

Public Health & Human Services-6901

Mission Statement - Improving and Protecting the Health, Well-Being and Self-Reliance of All Montanans

Statutory Authority - Title 2-15-2201, MCA

Agency Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	2,780.42	38.60	56.30	2,875.32	38.60	102.99	2,922.01
Personal Services	126,592,810	13,935,014	2,518,606	143,046,430	14,799,797	5,229,615	146,622,222
Operating Expenses	85,127,745	5,608,217	5,495,541	96,231,503	6,166,754	4,397,661	95,692,160
Equipment	501,698	34,001	215,000	750,699	34,001	145,000	680,699
Capital Outlay	53,007	0	450,000	503,007	0	0	53,007
Grants	58,784,995	1,776,175	7,357,012	67,918,182	1,776,175	7,092,783	67,653,953
Benefits & Claims	982,705,001	130,517,816	54,310,296	1,167,533,113	184,507,242	54,726,443	1,221,938,686
Debt Service	591,429	3,030	2,700	597,159	3,300	66,000	660,729
Total Costs	\$1,254,356,685	\$151,874,253	\$70,349,155	\$1,476,580,093	\$207,287,269	\$71,657,502	\$1,533,301,456
General Fund	307,876,614	46,534,288	20,780,851	375,191,753	61,211,606	22,593,751	391,681,971
State/Other Special	74,251,264	22,016,329	13,143,565	109,411,158	22,784,410	13,301,631	110,337,305
Federal Special	872,228,807	83,323,636	36,424,739	991,977,182	123,291,253	35,762,120	1,031,282,180
Total Funds	\$1,254,356,685	\$151,874,253	\$70,349,155	\$1,476,580,093	\$207,287,269	\$71,657,502	\$1,533,301,456

Major Issues

The top priority of the department in the coming biennium is to maintain its current programs in the face of increased costs for service delivery and several budget challenges. These include: 1) increasing caseload costs in the Medicaid program, which currently accounts for about half of the department's budget; 2) a reduction in federal matching money due to improvement in the state's economy; 3) reductions in funding of about \$7.5 million over the next biennium as a result of the federal Deficit Reduction Act; and 4) potential loss of federal funding for Children's Health Insurance Program as Congress considers the reauthorization the program, and at what level, in federal fiscal year 2007.

Medicaid

The main factor in the Department of Public Health and Human Services' budget is Medicaid costs. Medicaid is a shared federal/state program that provides health care to disabled and low income Montanans. Medicaid expenditures make up approximately 56% of the department's budget and 49% of the department's state funds spent. Factors driving the Medicaid growth in the 2009 biennium are: FMAP rate increases and increasing caseload costs.

FMAP is the Federal Medical Assistance Participation formula or the percentage of Medicaid costs paid by the federal government. The balance of these costs is paid by the state. The FMAP rate fluctuates from year to year. Recently, the state's rate has been growing from 29.46% in the base year (FY 2006) to 31.47% in FY 2008 and 31.62% in FY 2009. Increases in Medicaid costs due to these rate increases are accounted for in decision packages labeled "FMAP Adjustment."

Another factor that affects Medicaid costs is caseload utilization. Medicaid is an entitlement program, which means that all those eligible for the program receive benefits. The cost of Medicaid is determined by three factors: the number of eligible people served; the number of services provided; and the cost of services. Demographic trends and the cost of health care continue to grow with a resulting increase in Medicaid costs. Decision packages related to utilization growth have been labeled "Medicaid Caseload."

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The following table is a summary of Medicaid costs (in millions)

Medicaid Present Law General Fund Adjustments 2009 Biennium (in millions)	
Base Budget (Adjusted)	\$624.3
<u>Medicaid</u>	
FMAP Adjustments	27.8
Caseload Costs Increase	<u>49.0</u>
Subtotal	\$701.1
All Other Adjustments	34.0
2009 Biennial General Fund Budget	\$735.1

Public Health & Human Services-6901 Human And Community Services Division-02

Program Description - The Human and Community Services Division is comprised of four bureaus: 1) Public Assistance; 2) Early Childhood Services; 3) Intergovernmental Human Services; and 4) Fiscal Services.

The Public Assistance Bureau administers Montana's Temporary Assistance to Needy Families (TANF) program. The bureau also provides eligibility services for Medicaid and Food Stamps.

The Early Childhood Services Bureau:

- Manages the funds which pay for child care for TANF participants and low-income working families;
- Contracts with 12 resource and referral agencies to administer child care eligibility, provider recruitment, and technical assistance;
- Administers the Child and Adult Care Food Program which provides reimbursement to child care providers for the cost of meals served to eligible children and adults; and
- Administers the Head Start State Collaboration grant.

The Intergovernmental Human Services Bureau administers:

- The Community Services block grant which is used by 10 Human Resource Development Councils to provide a wide range of community-based human services;
- The Low-Income Energy Assistance Program and Weatherization program;
- The DOE Weatherization program including funding for weatherization from three other sources;
- The Emergency Shelter grants program;
- The Housing Opportunities for Persons with AIDS grant; and
- Three USDA commodities programs. In addition, the bureau stores and distributes USDA commodity foods to elderly feeding sites, and stores USDA commodity foods for school lunch programs.

The Fiscal Services Bureau coordinates implementation and monitoring of the division's budget.

Statutory Authority - Title 53, Chapter 2, MCA, and 45 CFR.

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Pounds of food delivered to Indian Reservations, elderly feeding sites, charitable organizations, and soup kitchens (in millions)	9	8	8	8	8	8
Number of low-income homes weatherized	1,638	1,400	1,181	1,200	1,200	1,200
Number of households provided with energy assistance	19,125	20,463	21,552	22,700	23,900	25,170
Achieve the all family work participation rate to qualify for the 75% state maintenance of effort	50%	100%*	100%*	50%	50%	50%
Achieve the two-parent work participation rate to qualify for the 75% state maintenance of effort	90%	100%*	100%*	90%	90%	90%
Number of low-income working families receiving child care assistance	5,600	6,113	6,294	6,400	6,700	6,700
Number of meals served by the Child & Adult Care Food Program	7,828,495	7,743,836	7,720,418	7,740,000	7,800,000	7,800,000

* - 100 % of the work participation rate was attained when the caseload reduction credit (CRC) was used for both the all family and two parent rates in 2005 and 2006. Without the CRC the work participation rate was 83.1% in 2005 and 79.7% in 2006 for the all family category. The work participation rate without the CRC for the two-parent category was 85.4% in 2005 and 85.7% in 2006.

