365,663)	1,709,716,179	(8,275,827)	1,783,806,015	3,493,522,194
Debt Service	2,417	0	2,417	0	2,417	4,834
Total Costs	\$1,811,315,367	(\$81,404,853)	\$1,729,910,514	(\$7,168,428)	\$1,804,146,939	\$3,534,057,453
General Fund	252,485,411	14,137,643	266,623,054	33,084,257	285,569,668	552,192,722
State/Other Special	142,340,451	2,417,054	144,757,505	2,522,183	144,862,634	289,620,139
Federal Spec. Rev. Funds	1,416,489,505	(97,959,550)	1,318,529,955	(42,774,868)	1,373,714,637	2,692,244,592
Total Funds	\$1,811,315,367	(\$81,404,853)	\$1,729,910,514	(\$7,168,428)	\$1,804,146,939	\$3,534,057,453

Department of Public Health & Human Services - 69010

Health Resources Division - 11

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	158,933	338,563	161,493	345,909
SWPL - 3 - Inflation Deflation	(45)	(113)	(30)	(76)
<i>Total Statewide Present Law Adjustments</i>	<i>\$158,888</i>	<i>\$338,450</i>	<i>\$161,463</i>	<i>\$345,833</i>
Present Law Adjustments				
PL - 11891 - Expansion Core Services - HRD	(4,200,194)	(46,876,347)	(1,327,571)	(18,150,124)
PL - 11892 - Expansion Core HUF FMAP Adjustment - HRD	0	0	0	0
PL - 11893 - Expansion Federal Services - HRD	0	(11,773,953)	0	(5,376,010)
PL - 11896 - Expansion Core FMAP Adjustment - HRD	(1,065,138)	0	(1,065,138)	0
PL - 11897 - Expansion Hospital Supplemental Payments - HRD	0	(16,280,064)	0	(16,280,064)
PL - 11990 - HMK Caseload - HRD	(3,912,670)	(14,594,070)	(1,758,018)	(6,518,419)
PL - 11991 - Medicaid Core Services - HRD	3,082,335	13,707,171	14,320,135	42,586,854
PL - 11992 - Medicaid Core HUF FMAP Adjustment - HRD	0	0	0	0
PL - 11993 - Medicaid Federal Services - HRD	0	(887,446)	0	(576,949)
PL - 11994 - Medicaid Other Services - HRD	(523,115)	(523,115)	1,176,724	1,176,724
PL - 11995 - Medicaid Administration - HRD	225,739	622,360	276,242	761,566
PL - 11996 - Medicaid Core FMAP Adjustment - HRD	25,670,285	0	26,390,405	0
PL - 11997 - Medicaid Hospital Supplemental Payments - HRD	0	(5,137,839)	0	(5,137,839)
PL - 11998 - HMK FMAP Adjustment - HRD	(2,298,487)	0	(2,089,985)	0
<i>Total Present Law Adjustments</i>	<i>\$16,978,755</i>	<i>(\$81,743,303)</i>	<i>\$35,922,794</i>	<i>(\$7,514,261)</i>
New Proposals				
NP - 11803 - Realign Appropriation for Med Core HRD	(3,000,000)	0	(3,000,000)	0
<i>Total New Proposals</i>	<i>(\$3,000,000)</i>	<i>\$0</i>	<i>(\$3,000,000)</i>	<i>\$0</i>
Total Budget Adjustments	\$14,137,643	(\$81,404,853)	\$33,084,257	(\$7,168,428)

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$158,933	\$338,563
FY 2027	\$161,493	\$345,909

SWPL - 1 - Personal Services -

The budget includes \$338,563 in FY 2026 and \$345,909 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$45)	(\$113)
FY 2027	(\$30)	(\$76)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$113 in FY 2026 and \$76 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

Department of Public Health & Human Services - 69010

Health Resources Division - 11

-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$4,200,194)	(\$46,876,347)
FY 2027	(\$1,327,571)	(\$18,150,124)

PL - 11891 - Expansion Core Services - HRD -

This present law adjustment is for the decrease of caseload in the Health Resources Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Medicaid Core. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$65,026,471 in total funds for the biennium, including a decrease of \$5,527,765 in general fund and a decrease of \$59,498,706 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$0
FY 2027	\$0	\$0

PL - 11892 - Expansion Core HUF FMAP Adjustment - HRD -

This present law adjustment is necessary to maintain existing services for Expansion Core Hospital Utilization Fee (HUF) in the Health Resources Division. The biennial funding increases state special revenue by \$2,060,482 and includes an offsetting decrease in federal funds. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$11,773,953)
FY 2027	\$0	(\$5,376,010)

PL - 11893 - Expansion Federal Services - HRD -

This present law adjustment is for the decrease of caseload in the Health Resources Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Federal Expansion. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$17,149,963 in federal funds for the biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$1,065,138)	\$0
FY 2027	(\$1,065,138)	\$0

PL - 11896 - Expansion Core FMAP Adjustment - HRD -

This present law adjustment is necessary to maintain existing services for Expansion Core in the Health Resources Division. The biennial funding decreases general fund by \$2,130,276 and includes an offsetting increase in federal funds. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$16,280,064)
FY 2027	\$0	(\$16,280,064)

PL - 11897 - Expansion Hospital Supplemental Payments - HRD -

This present law adjustment is necessary to reduce Hospital Utilization Fees (HUF) in the Health Resources Division. This package requests a reduction of \$32,560,128 in total funds for the biennium, including a decrease of \$3,256,012 in state special revenue and a decrease of \$29,304,116 in federal funds.

Department of Public Health & Human Services - 69010

Health Resources Division - 11

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$3,912,670)	(\$14,594,070)
FY 2027	(\$1,758,018)	(\$6,518,419)

PL - 11990 - HMK Caseload - HRD -

This present law adjustment is for the decrease of caseload in the Healthy Montana Kids Program in the Health Resources Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$21,112,489 in total funds for the biennium, including a decrease of \$5,760,688 in general fund and a decrease of \$15,441,801 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$3,082,335	\$13,707,171
FY 2027	\$14,320,135	\$42,586,854

PL - 11991 - Medicaid Core Services - HRD -

This present law adjustment for caseload growth in the Health Resources Division covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Medicaid Core Services. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests \$56,294,025 in total funds over the biennium, including \$17,402,470 in general fund, \$6,573,811 in state special revenue, and \$32,317,744 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$0
FY 2027	\$0	\$0

PL - 11992 - Medicaid Core HUF FMAP Adjustment - HRD -

This present law adjustment is necessary to maintain existing services for the Medicaid HUF Program in the Health Resources Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 35.88% state funds and 64.12% federal funds to the FY 2026 rate of 38.39% state funds and 61.61% federal funds, and the FY 2027 rate of 38.53% state funds and 61.47% federal funds. The biennial funding increases state special revenue funds by \$4,025,502 and includes an offsetting decrease in federal funds. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$887,446)
FY 2027	\$0	(\$576,949)

PL - 11993 - Medicaid Federal Services - HRD -

This present law adjustment is for the decrease of caseload in the Health Resources Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Federal Medicaid. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$1,464,395 in federal funds for the biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$523,115)	(\$523,115)
FY 2027	\$1,176,724	\$1,176,724

PL - 11994 - Medicaid Other Services - HRD -

This present law adjustment is necessary to maintain existing services for the Medicaid Clawback Program in the Health Resources Division. The package requests \$653,609 in general fund for the biennium.