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Human And Community Services Division-02**

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	453.80	0.00	0.00	453.80	0.00	0.00	453.80
Personal Services	18,794,817	2,284,231	0	21,079,048	2,360,078	0	21,154,895
Operating Expenses	5,369,298	492,485	92,980	5,954,763	558,380	66,980	5,994,658
Equipment	44,506	0	0	44,506	0	0	44,506
Capital Outlay	53,007	0	0	53,007	0	0	53,007
Grants	18,836,204	122,250	200,000	19,158,454	122,250	200,000	19,158,454
Benefits & Claims	155,391,482	18,635,663	8,887,937	182,915,082	28,515,985	4,347,937	188,255,404
Debt Service	0	0	0	0	0	0	0
Total Costs	\$198,489,314	\$21,534,629	\$9,180,917	\$229,204,860	\$31,556,693	\$4,614,917	\$234,660,924
General Fund	26,272,234	3,258,864	2,400,017	31,931,115	4,038,933	395,457	30,706,624
State/Other Special	997,726	298,422	99,983	1,396,131	298,700	104,543	1,400,969
Federal Special	171,219,354	17,977,343	6,680,917	195,877,614	27,219,060	4,114,917	202,553,331
Total Funds	\$198,489,314	\$21,534,629	\$9,180,917	\$229,204,860	\$31,556,693	\$4,614,917	\$234,660,924

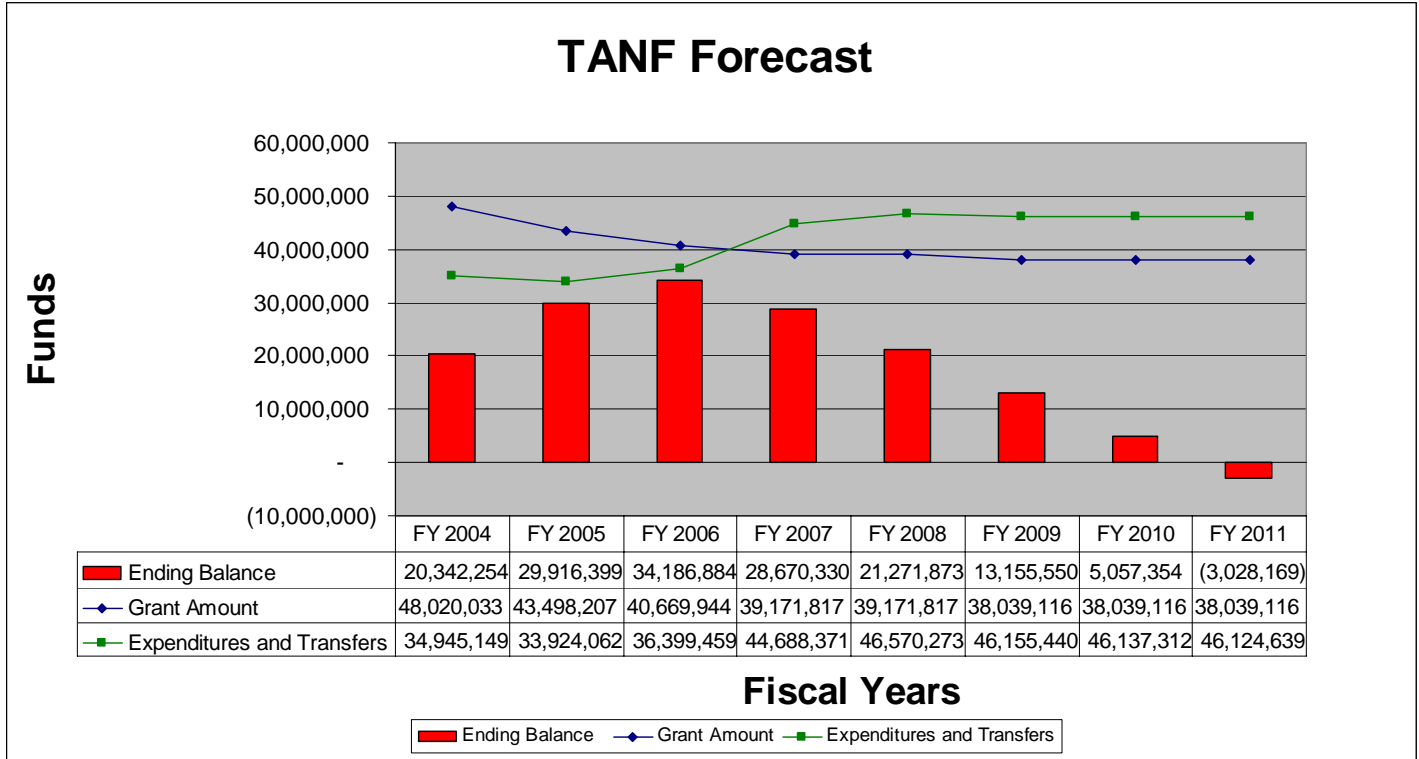
TANF

Temporary Assistance to Needy Families (TANF) is a federally funded program, like CHIP with a fixed dollar amount. An important goal for DPHHS is to balance the number of people TANF can serve in conjunction with the size of the benefit provided to families, while maintaining solvency for an extended period of time. The Administration is proposing that TANF recipients receive an increased cash benefit through a request to raise the standard benefit from 33% of 2005 federal poverty level to 33% of the estimated 2007 federal poverty level. TANF caseload has remained relatively stable throughout 2006.

Child care is another area of concern for TANF recipients. DPHHS is requesting funds to provide child care for working caretaker relatives. Relatives who are called upon to raise their TANF-eligible grandchildren, nieces or nephews, are often still working when they begin taking care of these children and cannot afford to leave employment to care for these children. Many states use TANF funds to cover the TANF-eligible child's basic needs (child only grant) as well as the related child care costs in order to allow the caretaker to continue employment. By doing so, it encourages extended families to care for children who otherwise may end up in the child welfare system, in foster care, or without adequate care.

Additionally, a restructure of the Blackfeet Tribal TANF plan is underway to assist the tribe in remaining solvent by renegotiating the population being served. The state will assume coverage for the cases no longer maintained by the Tribal TANF plan and will relinquish the associated general fund/MOE.

**Public Health & Human Services-6901
Human And Community Services Division-02**



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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,919,645	\$0
FY 2009	\$2,919,645	\$0

PL- 2005 - Intergovernmental Human Services Bureau PL Adj -

The department is requesting to increase spending authority by \$237,624 per year for the Universal Systems Benefits state special revenue fund and by \$2,682,021 per year for seven federally funded grants. The increase includes authority for truck driver overtime in two of the grants because this expenditure was removed from the base.

The Intergovernmental Human Service Bureau (IHSB) administers federal grants and local donations providing low-income persons with energy assistance, weatherization, emergency shelter, housing assistance for persons with AIDS, and commodity food distribution. IHSB also administers a federal grant to provide communities with the resources to devise local solutions to problems of poverty. IHSB requested budget amendments for three of these grants, BPA, LIEAP, and FDPIR in the previous biennium. Expenditures are expected to increase for the other grants. Ten Human Resource Development Council's (HRDC's), eight area agencies on aging, four food banks, two AIDS councils, two out of state agencies, and several tribes are contracted to assist in the local administration of these programs. All seven tribes receive services.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$408,705	\$189,272
FY 2009	\$470,168	\$218,089

PL- 2008 - HCSD Rental Increases for Adm. and County OPA's -

The Department is requesting \$878,873 of cost-allocated spending authority, including \$407,361 of general fund, associated with the rental increases in the Offices of Public Assistance (OPA) and HCSD Administration. The Offices of Public Assistance and HCSD Administration do not fall within the scope of fixed costs adjusted annually by the Department of Administration for buildings owned by the state.

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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$400,000	\$0
FY 2009	\$606,000	\$0

PL- 20009 - Child & Adult Care Food Program Historical PL -

The Child and Adult Care Food Program (CACFP) is requesting additional federal authority in the amount of \$400,000 for FY 2008 and \$606,000 for FY 2009. These amounts reflect the anticipated 2.4% historical increase in program reimbursement rates. The purpose of this USDA entitlement program is to support nutritional services in care settings through regulation and reimbursement to adult and childcare organizations.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,006,171	\$0
FY 2009	\$2,006,171	\$0

PL- 20012 - Child Care Discretionary Present Law Adj -

Federal authority in the amount of \$2,006,171 for each year of the biennium is requested to enable Child Care to receive a Temporary Assistance to Needy Families (TANF) funding transfer into the Discretionary funds of the Child Care Development Fund (CCDF). This amount is above the base expenditures of approximately \$5.5M. The CCDF is a combination of State and Federal dollars used for various activities focused on the creation and maintenance of a system of high quality, affordable and accessible child care.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,741,650	\$1,741,650
FY 2009	\$2,428,000	\$2,428,000

PL- 20016 - Child Care FPI, Market Rate, Caseload Inc -

Early Childhood Services Bureau (ECSB) is requesting \$180,000 in SFY 2008 and \$187,000 in SFY 2009 to support the annual updating of the Federal Poverty Index, plus \$602,000 in FY 2008 and \$679,000 in FY 2009 general fund authority above the FY 2006 base to maintain child care reimbursement rates for parents at the 75th percentile of an annual Market Rate Survey. ECSB is also requesting \$959,650 in FY 2008 and \$1,562,000 in FY 2009 to support a case load increase to support low income working parents.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$11,810,409	\$0
FY 2009	\$20,798,381	\$0

PL- 20019 - Food Stamp Benefits -

This present law adjustment requests \$32,608,790 federal appropriation authority for the biennium to fund the anticipated caseload and poverty level adjustments. From July 2001 to June 2006, the food stamp benefit cases have increased from 27,120 cases per month to 35,450 cases per month. This is a 30.72% increase. Projections are expected to continue this trend.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$966,000	\$0
FY 2009	\$0	\$0

NP- 20002 - Tri-state housing grant for people with AIDS-Biennial -

This request is to establish a biennial appropriation of \$966,000 of federal funds for the Housing Opportunities for Persons with AIDS (HOPWA) Tri State HELP (Housing Environments for Living Positively) Plus Grant received from U.S. Department of Housing and Urban Development (HUD). This grant is the second HOPWA grant received by DPHHS.

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Total Agency Impact General Fund Total

	FY 2008	\$66,980	\$0
	FY 2009	\$66,980	\$0

NP- 20004 - Homeless Management Information Syst (HMIS) grant -

This request is to establish a federal appropriation of \$66,880 per year for the Homeless Management Information System (HMIS) grant originally received in June of 2004 from U.S. Department of Housing & Urban Development (HUD). The initial grant was for DPHHS to meet a federal mandate requiring recipients of federal McKinney-Vento Homeless Assistance Act funding to use an information system for data collection.

Total Agency Impact General Fund Total

	FY 2008	\$683,784	\$0
	FY 2009	\$683,784	\$0

NP- 20006 - Childcare for Working Caretaker Relative -

This new proposal requests \$1,367,568 of spending authority for the 2009 biennium to provide child care for working caretaker relatives of children eligible for the TANF child-only grant. Many grandparents and other caretaker relatives are caring for minor grandchildren, nieces or nephews and this request will assist them in their efforts.

Total Agency Impact General Fund Total

	FY 2008	\$300,000	\$300,000
	FY 2009	\$300,000	\$300,000

NP- 20011 - Ombudsman Funding-Warm Hearts/Homes-OTO -

The Department requests a one-time-only general fund appropriation of \$300,000 per year (\$600,000 over the biennium) for the Energy Ombudsman program, which was approved by the 2005 Legislature. These dollars may be used to fund case management staff at human resource development councils (HRDC's), who aid people needing emergency energy assistance. Case managers provide services to identify and address emergency heating situations and encourage recipients to reduce their home energy burdens, while becoming energy self sufficient. Funds may also be used for the cost of installation and low-cost/no-cost weatherization materials for the Warm Hearts/Warm Homes program.

Total Agency Impact General Fund Total

	FY 2008	\$2,228,983	\$0
	FY 2009	\$2,228,983	\$0

NP- 20020 - TANF Cash Benefit Increase -

The executive is requesting \$4,457,966 for the biennium of federal authority to increase TANF cash benefits. The increase will raise the cash benefit standard from 33% of the 2005 federal poverty level to 33% of the estimated 2007 federal poverty level. The TANF case load has remained fairly stable in SFY 2006 and an average case load of 3,782 cases was used to project the cost of this increase.

Total Agency Impact General Fund Total

	FY 2008	\$200,000	\$200,000
	FY 2009	\$200,000	\$200,000

NP- 20022 - Individual Development Account (IDA) Biennial Approp -

This is a request for a biennial appropriation of \$400,000 in general fund to provide the required non-federal cash match for Individual Development Accounts (IDA's) established through the Family Assets for Independence (AFI) program. The Administration for Children and Families, Office of Community Services (OCS) has a standing announcement and will accept applications for financial assistance to establish and administer IDA/AFI Projects.

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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,135,170	\$0
FY 2009	\$1,135,170	\$0

NP- 20023 - Restructuring Blackfeet Tribal Plan -

The executive is requesting \$2,270,340 of federal authority for the 2009 biennium to support the restructuring of the Blackfeet Tribal TANF plan. This funding will support an estimated caseload of 293 cases that would be assumed by the state's TANF program. The funding would also allow the state to contract back with the Blackfeet tribe for the Tribal NEW contract. This contract would support 196 cases.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	(\$99,983)
FY 2009	\$0	(\$104,543)

NP- 20907 - Child Care Funding Swap for PSF -

The department is requesting a funding swap resulting in an increase of \$99,983 in state special revenue authority to the Prevention and Stabilization Fund (PSF) in SFY 2008 and a similar increase in SFY 2009 of \$104,583. A commensurate decrease in general fund is requested to maintain the total authority of \$1,033,312 for Child Care for each year of the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,000,000	\$2,000,000
FY 2009	\$0	\$0

NP- 20908 - Low Income Energy Assistance Program OTO -

The department is requesting one time only biennial authority for \$2,000,000 of state general fund to be used to supplement low-income energy assistance benefits for approximately 22,700 households including residents of the Crow reservation. For the other six reservations, the federal LIEAP set aside is 17.4806%, so \$349,612 of this funding will be contracted to those tribes that administer their own federal LIEAP programs.

-----Other Legislation Required to Implement HB2-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,600,000	\$0
FY 2009	\$0	\$0

NP- 20001 - Energy Assist/Conservation-Biennial-OTO -

The Department requests a One-Time-Only biennial appropriation of \$1,600,000 to use the energy conservation and energy assistance federal special revenue accounts for low-income energy assistance or low-income weatherization. The 1987 Legislature (HB 621) established the federal special revenue funds for the energy conservation and energy assistance accounts when the department received cash distributions. 90-4-215 MCA is the enabling legislation; however, it contains a clause restricting the use of the principal in the funds to a time when either weatherization or energy assistance grants fall below the 1987 funding levels.