Department of Public Health & Human Services - 69010

Health Resources Division - 11

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$225,739	\$622,360
FY 2027	\$276,242	\$761,566

PL - 11995 - Medicaid Administration - HRD -

This present law adjustment is necessary to maintain existing services for Medicaid administration in the Health Resources Division. This package requests \$1,383,926 in total funds for the biennium, including \$501,981 in general fund and \$881,945 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$25,670,285	\$0
FY 2027	\$26,390,405	\$0

PL - 11996 - Medicaid Core FMAP Adjustment - HRD -

This present law adjustment is necessary to maintain existing services for Medicaid Core in the Health Resources Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 35.88% state funds and 64.12% federal funds to the FY 2026 rate of 38.39% state funds and 61.61% federal funds, and the FY 2027 rate of 38.53% state funds and 61.47% federal funds. The biennial funding increases general fund by \$52,060,690, decreases state special revenue by \$6,573,811, and includes an offsetting decrease in federal funds by \$45,486,879. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$5,137,839)
FY 2027	\$0	(\$5,137,839)

PL - 11997 - Medicaid Hospital Supplemental Payments - HRD -

This present law adjustment reduces the Hospital Utilization Fee (HUF) in the Health Resources Division. This package requests a reduction of \$10,275,678 in total funds for the biennium, including a reduction of \$3,952,025 in state special revenue and a reduction of \$6,323,653 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$2,298,487)	\$0
FY 2027	(\$2,089,985)	\$0

PL - 11998 - HMK FMAP Adjustment - HRD -

This present law adjustment necessary to maintain existing services for the Healthy Montana Kids program in the Health Resource Division (HRD). The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Participation) rate of 26.07% state funds 73.93% federal funds to the SFY 2026 rate of 26.81% state funds and 73.19% federal funds, and the SFY 2027 rate of 26.97% state funds and 73.03% federal funds. The biennial funding decreases general fund by \$4,388,472 and includes an offsetting increase in federal funds. The total cost for the program does not change.

-----New Proposals-----

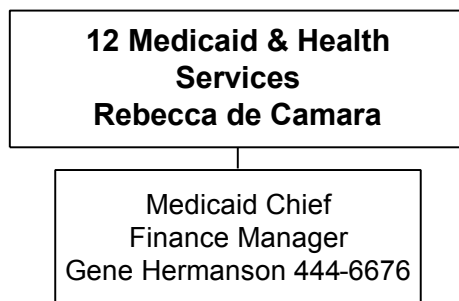
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$3,000,000)	\$0
FY 2027	(\$3,000,000)	\$0

NP - 11803 - Realign Appropriation for Med Core HRD -

This new proposal fund switch in the Medicaid Core program reduces the state special appropriation I-155 Health Montana Kids and increases general fund support. This change package requests a reduction of \$3,000,000 in state special revenue in each year of the biennium, and includes an offsetting increase in general funds. The total cost for the program does not change.

Department of Public Health & Human Services - 69010

Medicaid & Health Svcs Mngmt - 12



Program Description - The Medicaid and Health Services Management (MHSM) program is responsible for the overall governance and administration of Montana's Medicaid Program. MHSM is comprised of the Medicaid and Health Services Executive Director, Medicaid Chief Financial Manager, and two Complex Care Coordinators.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	4.00	0.00	4.00	0.00	4.00	
Personal Services	529,532	(21,491)	508,041	(21,166)	508,366	1,016,407
Operating Expenses	4,754,692	(21)	4,754,671	(14)	4,754,678	9,509,349
Total Costs	\$5,284,224	(\$21,512)	\$5,262,712	(\$21,180)	\$5,263,044	\$10,525,756
General Fund	1,362,425	(8,919)	1,353,506	(8,777)	1,353,648	2,707,154
State/Other Special	42,142	(682)	41,460	(672)	41,470	82,930
Federal Spec. Rev. Funds	3,879,657	(11,911)	3,867,746	(11,731)	3,867,926	7,735,672
Total Funds	\$5,284,224	(\$21,512)	\$5,262,712	(\$21,180)	\$5,263,044	\$10,525,756

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(8,898)	(21,491)	(8,763)	(21,166)
SWPL - 3 - Inflation Deflation	(21)	(21)	(14)	(14)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$8,919)</i>	<i>(\$21,512)</i>	<i>(\$8,777)</i>	<i>(\$21,180)</i>
Total Budget Adjustments	(\$8,919)	(\$21,512)	(\$8,777)	(\$21,180)

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$8,898)	(21,491)
FY 2027	(\$8,763)	(21,166)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$21,491 in FY 2026 and \$21,166 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Department of Public Health & Human Services - 69010

Medicaid & Health Svcs Mngmt - 12

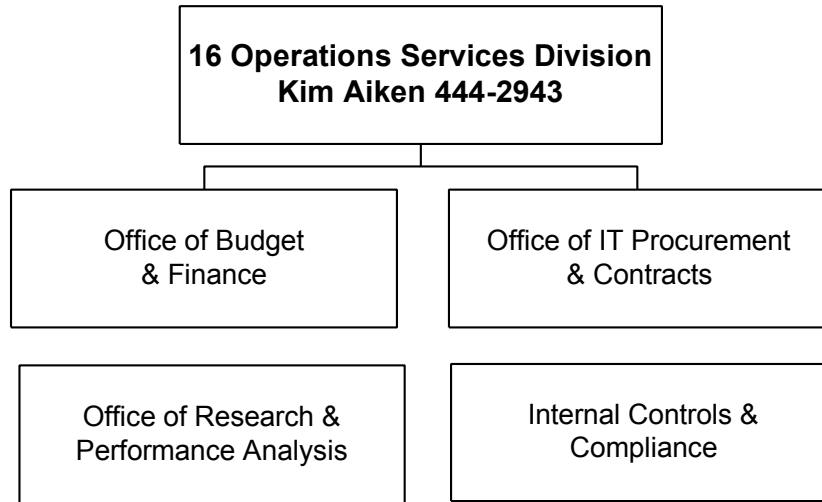
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$21)	(\$21)
FY 2027	(\$14)	(\$14)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$21 in FY 2026 and \$14 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

Department of Public Health & Human Services - 69010

Operations Services Division - 16



Program Description - The Operations Services Division (OSD) manages DPHHS's budgeting and operational processes. OSD is comprised of four offices (Budget and Finance, IT Procurement and Contracts, Research and Data Analytics, and Internal Controls and Compliance). DPHHS's Chief Financial and Operating Officer (CFOO) leads OSD.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	20.60	0.00	20.60	0.00	20.60	
Personal Services	2,075,200	179,100	2,254,300	185,158	2,260,358	4,514,658
Operating Expenses	670,077	(24)	670,053	(16)	670,061	1,340,114
Total Costs	\$2,745,277	\$179,076	\$2,924,353	\$185,142	\$2,930,419	\$5,854,772
General Fund	854,603	67,241	921,844	69,925	924,528	1,846,372
State/Other Special	685,026	7,010	692,036	7,199	692,225	1,384,261
Federal Spec. Rev. Funds	1,205,648	104,825	1,310,473	108,018	1,313,666	2,624,139
Total Funds	\$2,745,277	\$179,076	\$2,924,353	\$185,142	\$2,930,419	\$5,854,772

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	67,265	179,100	69,941	185,158
SWPL - 3 - Inflation Deflation	(24)	(24)	(16)	(16)
<i>Total Statewide Present Law Adjustments</i>	<i>\$67,241</i>	<i>\$179,076</i>	<i>\$69,925</i>	<i>\$185,142</i>
Total Budget Adjustments	\$67,241	\$179,076	\$69,925	\$185,142

Department of Public Health & Human Services - 69010

Operations Services Division - 16

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$67,265	\$179,100
FY 2027	\$69,941	\$185,158

SWPL - 1 - Personal Services -

The budget includes \$179,100 in FY 2026 and \$185,158 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings

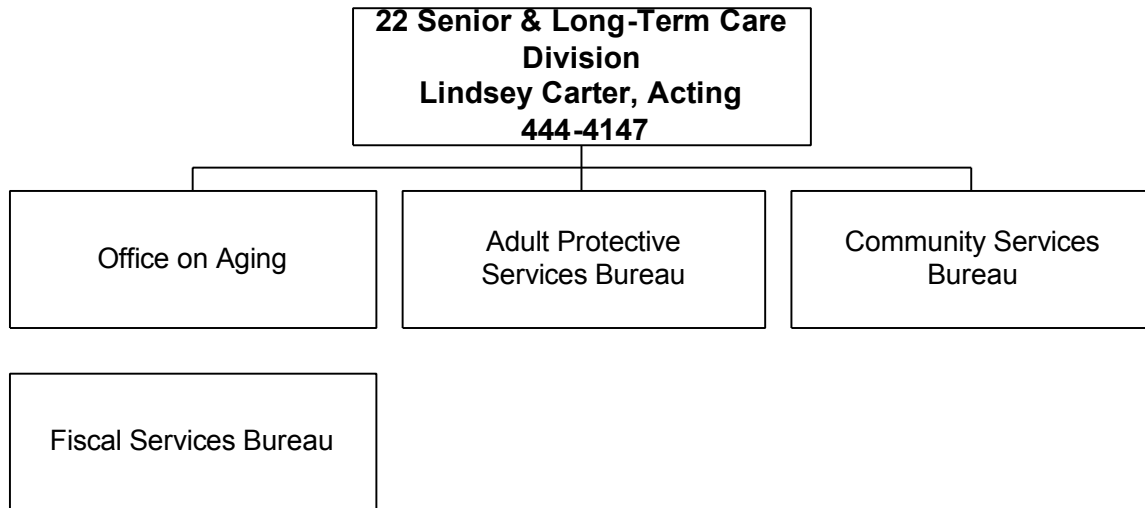
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$24)	(\$24)
FY 2027	(\$16)	(\$16)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$24 in FY 2026 and \$16 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts

Department of Public Health & Human Services - 69010

Senior & Long Term Care Svcs - 22



Program Description - The Senior and Long-Term Care Division (SLTC) plans, administers, and provides publicly funded long-term care services for Montana's senior citizens and persons with disabilities. SLTC is comprised of four bureaus (Community Services, Adult Protective Services, Aging Services, and Fiscal Services). The division also provides education and support regarding aging and long-term care issues to Montanans of all ages.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	75.75	4.00	79.75	4.00	79.75	
Personal Services	6,909,213	(43,259)	6,865,954	(28,985)	6,880,228	13,746,182
Operating Expenses	2,733,471	351,172	3,084,643	375,781	3,109,252	6,193,895
Grants	14,795,566	0	14,795,566	0	14,795,566	29,591,132
Benefits & Claims	394,210,268	(29,296,726)	364,913,542	(19,547,327)	374,662,941	739,576,483
Transfers	28,500	0	28,500	0	28,500	57,000
Debt Service	262,606	0	262,606	0	262,606	525,212
Total Costs	\$418,939,624	(\$28,988,813)	\$389,950,811	(\$19,200,531)	\$399,739,093	\$789,689,904
General Fund	110,420,770	4,697,821	115,118,591	8,388,357	118,809,127	233,927,718
State/Other Special	36,806,754	(6,531,270)	30,275,484	(6,516,768)	30,289,986	60,565,470
Federal Spec. Rev. Funds	271,712,100	(27,155,364)	244,556,736	(21,072,120)	250,639,980	495,196,716
Total Funds	\$418,939,624	(\$28,988,813)	\$389,950,811	(\$19,200,531)	\$399,739,093	\$789,689,904