Language Recommendations - DP 20001 - Energy Assistance/Conservation is contingent upon the passage of legislation, LC0474, which would eliminate the prohibition in 90-4-215 MCA that prevents the department from using the principal from federal special revenue funds to increase expenditures above the level of the federal grant in fiscal year 1987. This will enable the department to expend the funds for low-income weatherization and low-income energy assistance at a time when energy costs are at an all time high.

Public Health & Human Services-6901 Child & Family Services Division-03

Program Description - The Child and Family Services Division (CFSD) administers child protective services, child abuse and neglect services, prevention services, domestic violence grants, and other programs designed to keep children safe and families strong. CFSD is composed of three bureaus and five regional offices that administer programs and are advised by Local Family Services Advisory Councils, which serve as the link between local communities and DPHHS. CFSD is the primary user of the statewide Child and Adult Protective Services (CAPS) computer system.

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

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Estimated FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Total Number of Children in Out of Home Care at some time throughout the year (unduplicated)	2,834	3,030 (est)	3,121	3,215	3,311	3,410
Total Number of Children Entering Care	1,383	1,515	1,800	1,950	1,900	1,850
Total Number of Children Exiting Care	1,194	1,409	18,92	1,920	1,870	1,820
Finalized Subsidized Adoption Caseload	1,519	1,663	1,763	1,921	2,071	2,215
Average Number of Placements per Child per year.	3.95	3.74	3.66	3.64	3.6	3.5
Total # of Families served by In-Home Services Programs	1,437	1,233	1,412	1,440	1,469	1,528
Average length of time (number of days) children remain in out of home placements	845	813	789	769	749	729
Permanent Placements	534	617	640	670	700	730
Use of extended families for kinship placement	489	549	577	592	607	622

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	351.45	0.00	19.00	370.45	0.00	24.00	375.45
Personal Services	15,515,496	1,482,593	822,573	17,820,662	1,530,817	1,038,717	18,085,030
Operating Expenses	4,189,701	575,586	86,525	4,851,812	640,393	106,000	4,936,094
Equipment	0	87,121	0	87,121	87,121	0	87,121
Grants	6,486,919	0	0	6,486,919	0	0	6,486,919
Benefits & Claims	28,991,714	5,416,953	1,002,527	35,411,194	8,905,309	1,002,527	38,899,550
Debt Service	84,834	0	0	84,834	0	0	84,834
Total Costs	\$55,268,664	\$7,562,253	\$1,911,625	\$64,742,542	\$11,163,640	\$2,147,244	\$68,579,548
General Fund	25,173,114	4,493,483	2,988,923	32,655,520	6,632,102	3,130,261	34,935,477
State/Other Special	2,126,337	(6)	266,787	2,393,118	(5)	266,787	2,393,119
Federal Special	27,969,213	3,068,776	(1,344,085)	29,693,904	4,531,543	(1,249,804)	31,250,952
Total Funds	\$55,268,664	\$7,562,253	\$1,911,625	\$64,742,542	\$11,163,640	\$2,147,244	\$68,579,548

**Public Health & Human Services-6901
Child & Family Services Division-03**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,089,565	\$2,070,009
FY 2009	\$5,391,789	\$3,612,499

PL- 30001 - Foster Care Caseload Increase -

Foster care caseload is expected to increase over the next biennium. This budget request seeks \$5,682,508 in general fund and \$2,798,847 in federal funds for the 2009 Biennium. Along with increased caseload, the department is experiencing more managerial demands as cases become more complex due to substance abuse, particularly methamphetamine, playing a greater role in child abuse and neglect cases.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,327,388	\$879,753
FY 2009	\$3,513,520	\$1,328,111

PL- 30002 - Subsidized Adoption Caseload Increase -

Subsidized adoption caseload and average daily rates paid to adoptive parents are expected to increase over the next biennium. The number of new adoptions will exceed the number of children who age out of the program. In addition, the rates negotiated for new adoptions are greater than the rates paid for the old subsidy payments that are expiring. This request seeks \$2,207,864 in general funds and \$1,956,053 in federal funds for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$383,116
FY 2009	\$0	\$467,670

PL- 30004 - FMAP Changes -

The Child and Family Services Division is requesting \$850,786 in general fund and (\$850,786) in federal funds for the 2009 biennium to address changes in the FMAP rate for both the Foster Care and Subsidized Adoption Programs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$250,000	\$187,500
FY 2009	\$250,000	\$187,500

PL- 30005 - Mental Health Case Management-SW Caseload Increase -

Child and Family Services Division is requesting \$375,000 general fund and \$125,000 federal funds for mental health case management in the 2009 biennium. The Deficit Reduction Act is expected to reduce the allowable case management services eligible for reimbursement for children in Foster Care. This request seeks to provide case management funding through contracts with non-profit entities.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$206,859	\$124,021
FY 2009	\$206,859	\$124,021

PL- 30006 - CFSD Overtime -

The Child and Family Services Division is requesting \$248,042 in general fund and \$165,676 in federal funds for the 2009 biennium for overtime compensation.

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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$198,038	\$118,823
FY 2009	\$250,563	\$150,338

PL- 30007 - CFSD Rent Increases -

Rent Increases for Child and Family Services includes \$269,161 of general fund and \$179,440 in federal funds for the 2009 biennium. These increases are primarily a result of increases charged by landlords and by the addition of more office space in a few locations.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$87,121	\$52,273
FY 2009	\$87,121	\$52,273

PL- 30016 - Replacement computers/servers and other equipment -

This request is for funding to replace 320 desktop computers in the Child and Family Services Division, as well as three file servers in local offices that need to be replaced. In addition, two copy machines need to be replaced. This request includes \$104,546 in general fund and \$69,696 in federal funds for the 2009 biennium.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$1,800,000
FY 2009	\$0	\$1,800,000

NP- 30003 - Federal Law Change - TCM -

This request seeks to add \$3.6 million of general fund to the Child and Family Services Division operating budget and to reduce the federal funds by an equal amount for the 2009 biennium. This action is necessary as a result of the Deficit Reduction Act.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$86,000
FY 2009	\$0	\$86,000

NP- 30008 - Federal Law change regarding kin care providers -

The Child and Family Services Division is requesting \$86,000 in general funds over the biennium due to the loss of federal reimbursement for kinship care as a result of the Deficit Reduction Act.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$745,268	\$447,161
FY 2009	\$980,721	\$588,433

NP- 30010 - Additional Field Staff -

In order to address the "social worker to number of caseload" ratio issue, the Child and Family Services Division is requesting 15.00 FTE in FY2008 and an additional 5.00 FTEs in FY 2009 as field staff. This request is for \$1,035,594 in general funds and \$690,395 in federal funds over the biennium.