Department of Public Health & Human Services - 69010

Senior & Long Term Care Svcs - 22

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	505,420	(366,953)	516,089	(352,679)
SWPL - 3 - Inflation Deflation	(7,057)	(7,514)	(4,769)	(5,078)
<i>Total Statewide Present Law Adjustments</i>	<i>\$498,363</i>	<i>(\$374,467)</i>	<i>\$511,320</i>	<i>(\$357,757)</i>
Present Law Adjustments				
PL - 22100 - Medicaid Core Services CFC - SLTC	1,356,416	4,458,652	2,762,397	8,799,440
PL - 22101 - FMAP Adjustment Medicaid Core CFC - SLTC	1,737,899	0	1,737,899	0
PL - 22204 - Contractual Adjustments - SLTC	243,902	343,261	259,038	373,534
PL - 22891 - Expansion Core Services - SLTC	80,000	800,001	120,821	1,208,208
PL - 22892 - Expansion Core Services CFC - SLTC	(296,739)	(820,434)	(288,128)	(605,169)
PL - 22991 - Medicaid Core Services - SLTC	(9,416,388)	(32,439,048)	(8,680,310)	(30,410,877)
PL - 22992 - FMAP Adjustment Medicaid Core - SLTC	5,531,645	0	5,828,393	0
PL - 22993 - Medicaid Federal Services - SLTC	0	(45,847)	0	(45,847)
PL - 22994 - Medicaid Other Services IGT - SLTC	0	1,702,899	0	1,702,899
PL - 22995 - FMAP Adjustment IGT - SLTC	0	0	0	0
PL - 22996 - Medicaid Waiver Services - SLTC	(596,177)	(1,552,949)	463,909	1,204,019
PL - 22997 - FMAP Adjustment Waiver - SLTC	1,711,130	0	1,807,611	0
PL - 22998 - FMAP Adjustment DCW-HCHCW - SLTC	223,059	0	235,944	0
PL - 22999 - FMAP Adjustment CFC DCW-HCHCW - SLTC	271,623	0	284,475	0
<i>Total Present Law Adjustments</i>	<i>\$846,370</i>	<i>(\$27,553,465)</i>	<i>\$4,532,049</i>	<i>(\$17,773,793)</i>
New Proposals				
NP - 22001 - Aging Services Assessment and Review Program Officer - SLTC	80,924	80,924	80,923	80,923
NP - 22002 - Realign Appropriation with Revenue I-149 BigSky Rx - SLTC	0	(1,400,000)	0	(1,400,000)
NP - 22003 - Adult Protective Services Guardianship FTE	258,195	258,195	250,096	250,096
NP - 22004 - Realign Appropriation for MED Nursing Home	3,013,969	0	3,013,969	0
<i>Total New Proposals</i>	<i>\$3,353,088</i>	<i>(\$1,060,881)</i>	<i>\$3,344,988</i>	<i>(\$1,068,981)</i>
Total Budget Adjustments	\$4,697,821	(\$28,988,813)	\$8,388,357	(\$19,200,531)

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$505,420	(\$366,953)
FY 2027	\$516,089	(\$352,679)

SWPL - 1 - Personal Services -

The budget includes a reduction of \$366,953 in FY 2026 and \$352,679 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$7,057)	(\$7,514)
FY 2027	(\$4,769)	(\$5,078)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$7,514 in FY 2026 and \$5,078 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

Department of Public Health & Human Services - 69010

Senior & Long Term Care Svcs - 22

-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$1,356,416	\$4,458,652
FY 2027	\$2,762,397	\$8,799,440

PL - 22100 - Medicaid Core Services CFC - SLTC -

This present law adjustment for caseload growth in the Community First Choice Program in the Senior and Long-Term Care Division covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Core Medicaid. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests \$13,258,092 in total funds for the biennial funding, including \$4,118,813 in general fund and \$9,139,279 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$1,737,899	\$0
FY 2027	\$1,737,899	\$0

PL - 22101 - FMAP Adjustment Medicaid Core CFC - SLTC -

This present law adjustment is necessary to maintain existing services for the Community First Choice Program in the Senior and Long-Term Care Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 29.48% state funds and 70.12% federal funds to the FY 2026 rate of 32.39% state funds and 67.61% federal funds, and the FY 2027 rate of 32.53% state funds and 67.47% federal funds. The biennial funding increases general fund by \$3,475,798 and includes an offsetting decrease in federal funds. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$243,902	\$343,261
FY 2027	\$259,038	\$373,534

PL - 22204 - Contractual Adjustments - SLTC -

This present law adjustment requests an increase to cover the anticipated budget shortfall in the contracted services budget in the Senior and Long-Term Care Division. An increase in contracted services budget has not been requested since the 2017 legislative session. This has resulted in a budget deficit due to increased services and costs. The package requests \$716,795 of total funds for the biennium, including \$502,940 in general fund and \$213,855 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$80,000	\$800,001
FY 2027	\$120,821	\$1,208,208

PL - 22891 - Expansion Core Services - SLTC -

This present law adjustment for caseload growth in the Senior and Long-Term Care Division covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Core Expansion. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests \$2,008,209 in total funds for the biennium, including \$200,821 in general fund and \$1,807,388 in federal funds.

Department of Public Health & Human Services - 69010

Senior & Long Term Care Svcs - 22

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$296,739)	(\$820,434)
FY 2027	(\$288,128)	(\$605,169)

PL - 22892 - Expansion Core Services CFC - SLTC -

This present law adjustment is for the decrease of caseload in the Community First Choice Program in the Senior and Long-Term Care Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$1,425,603 in total funds for the biennium, including a decrease of \$584,867 in general fund and a decrease of \$840,736 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$9,416,388)	(\$32,439,048)
FY 2027	(\$8,680,310)	(\$30,410,877)

PL - 22991 - Medicaid Core Services - SLTC -

This present law adjustment is for the decrease of caseload changes in the Senior and Long-Term Care Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Core Medicaid. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$62,849,925 in total funds for the biennium, including a decrease of \$24,170,700 in general fund and a decrease of \$38,679,225 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$5,531,645	\$0
FY 2027	\$5,828,393	\$0

PL - 22992 - FMAP Adjustment Medicaid Core - SLTC -

This present law adjustment is necessary to maintain existing services for the Medicaid Core Program in the Senior and Long-Term Care Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 35.88% state funds 64.12% federal funds to the FY 2026 rate of 38.39% state funds and 61.61% federal funds, and the FY 2027 rate of 38.53% state funds and 61.47% federal funds. The biennial funding increases general fund by \$11,360,038 and includes an offsetting decrease in federal funds. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$45,847)
FY 2027	\$0	(\$45,847)

PL - 22993 - Medicaid Federal Services - SLTC -

This present law adjustment is for the decrease of caseload in the Senior and Long-Term Care Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Federal Medicaid. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$91,694 in federal funds for the biennium.

Department of Public Health & Human Services - 69010

Senior & Long Term Care Svcs - 22

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$1,702,899
FY 2027	\$0	\$1,702,899

PL - 22994 - Medicaid Other Services IGT - SLTC -

This present law adjustment is necessary to align county fiscal participation for the Intergovernmental Transfer (IGT) Program in the Senior and Long-Term Care Division. This change does not impact services. This package requests \$3,405,798 in total funds for the biennium, including \$1,309,870 in state special revenue and \$2,095,928 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$0
FY 2027	\$0	\$0

PL - 22995 - FMAP Adjustment IGT - SLTC -

This present law adjustment is necessary to maintain existing services for the Medicaid Intergovernmental Transfer (IGT) Program in the Senior and Long-Term Care Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 35.88% state funds 64.12% federal funds to the FY 2026 rate of 38.39% state funds and 61.61% federal funds, and the FY 2027 rate of 38.53% state funds and 61.47% federal funds. The biennial funding increases state special revenue by \$243,663 and includes an offsetting decrease in federal funds. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$596,177)	(\$1,552,949)
FY 2027	\$463,909	\$1,204,019

PL - 22996 - Medicaid Waiver Services - SLTC -

This present law adjustment is for the decrease of caseload in the Senior and Long-Term Care Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Medicaid Waiver Services. This adjustment does not include any changes in eligibility criteria or allowable plan services. This package requests a reduction of \$348,930 in total funds for the biennium, including a decrease of \$132,268 in general fund and a decrease of \$216,662 in federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$1,711,130	\$0
FY 2027	\$1,807,611	\$0

PL - 22997 - FMAP Adjustment Waiver - SLTC -

This present law adjustment is necessary to maintain existing services in the Senior and Long-Term Care Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 37.45% state funds and 62.55% federal funds to the FY 2026 rate of 35.88% state funds 64.12% federal funds, and the FY 2027 rate of 38.53% state funds and 61.47% federal funds. The biennial funding increases general fund by \$3,518,741 and includes an offsetting decrease in federal funds. The total cost for the program does not change.

Department of Public Health & Human Services - 69010

Senior & Long Term Care Svcs - 22

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$223,059	\$0
FY 2027	\$235,944	\$0

PL - 22998 - FMAP Adjustment DCW-HCHCW - SLTC -

This present law adjustment is necessary to maintain existing services for the Direct Care Wage and Healthcare for Healthcare Workers Program in the Senior and Long-Term Care Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 35.88% state funds 64.12% federal funds to the FY 2026 rate of 38.39% state funds and 61.61% federal funds, and the FY 2027 rate of 38.53% state funds and 61.47% federal funds. The biennial funding increases general fund by \$459,003, increases state special revenue by \$313,793 and includes an offsetting decrease in federal funds by \$772,796. The total cost for the program does not change.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$271,623	\$0
FY 2027	\$284,475	\$0

PL - 22999 - FMAP Adjustment CFC DCW-HCHCW - SLTC -

This present law adjustment is necessary to maintain existing services for the CFC Direct Care Wage and Health Care for Health Care Workers program in the Senior and Long-Term Care Division. The request adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 29.88% state funds 70.12% federal funds to the FY 2026 rate of 32.39% state funds and 67.61% federal funds, and the FY 2027 rate of 32.53% state funds and 67.47% federal funds. The biennial funding increases the general fund by \$556,098 and includes an offsetting decrease in federal funds. The total cost for the program does not change.

-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$80,924	\$80,924
FY 2027	\$80,923	\$80,923

NP - 22001 - Aging Services Assessment and Review Program Officer - SLTC -

This new proposal requests 1.00 FTE for an aging services assessment and review program officer in the Senior and Long-Term Care Division Aging Services Bureau. This position will be responsible for overseeing the federal Older American's Act (OAA) including program monitoring and providing technical assistance to Area Agencies on Aging (AAAs). This service is funded with 100% general fund and includes \$161,847 of total funds for the biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$1,400,000)
FY 2027	\$0	(\$1,400,000)

NP - 22002 - Realign Appropriation with Revenue I-149 BigSky Rx - SLTC -

This new proposal reduces the appropriation of I-149 state special revenue to the Big Sky Rx program to align appropriation with anticipated expenditures. This change package requests a reduction of \$1,400,000 in state special revenue in each year of the biennium.

Department of Public Health & Human Services - 69010

Senior & Long Term Care Svcs - 22

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$258,195	\$258,195
FY 2027	\$250,096	\$250,096

NP - 22003 - Adult Protective Services Guardianship FTE -

This new proposal is requesting 3.0 FTE Social Services Worker II (SSW) for the Adult Protective Services (APS) Guardianship Program. These positions will be responsible for monitoring APS guardianship cases. SSWs are required by law to render an annual report and accounting to the court of origin. At minimum, the SSW conducts in-person visit with wards under guardianship on a quarterly basis to assess the ward's health and safety and ensure their needs are being met appropriately. The SSW also conducts monthly contacts with the ward's support network (family, medical provider, support staff, case manager, etc.). APS currently monitors 75 guardianship cases with approximately 10-15 new requests for guardianship monthly. Due to the increase in reports received, the ever increasing caseload per staff person, and complexity of caseloads, it is difficult for current staff to maintain these levels of guardianship cases. This request includes \$508,291 in general fund for the biennium.

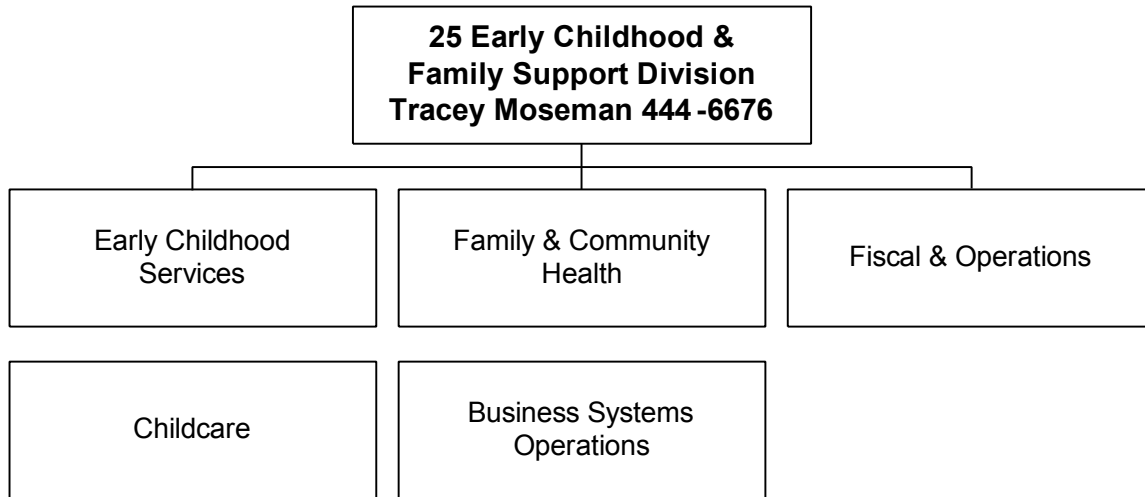
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$3,013,969	\$0
FY 2027	\$3,013,969	\$0

NP - 22004 - Realign Appropriation for MED Nursing Home -

This new proposal reduces the appropriation of state special revenue to the the Medicaid Nursing Home program to align appropriation with anticipated expenditures. This change package requests a reduction of \$3,013,969 in I-149 state special revenue in each year of the biennium with an offsetting increase in general funds.