**Public Health & Human Services-6901
Child & Family Services Division-03**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$88,116	(\$202,260)
FY 2009	\$88,206	(\$202,194)

NP- 30014 - Expansion of SSI Program -

The Child and Family Services Division (CFSD) is requesting that two modified positions be made permanent in order to address immediate and on-going caseload growth. It is expected that this request will provide a \$202,000 savings in general fund in the Foster Care program for each year of the biennium. This request is for (\$404,454) general fund, \$533,574 state special funds and \$47,202 federal funds for the 2009 Biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,685	(\$27,601)
FY 2009	\$2,761	(\$27,601)

NP- 30015 - Convert Modified In-home FTE to permanent -

This request is to convert 2.00 modified FTE, positions into permanent positions to address the needs of In-Home Services for five counties. This request is for (\$55,202) general fund and \$60,648 federal funds for the 2009 Biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$575,556	\$385,623
FY 2009	\$575,556	\$385,623

NP- 30501 - Provider Rate Increases -

This decision package requests increases for provider rates by 2.5% for the biennium. Total funds requested are \$1,151,112 with \$771,246 general funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$500,000	\$500,000
FY 2009	\$500,000	\$500,000

NP- 30903 - Therapeutic group Homes/Family Foster Care -

This decision package requests \$1,000,000 general funds over the biennium to provide funding for anticipated changes in federal Medicaid policy.

Language Recommendations - DP 30005 Mental Health Case Management - Child and Family Service Division is requesting \$250,000 each year of the biennium for mental health case management services. This request is contingent upon anticipated revisions to Centers for Medicare & Medicaid Services (CMS) federal regulations, which would disallow reimbursement for certain case management services for children in foster care. DPHHS would need to provide case management services through contracts with non-profit entities. It is estimated that \$375,000 general fund would be needed in the biennium.

Public Health & Human Services-6901 Director's Office-04

Program Description - Program Description - The Director's Office provides overall policy development and administrative guidance for the department. Included in the Director's Office are the Deputy Director, state Medicaid director, legal affairs, personnel services, public information, the prevention resource center, the AmeriCorps*VISTA Program, the Office of Budget and Finance, and the Office of Planning, Coordination, and Analysis. The Department of Public Health and Human Services Statewide Advisory Council, the Native American Advisory Council, and the Montana Health Coalition are administratively attached and the director serves on the Interagency Coordinating Council for State Prevention Programs, which is attached to the Governor's Office.

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

Program Indicators –

Human Resources

	Actuals SFY 2002	Actuals SFY 2003	Actuals SFY 2004	Actuals SFY 2005	Actuals SFY 2006	Projected SFY 2007	Projected SFY 2008	Projected SFY 2009
Number of FTE	2,787.98	2,812.48	2,793.92	2,787.83	2,829.17	2,861.11	2,845.23	2,853.23
Number of Employee's	3,084	2,983	2,896	2,891	2,868	2,900	2,900	2,900
Number of New Hire's *	261	179	273	325	336	350	370	398
Number of Classification Reviews	141	91	143	174	182	250	250	200
Workers Comp Claims Processed **	741	670	651	829	908	915	920	930
ERTW Coordinated Claims ***	72	59	36	55	57	60	60	60
Threat Reports received	47	25	33	39	30	30	30	30
Trainings (Safety, Policy, New Employee)	415	345	366	620	778	700	700	700

SFY2003 new Hire's – DPHHS was under a state wide hiring freeze during this year

- 1 DOLI is enforcing the six day First Report rule so claims that previously weren't reported because it was assumed they would not result in a claim will now be reported even if they do not result in a claim
- 2 Early Return To Work coordinated claims have significantly decreased due to work place training and safety efforts of the ERTW program
- 3 Number of FTE for FY2000 through FY2006 includes only HB2 regular and HB2 modified. FY2007 is estimated based on FY2006 actual. FY2008 and FY2009 are total agency FTE count in MBARS.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	48.25	1.00	0.00	49.25	1.00	0.00	49.25
Personal Services	3,461,121	(296,723)	0	3,164,398	(287,011)	0	3,174,110
Operating Expenses	6,540,475	27,600	700,000	7,268,075	44,850	(100,000)	6,485,325
Benefits & Claims	0	15,000,000	0	15,000,000	15,000,000	0	15,000,000
Debt Service	13,066	0	0	13,066	0	0	13,066
Total Costs	\$10,014,662	\$14,730,877	\$700,000	\$25,445,539	\$14,757,839	(\$100,000)	\$24,672,501
General Fund	3,095,543	(177,526)	150,000	3,068,017	(167,044)	(50,000)	2,878,499
State/Other Special	353,583	(40,340)	0	313,243	(38,335)	0	315,248
Federal Special	6,565,536	14,948,743	550,000	22,064,279	14,963,218	(50,000)	21,478,754
Total Funds	\$10,014,662	\$14,730,877	\$700,000	\$25,445,539	\$14,757,839	(\$100,000)	\$24,672,501

**Public Health & Human Services-6901
Director's Office-04**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$15,027,480	\$0
FY 2009	\$15,027,554	\$0

PL- 40006 - Health Insurance Flexibility Accountability Waiver -

This request is for \$30, 055, 034, in federal funds over the biennium for the implementation and provision of services related to the Health Insurance Flexibility Accountability (HIFA) Waiver.

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$800,000	\$200,000
FY 2009	\$0	\$0

NP- 40004 - MMIS and Mental Health Information Systems Analysis (BIEN/OTO) -

This request is for one-time-only funds of \$800,000 total dollars, \$200,000 general funds, in FY 2008 to analyze the current Medicaid Management Information System and the Mental Health System and make recommendations for improvement or rewrite of the systems.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$100,000)	(\$50,000)
FY 2009	(\$100,000)	(\$50,000)

NP- 40010 - Agency Telecommunications -

This decision package requests a reduction of \$200,000 over the biennium, of which \$100,000 is general funds, for expected savings to the Department of Public Health and Human Services for cost savings generated by the use of video conferencing technologies.

Public Health & Human Services-6901 Child Support Enforcement Division-05

Program Description - The purpose of the Child Support Enforcement Division (CSED) is to pursue and obtain financial and medical support for children by establishing, enforcing, and collecting financial support owed by obligated parents. Program staff locates absent parents, identifies assets, establishes paternity, and ensures obligated parents maintain medical health insurance coverage for their dependent children. Child support payments are collected for families receiving public assistance and those not on assistance. Services are available to any applicant regardless of income level.

Activities carried out by program staff are authorized in Title 40, Chapter 5, MCA, and are mandated by the federal government in accordance with Title IV-D of the Social Security Act, 42 USC 651 et seq., and 45 CFR, Chapter 3.

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Requested FY2007	Requested FY2008	Requested FY2009
Percent of cases in enforcement	84%	87%	89%	89%	89%	89%
Child Support Collections	54,322,737	55,109,009	58,306,715	59,000,000	60,000,000	61,000,000

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	168.25	0.00	0.00	168.25	0.00	0.00	168.25
Personal Services	7,638,628	425,946	0	8,064,574	459,688	0	8,098,316
Operating Expenses	2,155,234	(21,870)	187,025	2,320,389	(11,609)	187,025	2,330,650
Equipment	5,700	0	0	5,700	0	0	5,700
Total Costs	\$9,799,562	\$404,076	\$187,025	\$10,390,663	\$448,079	\$187,025	\$10,434,666
General Fund	1,548,902	92,851	1,907,508	3,549,261	101,175	2,444,396	4,094,473
State/Other Special	1,770,665	56,820	(99,718)	1,727,767	63,456	(102,782)	1,731,339
Federal Special	6,479,995	254,405	(1,620,765)	5,113,635	283,448	(2,154,589)	4,608,854
Total Funds	\$9,799,562	\$404,076	\$187,025	\$10,390,663	\$448,079	\$187,025	\$10,434,666

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$110,842	\$37,686
FY 2009	\$120,232	\$40,879

PL- 50004 - Child Support Enforcement Rent Increase -

Funding is for inflationary increases in rent for division office space. The total request is for \$231,074 over the biennium, consisting of \$78,565 in general fund and \$152,509 in federal funds.

**Public Health & Human Services-6901
Child Support Enforcement Division-05**

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$99,718
FY 2009	\$0	\$102,782

NP- 50001 - Child Support Enforcement General Fund -

This is a request for general fund authority for \$99,718 in FY 2008 and \$102,782 in FY 2009 with a corresponding decrease in state special revenue authority in each year. This request is a result of a funding shift as state special revenues are not anticipated to be sufficient to pay all the expected inflationary increases in personal services and operating expenses for the division. The Child Support Enforcement Division provides assistance to families in need of financial and medical support through the enforcement of administrative and judicial child support orders. As a result of these efforts, there are presently 14,583 children within CSED caseload enrolled in private health care coverage. By securing this private coverage, it is anticipated that the state of Montana realizes a substantial cost avoidance savings in Medicaid expenditures. In SFY 06, reported savings were \$4,623,528.21.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$1,620,765
FY 2009	\$0	\$2,154,589

NP- 50002 - Child Support Deficit Reduction Act -

Due to the federal Deficit Reduction Act, a funding switch from federal funds to general fund is needed to cover the loss in incentive match funds and the change in federal financial participation for paternity testing. This request will decrease federal funds by \$1,620,765 in FY 2008 and \$2,154,589 in FY 2009; and increase general fund by the same amounts in each year respectively.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$187,025	\$187,025
FY 2009	\$187,025	\$187,025

NP- 50005 - CSED - Replacement of DRA Fee -

This is a budget request for \$187,025 in general fund in FY 08 and \$187,025 in general fund in FY 09 to meet the federal Deficit Reduction Act requirement that Child Support Enforcement participate in the collection and distribution (66%) to the federal government of an annual \$25 fee to be collected from non-TANF clients.

Public Health & Human Services-6901 Business & Financial Services Division-06

Program Description - Business and Financial Services Division (BFSD) provides support services for the department, including financial and accounting oversight, cash management, preparation and filing of federal reports, purchasing supplies and equipment, payroll processing, audit coordination, lease management, mail handling, management of vital records and statistics, property management, and records management. BFSD also provides leadership and guidance in the development and implementation of accounting policies and procedures and best business practices.

The division's funding is a complex mixture of state and federal funds determined by ratios associated with total departmental funding. Approximately 50% of the funding comes from federal sources.

Statutory Authority - is in Title 17, Chapter 1, part 1, and Chapter 2, MCA, and 45 CFR Subtitle A, Part 92, Subpart C92.2, and Title 50 Chapter 15 MCA.

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Requested FY2007	Requested FY2008	Requested FY2009
Total number of payments processed *	530,273	530,012	539,093	540,000	540,000	540,000
Reimbursement Collections	\$23,496,513	20,541,677	20,408,842	21,080,451	21,080,451	21,080,451
Reimbursement Claims Processed **	15,493	16,525	16,825	16,825	16,825	16,825
Number of Accountable Grants/Funds	166	174	158	170	170	170
Birth / Death Certificates Issued On-Line	75,290	83,061	136,230	140,000	150,000	150,000
Non General Fund Recovered via Indirect Cost Recoveries	46,584,930	45,352,884	48,149,631	49,594,120	51,081,943	52,614,402

* Total number of payments processed – The department has implemented the electronic processing of TANF and Child Support payments and implemented the PERQS, Travel and Contracts Subsystems that consolidate vendor payments, reducing the number of client warrants issued.

** Reimbursement claims processed – the reduction reflects the closure of Eastmont and a population reduction at Montana Mental Health Nursing Care Center.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	76.50	0.00	0.00	76.50	0.00	0.00	76.50
Personal Services	3,176,444	389,003	0	3,565,447	399,009	0	3,575,453
Operating Expenses	5,234,268	262,648	0	5,496,916	(115,165)	0	5,119,103
Equipment	0	0	0	0	0	0	0
Debt Service	67,714	0	0	67,714	0	0	67,714
Total Costs	\$8,478,426	\$651,651	\$0	\$9,130,077	\$283,844	\$0	\$8,762,270
General Fund	3,639,824	121,093	0	3,760,917	(34,964)	0	3,604,860
State/Other Special	865,080	50,951	0	916,031	41,230	0	906,310
Federal Special	3,973,522	479,607	0	4,453,129	277,578	0	4,251,100
Total Funds	\$8,478,426	\$651,651	\$0	\$9,130,077	\$283,844	\$0	\$8,762,270

Public Health & Human Services-6901 Public Health & Safety Division-07

Program Description - Program Description - The purpose of the Public Health and Safety Division (PHSD) is to improve and protect the health and safety of Montanans. The division provides a wide range of preventive, emergency preparedness, and other public health services to individuals and communities. Services are provided through nearly 500 contracts with a broad range of private and public providers, including local and tribal public health departments, clinics, hospitals and other community-based organizations. Programs administered by the division include, but are not limited to:

- Clinical and environmental laboratory services;
- Women's, Infants and Children's Special Nutrition Program (WIC);
- Maternal and Child Public Health Services;
- Immunization Programs;
- STD/HIV prevention;
- Food and Consumer Safety;
- Emergency Medical Services;
- Family Planning;
- Chronic and communicable disease prevention; and
- Public health emergency preparedness.

Statutory Authority - Title 50, MCA, including local public health activities. Rules concerning public health programs are in Title 37 of the Administrative Rules of Montana. Specific citations include: Maternal and Child Health Title 50, Chapter 1 and Chapter 19, MCA, and Title V of the Social Security Act; Family Planning Title X of the federal Public Health Service Act and 42 CFR, Subpart A, Part 59; WIC P. L. 95-627, Child Nutrition Act of 1966, and 7CFR part 246

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Number of clients served by WIC Program	21,545	21,760	21,640	21,748	22,225	22,800
Net Food Costs for WIC	\$9,708,177	\$10,444,385	\$10,444,385	\$12,784,496	\$13,250,000	\$13,750,000