Department of Public Health & Human Services - 69010

Early Childhood & Family Support - 25



Program Description - The Early Childhood and Family Support Division (ECFSD) provides coordinated services and resources to promote well-being and support the health and development of children, individuals, families, and communities throughout Montana. ECFSD is comprised of five bureaus (Early Childhood Services, Child Care, Family and Community Health, Fiscal and Operations, and Business Systems and Operations). Programs administered by ECFSD include the Child and Adult Care Food Program, Head Start Collaboration Grant, Montana Milestones Program, Montana Children's Trust Fund, Preschool Development Birth to Five Grant, Child Care Licensing Program, Best Beginnings Child Care Scholarship Program, Maternal Child Health Block Grant, Women, Infants, and Children Supplemental Nutrition Program (WIC), and the Healthy Montana Families Program (home visiting services).

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	60.24	0.00	60.24	0.00	60.24	
Personal Services	5,413,020	216,831	5,629,851	233,297	5,646,317	11,276,168
Operating Expenses	3,967,064	2,012,896	5,979,960	2,326,890	6,293,954	12,273,914
Equipment & Intangible Assets	75,000	0	75,000	0	75,000	150,000
Grants	23,621,433	848,826	24,470,259	884,436	24,505,869	48,976,128
Benefits & Claims	59,574,455	0	59,574,455	0	59,574,455	119,148,910
Transfers	35,000	0	35,000	0	35,000	70,000
Debt Service	4,689	0	4,689	0	4,689	9,378
Total Costs	\$92,690,661	\$3,078,553	\$95,769,214	\$3,444,623	\$96,135,284	\$191,904,498
General Fund	19,838,404	962,488	20,800,892	1,199,571	21,037,975	41,838,867
State/Other Special	4,233,081	(385,574)	3,847,507	(385,421)	3,847,660	7,695,167
Federal Spec. Rev. Funds	68,619,176	2,501,639	71,120,815	2,630,473	71,249,649	142,370,464
Total Funds	\$92,690,661	\$3,078,553	\$95,769,214	\$3,444,623	\$96,135,284	\$191,904,498

Department of Public Health & Human Services - 69010

Early Childhood & Family Support - 25

Program Proposed Budget Adjustments	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	(424,053)	216,831	(420,507)	233,297
SWPL - 3 - Inflation Deflation	0	(1,526)	0	(1,030)
<i>Total Statewide Present Law Adjustments</i>	<i>(\$424,053)</i>	<i>\$215,305</i>	<i>(\$420,507)</i>	<i>\$232,267</i>
New Proposals				
NP - 25001 - Provider Rate Adjustment - Part C Services - ECFCD	1,386,541	2,014,422	1,620,078	2,327,920
NP - 25003 - Adjust Federal Authority to Match Grant Award Level - ECFSD	0	1,181,991	0	1,217,451
NP - 25007 - Realign Appropriation for Children's Special Services SSR	0	(333,165)	0	(333,015)
<i>Total New Proposals</i>	<i>\$1,386,541</i>	<i>\$2,863,248</i>	<i>\$1,620,078</i>	<i>\$3,212,356</i>
Total Budget Adjustments	\$962,488	\$3,078,553	\$1,199,571	\$3,444,623

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$424,053)	\$216,831
FY 2027	(\$420,507)	\$233,297

SWPL - 1 - Personal Services -

The budget includes \$649,573 in FY 2026 and \$666,039 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$1,526)
FY 2027	\$0	(\$1,030)

SWPL - 3 - Inflation Deflation -

This change package includes reductions of \$1,526 in FY 2026 and \$1,030 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$1,386,541	\$2,014,422
FY 2027	\$1,620,078	\$2,327,920

NP - 25001 - Provider Rate Adjustment - Part C Services - ECFCD -

This new proposal adjusts the authority needed to support a provider rate increase for Part C of the Individuals with Disabilities Education Act (IDEA) for the Early Intervention Program in the Early Childhood and Family Services Division. The increase is necessary to meet the provider rate increase specified by the Guidehouse Non-Medicaid/Human Services Provider Rate Study completed in October 2023. During the 2023 legislative session, the State of Montana was in active contracts for these services at a negotiated rate, included in a previous RFP, and therefore could not make a mid-contract adjustment. The state has since entered into new contracts at a rate equal to that recommended by Guidehouse. This change package adjusts the budget to the level supported by the current provider rate. The request includes \$4,342,342 for the biennium, including \$3,006,619 in general fund and \$1,335,723 of federal funds.

Department of Public Health & Human Services - 69010

Early Childhood & Family Support - 25

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$1,181,991
FY 2027	\$0	\$1,217,451

NP - 25003 - Adjust Federal Authority to Match Grant Award Level - ECFSD -

This new proposal is necessary to increase the federal appropriations of various grants in the Early Childhood and Family Services Division. This package requests \$2,399,442 of federal funds for the biennium.

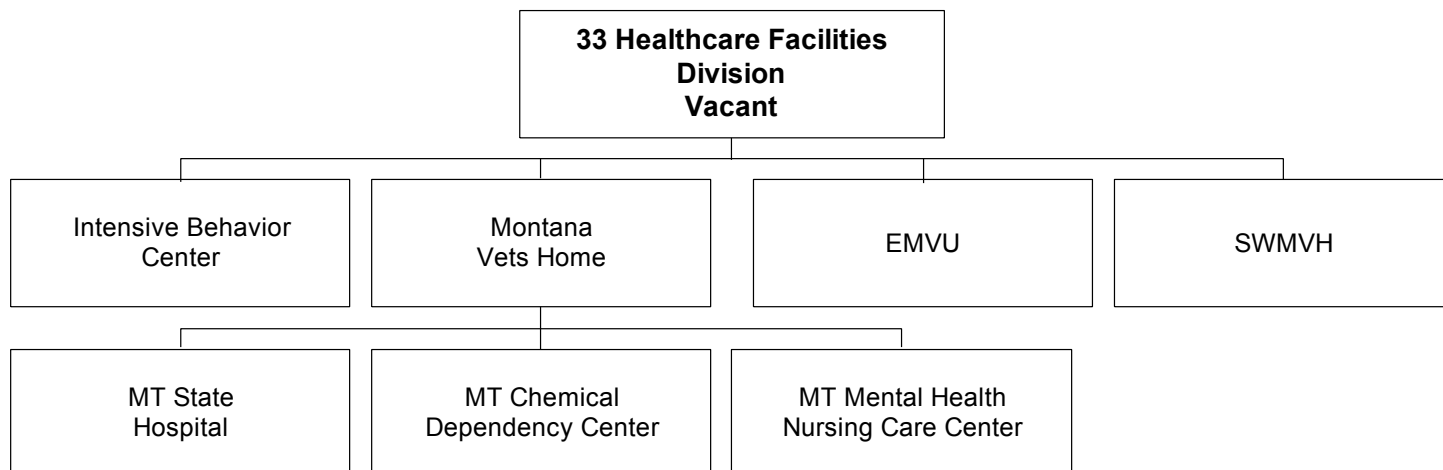
	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$333,165)
FY 2027	\$0	(\$333,015)