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	176.01	0.00	4.00	180.01	0.00	5.00	181.01
Personal Services	7,959,560	1,408,699	241,036	9,609,295	1,441,404	303,872	9,704,836
Operating Expenses	13,328,288	168,296	799,944	14,296,528	198,745	537,420	14,064,453
Equipment	248,562	0	145,000	393,562	0	145,000	393,562
Grants	18,938,279	1,653,925	1,713,100	22,305,304	1,653,925	2,048,100	22,640,304
Benefits & Claims	12,090,717	(242,559)	638,000	12,486,158	(242,559)	520,000	12,368,158
Total Costs	\$52,565,406	\$2,988,361	\$3,537,080	\$59,090,847	\$3,051,515	\$3,554,392	\$59,171,313
General Fund	2,046,941	91,225	778,000	2,916,166	95,709	295,000	2,437,650
State/Other Special	11,123,452	252,612	2,250,000	13,626,064	269,944	2,750,000	14,143,396
Federal Special	39,395,013	2,644,524	509,080	42,548,617	2,685,862	509,392	42,590,267
Total Funds	\$52,565,406	\$2,988,361	\$3,537,080	\$59,090,847	\$3,051,515	\$3,554,392	\$59,171,313

**Public Health & Human Services-6901
Public Health & Safety Division-07**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$130,000	\$0
FY 2009	\$130,000	\$0

PL- 70011 - Increase Spending Authority for Laboratory -

This request is for \$130,000 for each year of biennium in state special revenue spending authority to meet projected increases in the DPHHS laboratory supply expenses. The number of tests performed by the Laboratory Services Bureau is expected to increase from 135,460 tests in FY05 to an estimated 145,000 tests in FY06.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,800,000	\$0
FY 2009	\$1,800,000	\$0

PL- 70015 - Public Health Emergency Preparedness -

This present law adjustment request is for \$1,800,000 per year of the biennium for federal spending authority for Montana to prepare and respond to a pandemic flu event.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$40,000	\$0
FY 2009	\$40,000	\$0

PL- 70018 - BRFSS Spending Authority Increase -

An increase in federal authority of \$40,000 for each year of biennium is requested for Behavioral Risk Factor Surveillance System (BRFSS). This authority is being requested to balance the base with the expected grant award.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$112,000	\$0
FY 2009	\$112,000	\$0

PL- 70021 - Montana Comprehensive Cancer Control Program MCCCCP -

An increase in federal authority of \$112,000 for each year of biennium is requested for Montana Comprehensive Cancer Control Program (MCCCCP). This authority is being requested to bring the base in line with the expected grant award. This program is responsible for maintaining a comprehensive cancer control program.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$65,000	\$0
FY 2009	\$65,000	\$0

PL- 70023 - BRFSS-02 Fee Account Continued Spending Authority -

This present law adjustment request is for \$65,000 in state special revenue for each year of the biennium for Behavioral Risk Factor Surveillance System (BRFSS) Fee account. When a program requests the addition of new items to the BRFSS survey, fees are collected to help support some of the state effort for the collaborative agreement with CDC/BSB.

**Public Health & Human Services-6901
Public Health & Safety Division-07**

Total Agency Impact General Fund Total

FY 2008	(\$430,563)	\$0
FY 2009	(\$429,760)	\$0

PL- 70101 - Reduce Budget for Environmental Pub Hlth Tracking -

A reduction in federal authority to the base budget of (\$430,000) is requested for each year of the biennium for Environmental Public Health Tracking. Montana was not granted funds for the implementation phase of the program.

Total Agency Impact General Fund Total

FY 2008	(\$242,559)	\$0
FY 2009	(\$242,559)	\$0

PL- 70104 - Reduce Base Level Funding For Genetics Program -

This request is to reduce the base level expenditure by (\$242,559) in state special revenue spending authority for each year of the biennium. The fee on insurance premiums to support the Montana Genetics Program would revert back to \$.70 effective July 1, 2007. The fee was \$1.00 during the 2007 biennium and will be \$.70 under current law.

-----**New Proposals**-----

Total Agency Impact General Fund Total

FY 2008	\$145,000	\$145,000
FY 2009	\$145,000	\$145,000

NP- 70002 - Ongoing Lab Equipment Replace & Maintenance OTO -

This one-time-only request is for an increase of \$145,000 in general funds for each year of the biennium to support state laboratory infrastructure. This funding is needed to provide laboratory support to public health programs. This infrastructure support is for equipment and instrument replacement and maintenance in the DPHHS Laboratory Services Bureau along with support for supplies and training for specialized testing.

Total Agency Impact General Fund Total

FY 2008	\$290,000	\$290,000
FY 2009	\$0	\$0

NP- 70003 - WIC IT System Maintenance (BIEN - OTO) -

This one-time-only request is for \$290,000 for the biennium in general fund to sustain our current system until a USDA State Agency Model (SAM) is available to DPHHS. Estimated availability is Summer of 2008 at the earliest, with roll out to states between then and 2010.

Total Agency Impact General Fund Total

FY 2008	\$150,000	\$150,000
FY 2009	\$150,000	\$150,000

NP- 70007 - HIV Treatment Funding Request -

An increase in of \$150,000 general fund is requested for each year of the biennium for HIV Treatment. As of April 2006, there were 18 individuals waiting to be enrolled into the Montana AIDS Drug Assistance Program (ADAP). Additional funds will allow the department to supply these individuals with HIV medications using the significant ADAP discount.

**Public Health & Human Services-6901
Public Health & Safety Division-07**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$50,000	\$0
FY 2009	\$50,000	\$0

NP- 70013 - Food Emergency Response Network Grant -

An increase in federal authority of \$50,000 is requested for each year of biennium for the Food Emergency Response Network (FERN) grant. This authority is being requested to bring the base in line with the expected grant award.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$400,000	\$0
FY 2009	\$400,000	\$0

NP- 70014 - Youth Suicide Prevention Program -

This request is for \$400,000 for federal spending authority for each year of biennium to support youth suicide prevention efforts in Montana. This program provides resources to communities to support and promote youth suicide prevention efforts. Eighty-five percent (85%) of funding must be expended at the local level to support community-based efforts to decrease the incidence of youth suicide.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$59,080	\$0
FY 2009	\$59,392	\$0

NP- 70017 - FTE Request for MT Breast & Cervical Health Prg -

This is a request for 1.00 FTE and \$59,080 in federal spending authority for FY 2008 and \$59,392 in federal spending authority for FY 2009 to convert the current modified position of Montana Breast and Cervical Health Program (MBCHP) Health Educator to a permanent position. This position provides direction, technical assistance, and training for local MBCHP contractors; programs serving Montana's American Indians, and the network of MBCHP medical service providers.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$200,000	\$0
FY 2009	\$200,000	\$0

NP- 70103 - Tobacco Trust Fund Sup for Pblc Hlth Home Visits -

This request is for \$200,000 in Tobacco Trust Fund Interest funds for each year of the biennium to support Public Health Home Visits (PHHV), a part of the Montana Initiative for the Abatement of Mortality in Infants (MIAMI). DPHHS will use new PHHV funding for additional Public Health Home Visiting sites and/or to increase funding to existing PHHV sites in order to expand home visiting services by providing intensive case management to pregnant women who are at risk for using substances while pregnant.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$75,000	\$75,000
FY 2009	\$0	\$0

NP- 70105 - Rural Public Health Development Project -

This request is for a \$75,000 biennial appropriation to develop locally driven solutions for creating public health infrastructure in rural and frontier Montana. The appropriation is intended to address public health surge capacity in a large-scale event or emergency and develop basic orientations for boards of health and health officers. The division may contract with an entity or entities able to work with local jurisdictions to perform this work.