NP - 25007 - Realign Appropriation for Children's Special Services SSR -

This new proposal reduces the appropriation of state special revenue fund for Children's Special Health Services to align appropriation with anticipated expenditures. This change package requests a reduction of \$666,180 in state special revenue over the biennium.

Department of Public Health & Human Services - 69010

Health Care Facilities - 33



Program Description - The Healthcare Facilities Division (HFD) is responsible for the management and oversight of seven state health care facilities, each serving unique and difficult-to-place populations. HFD facilities include the Montana State Hospital (MSH) in Warm Springs, Montana Mental Health Nursing Care Center (MMHNCC) in Lewistown; Montana Chemical Dependency Center (MCDC) in Butte, Montana Veterans' Home (MVH) in Columbia Falls, Southwest Montana Veterans Home (SWMVH) in Butte (contracted), Eastern Montana Veterans Home (EMVH) in Glendive (contracted), and the Intensive Behavior Center (IBC) in Boulder. This safety net health system is designed for Montanans living with mental illness, substance use disorders, developmental disabilities, and/or aging-related health conditions.

Program Proposed Budget						
Budget Item	Starting Point Fiscal 2025	Budget Adjustments Fiscal 2026	Total Exec. Budget Fiscal 2026	Budget Adjustments Fiscal 2027	Total Exec. Budget Fiscal 2027	Executive Budget Request 2027 Biennium
FTE	871.36	(97.30)	774.06	(97.30)	774.06	
Personal Services	72,591,248	(2,829,802)	69,761,446	(1,881,155)	70,710,093	140,471,539
Operating Expenses	38,254,428	37,621,735	75,876,163	37,849,891	76,104,319	151,980,482
Equipment & Intangible Assets	77,093	0	77,093	0	77,093	154,186
Benefits & Claims	0	0	0	0	0	0
Debt Service	820,832	0	820,832	0	820,832	1,641,664
Total Costs	\$111,743,601	\$34,791,933	\$146,535,534	\$35,968,736	\$147,712,337	\$294,247,871
General Fund	72,112,922	40,247,973	112,360,895	40,570,498	112,683,420	225,044,315
State/Other Special	21,948,180	(3,088,122)	18,860,058	(2,958,955)	18,989,225	37,849,283
Federal Spec. Rev. Funds	17,682,499	(2,367,918)	15,314,581	(1,642,807)	16,039,692	31,354,273
Total Funds	\$111,743,601	\$34,791,933	\$146,535,534	\$35,968,736	\$147,712,337	\$294,247,871

Department of Public Health & Human Services - 69010

Health Care Facilities - 33

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2026		Budget Adjustments Fiscal 2027	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - Personal Services	1,614,645	1,074,291	1,693,617	1,185,543
SWPL - 2 - Fixed Costs	(426,141)	(570,516)	(435,628)	(583,219)
SWPL - 3 - Inflation Deflation	(6,212)	(7,338)	(4,199)	(4,959)
<i>Total Statewide Present Law Adjustments</i>	<i>\$1,182,292</i>	<i>\$496,437</i>	<i>\$1,253,790</i>	<i>\$597,365</i>
Present Law Adjustments				
PL - 33001 - Overtime/Holiday/Differential - MSH	495,473	495,473	495,473	495,473
PL - 33002 - Overtime/Holiday/Differential - MVH	0	206,649	0	206,649
PL - 33003 - Overtime/Holiday/Differential - IBC	135,203	135,203	135,203	135,203
PL - 33004 - Overtime/Holiday/Differential - MHNCC	177,041	177,041	177,041	177,041
PL - 33005 - Overtime/Holiday/Differential - MCDC	0	65,964	0	65,964
PL - 33006 - Per Deim Request - EMVH	0	590,263	0	892,372
PL - 33007 - Per Deim Request - SWMVH	0	222,718	0	637,023
PL - 33009 - Facilities Contracted Services Rate Increase	824,307	867,022	938,606	998,913
<i>Total Present Law Adjustments</i>	<i>\$1,632,024</i>	<i>\$2,760,333</i>	<i>\$1,746,323</i>	<i>\$3,608,638</i>
New Proposals				
NP - 33104 - Facility Wage and Operational Standardization (OTO)	34,890,719	35,050,238	35,027,447	35,277,808
NP - 33107 - State Special Revenue Funding Switch - MCDC	0	0	0	0
NP - 33108 - State Special Revenue Fund Switch - MSH	0	0	0	0
NP - 33109 - Realign Appropriation for SWMVH VA Reimbursement	0	(2,067,833)	0	(2,067,833)
NP - 33201 - Fund Switch and Realignment for Montana Veterans' Home	2,542,938	(1,447,242)	2,542,938	(1,447,242)
<i>Total New Proposals</i>	<i>\$37,433,657</i>	<i>\$31,535,163</i>	<i>\$37,570,385</i>	<i>\$31,762,733</i>
Total Budget Adjustments	\$40,247,973	\$34,791,933	\$40,570,498	\$35,968,736

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$1,614,645	\$1,074,291
FY 2027	\$1,693,617	\$1,185,543

SWPL - 1 - Personal Services -

The budget includes \$1,074,291 in FY 2026 and \$1,185,543 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$426,141)	(\$570,516)
FY 2027	(\$435,628)	(\$583,219)

SWPL - 2 - Fixed Costs -

The request includes reductions of \$570,516 in FY 2026 and \$583,219 in FY 2027 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

Department of Public Health & Human Services - 69010

Health Care Facilities - 33

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	(\$6,212)	(\$7,338)
FY 2027	(\$4,199)	(\$4,959)

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$7,338 in FY 2026 and \$4,959 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

-----Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$495,473	\$495,473
FY 2027	\$495,473	\$495,473

PL - 33001 - Overtime/Holiday/Differential - MSH -

This present law adjustment is necessary to maintain existing services at the Montana State Hospital in the Healthcare Facilities Division. Overtime personal services expenses are removed from the adjusted base when the program's positions are funded. This package requests \$990,946 in general fund for the biennium. The increase is necessary to fully fund overtime to maintain required staffing levels at this 24/7 acute care facility in addition to what is funded in SWPL 1.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$206,649
FY 2027	\$0	\$206,649

PL - 33002 - Overtime/Holiday/Differential - MVH -

This present law adjustment is necessary to maintain existing services at the Montana Veterans Home in the Healthcare Facilities Division. Overtime personal services expenses are removed from the adjusted base when the program's positions are funded. The increase fully funds overtime to maintain required staffing levels at this 24/7 facility in addition to what is funded in SWPL 1. This package requests \$413,298 in total funds for the biennium, including \$274,380 in state special revenue and \$138,918 of federal funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$135,203	\$135,203
FY 2027	\$135,203	\$135,203

PL - 33003 - Overtime/Holiday/Differential - IBC -

This present law adjustment is necessary to maintain existing services at the Intensive Behavior Center in the Healthcare Facilities Division. Overtime personal services expenses are removed from the adjusted base when the program's positions are funded. This package requests \$270,406 in general fund for the biennium. The increase is necessary to fully fund overtime to maintain required staffing levels at this 24/7 facility in addition to what is funded in SWPL 1.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$177,041	\$177,041
FY 2027	\$177,041	\$177,041

PL - 33004 - Overtime/Holiday/Differential - MHNCC -

This present law adjustment is necessary to maintain existing services at the Montana Mental Health Nursing Care Center in the Healthcare Facilities Division. Overtime personal services expenses are removed from the adjusted base when the program's positions are funded. This package requests \$354,082 in general fund for the biennium. The increase is necessary to fully fund overtime to maintain required staffing levels at this 24/7 facility in addition to what is funded in SWPL 1.

Department of Public Health & Human Services - 69010

Health Care Facilities - 33

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$65,964
FY 2027	\$0	\$65,964

PL - 33005 - Overtime/Holiday/Differential - MCDC -

This present law adjustment is necessary to maintain existing services at the Montana Chemical Dependency Center in the Healthcare Facilities Division. Overtime personal services expenses are removed from the adjusted base when the program's positions are funded. This package requests \$131,928 in state special revenue funds over the biennium. The increase is necessary to fully fund overtime to maintain required staffing levels at this 24/7 facility in addition to what is funded in SWPL 1.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$590,263
FY 2027	\$0	\$892,372

PL - 33006 - Per Diem Request - EMVH -

This present law adjustment is necessary to increase federal authority for the federal Veterans Administration (VA) per diem rates that will be reimbursed for the nursing facility days of care at the Eastern Montana Veterans Home (EMVH) in the Healthcare Facility Division in the 2027 Biennium. The VA per diem rate increases effective October 1st of each year. This package requests \$1,482,635 in federal funds over the biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$222,718
FY 2027	\$0	\$637,023

PL - 33007 - Per Diem Request - SWMVH -

This present law adjustment is necessary to increase federal authority for the federal Veterans Affairs (VA) per diem rates that will be reimbursed for the nursing facility days of care at the Southwest Montana Veterans Home in the Healthcare Facilities Division in the 2027 biennium. The VA per diem rate increases on October 1st of each year. This package requests \$859,741 of federal funds over the biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$824,307	\$867,022
FY 2027	\$938,606	\$998,913

PL - 33009 - Facilities Contracted Services Rate Increase -

This present law adjustment is necessary to maintain essential operational contracted services at the state-run facilities within the Healthcare Facilities Division. Examples of this include: food services, laundry services, provider services, etc. This package requests \$1,865,968 in total funds for the biennium, including \$1,762,913 in general fund, \$74,922 in state special revenue, and \$28,100 of federal funds.

Department of Public Health & Human Services - 69010

Health Care Facilities - 33

-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$34,890,719	\$35,050,238
FY 2027	\$35,027,447	\$35,277,808

NP - 33104 - Facility Wage and Operational Standardization (OTO) -

This new proposal adjusts wages for targeted clinical positions among all facilities and adjusts ongoing operational costs, including contracted clinical labor in the Healthcare Facilities Division. The adjusted funding request reflects the current operating environment at 24/7 state health care facilities tasked with serving vulnerable populations. These facilities continue to experience significant authorized FTE vacancy rates, requiring the contracting of certain clinical positions to ensure patient and staff safety and the mandatory admission of patients, as well as maintain facility licensure. Funding associated with contracted clinical labor is requested as one-time-only and will not be included in the base budget, allowing DPHHS to continue reevaluating and reforming facilities operations in subsequent biennia. This package requests \$70,328,046 in total funds for the biennium, including \$69,918,166 in general fund and \$409,880 in state special funds.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$0
FY 2027	\$0	\$0

NP - 33107 - State Special Revenue Funding Switch - MCDC -

This new proposal is necessary to align Medicaid Cost Recovery funds in the Healthcare Facilities Division. This fund switch increases state special revenue funds for alcohol tax and decrease state special revenue funds for Medicaid Cost Recovery revenue by \$500,000 in each year of the biennium. The total cost for the program is not impacted by this package.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	\$0
FY 2027	\$0	\$0

NP - 33108 - State Special Revenue Fund Switch - MSH -

This new proposal is necessary to align cigarette tax revenue in the Healthcare Facilities Division. This fund switch increases state special revenue funds for alcohol tax and decrease state special revenue funds for cigarette tax revenue by \$204,851 in each year of the biennium. The total cost for the program is not impacted by this package.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$0	(\$2,067,833)
FY 2027	\$0	(\$2,067,833)

NP - 33109 - Realign Appropriation for SWMVH VA Reimbursement -

This new proposal reduces the appropriation of federal funds to the Southwest Montana Veterans Home to align appropriation with anticipated expenditures. This change package requests a reduction of \$2,067,833 in federal funds in each year of the biennium.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2026	\$2,542,938	(\$1,447,242)
FY 2027	\$2,542,938	(\$1,447,242)

NP - 33201 - Fund Switch and Realignment for Montana Veterans' Home -

This new proposal is necessary to realign funding for the Montana Veterans' Home programs. Included in the realignment is a fund switch reducing the use of state special revenue cigarette taxes and federal funds, while increasing general funds. This change package requests a reduction of \$2,894,484 in total funds for the biennium, including an increase of \$5,085,876 in general funds, a decrease of \$5,857,436 in state special revenue, and a decrease of \$2,122,924 in federal funds.