**Public Health & Human Services-6901
Public Health & Safety Division-07**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,370,000	\$0
FY 2009	\$1,370,000	\$0

NP- 70106 - Tobacco Prevention Activities -

This budget request is for 2.00 FTE and \$1,370,000 in state special revenue for each year of the biennium for expansion of activities of Montana Tobacco Use Prevention.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$118,000	\$118,000
FY 2009	\$0	\$0

NP- 70107 - Purchase of Tamiflu - Biennial OTO -

This request is for a biennial appropriation of \$118,000 in general fund for a one time purchase of an additional 8,174 courses of Tamiflu. DPHHS has evaluated the state's potential needs under various scenarios to determine what, if any, additional courses of treatment would be necessary to respond to a pandemic. To supplement the federal set aside, we anticipate purchasing an additional 8,174 treatment courses as an added measure of protection.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$330,000	\$0
FY 2009	\$830,000	\$0

NP- 70108 - Diabetes & Heart Disease Prevention -

This budget request is for 2.00 FTE and \$330,000 for FY 2008 and \$830,000 for FY 2009 in state special revenue for diabetes and heart disease prevention activities. These initial activities would include establishing pilot programs within local health departments, community health centers, diabetes education programs, or other appropriate health care facilities to promote increased physical activity, improved nutrition, and tobacco use cessation among persons at high risk for developing diabetes, and the development of supportive health education materials for these pilot programs.

-----Other Legislation Required to Implement HB2-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$290,000	\$0
FY 2009	\$290,000	\$0

NP- 70005 - Newborn Screening Follow-Up Program -

This request is for \$290,000 in Tobacco Trust Fund Interest funds for each year of the biennium to support a comprehensive newborn screening follow-up program. This program will assure the availability of appropriate clinical diagnostic and support services for families and primary care providers of those babies identified with an abnormal condition from the expanded panel of newborn screening tests.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$60,000	\$0
FY 2009	\$60,000	\$0

NP- 70016 - FCSS Spending Authority for Pool Inspections -

This request is for \$60,000 in state special revenue spending authority for each year of the biennium to allow Food and Consumer Safety to recover costs associated with inspections performed by DPHHS employees. Pending legislation to increase pool inspection fees and plan reviews is being used to compute anticipated authority request.

Public Health & Human Services-6901
Public Health & Safety Division-07

Language Recommendations - DP 70005 - Newborn Screening Follow-Up is contingent upon passage of legislation which would expand the newborn screening from four mandatory screening tests done on a blood sample to 28 metabolic and endocrine tests and a newborn hearing screening, for a total of 29 tests. Department of Public Health and Human Services sponsored legislation, LC0472, would amend 53-19-402, MCA, to mandate universal newborn hearing screening and 50-19-203 - 212, MCA, to mandate metabolic and genetic testing to 28 tests on a blood sample.

DP 70016 - FCSS Spending Authority for Pool Inspections is contingent upon passage of legislation, LC#xxx.

Public Health & Human Services-6901 Quality Assurance Division-08

Program Description - The role of the Quality Assurance Division (QAD) is to protect the safety and well-being of Montanans by monitoring and ensuring the integrity and cost-effectiveness of programs administered by the department. The Quality Assurance Division (QAD) fulfills this roll by providing comprehensive services that:

- Protect the safety of clients that utilize Montana's health care, day care, and residential providers through licensure of 2,178 facilities. Of these facilities, 296 are certified by the Division for participation in the Medicare and Medicaid programs;
- Detect and investigate abusive or fraudulent practices affecting the Medicaid, TANF and Food Stamp programs and initiate recovery efforts;
- Reduce Medicaid costs by identifying other insurers or parties responsible for paying a client's medical expenses;
- Provide both internal and external independent audits for DPHHS programs;
- Provide independent fair hearings for clients and providers participating in DPHHS programs;
- Monitor and evaluate health maintenance organizations for quality assurance and network adequacy;
- Maintain Certified Nurse Aide Registry;
- Approve and monitor Nurse Aide Training programs;
- Operate the Certificate of Need (CON) Program; and
- Operate the internal HIPAA function for the Department.

QAD accomplishments for FY 2006 include:

- Saving Medicaid \$94,000,000 by identifying other insurance resources for beneficiaries, including Medicare, health insurance, and casualty settlements;
- Recovering through the Medicaid Lien and Estate program and other recoveries \$3,000,000;
- Recovering \$791,000 in overpayments to clients for TANF and, Food Stamps;
- Recovering \$558,512 in Medicaid overpayments to providers;
- Independent Hearings for clients and providers 1,171
- Informal Dispute Resolution requests for Nursing Facilities 20

The division has field offices in Anaconda, Billings, Bozeman, Great Falls, Havre, Hinsdale, Kalispell, Livingston, Miles city, and Missoula.

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Estimated FY2008	Estimated FY2009
State Health Care Licensure Visits	357	393	327	422	390	381
Medicaid TPL Cost Avoidance, Cash Recoveries and Lien and Estate	90,091,032	96,307,646	97,537,647	101,439,000	105,497,000	109,717,000

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	109.95	1.00	0.00	110.95	1.00	0.00	110.95
Personal Services	5,249,065	689,612	0	5,938,677	713,993	0	5,963,058
Operating Expenses	1,529,230	179,099	0	1,708,329	190,765	0	1,719,995
Equipment	7,645	0	0	7,645	0	0	7,645
Grants	539,697	0	0	539,697	0	0	539,697
Total Costs	\$7,325,637	\$868,711	\$0	\$8,194,348	\$904,758	\$0	\$8,230,395
General Fund	1,980,699	373,463	0	2,354,162	387,103	0	2,367,802
State/Other Special	134,137	56,877	0	191,014	57,388	0	191,525
Federal Special	5,210,801	438,371	0	5,649,172	460,267	0	5,671,068
Total Funds	\$7,325,637	\$868,711	\$0	\$8,194,348	\$904,758	\$0	\$8,230,395

**Public Health & Human Services-6901
Quality Assurance Division-08**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$34,086	\$12,330
FY 2009	\$43,969	\$15,472

PL- 80002 - QAD Rent Increase -

This request is for \$34,086 total funds with \$12,330 general fund in FY 2008 and \$43,969 total funds with \$15,472 general fund in FY 2009. Rent is increasing between 2%-3% per year. In addition department staff will be moving into a new building in Kalispell in FY 2008. This is the additional cost in FY 2008 and FY 2009 for the same amount of space that was used in FY 2006 for the Quality Assurance Division.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$4,396)	(\$2,984)
FY 2009	(\$4,396)	(\$2,984)

PL- 80007 - Leased Vehicles (2) For Field Staff -

This request is for a reduction of (\$4,396) total funds and (\$2,984) general fund for each year of the biennium to lease two motor pool cars.

There are three people in Missoula and two people in Great Falls driving their own cars, who are reimbursed more than the cost of motor pool leased cars. Each motor pool leased car is projected to be driven 15,000 miles each year. Currently, the reimbursement to those who drive their own cars is substantially higher, therefore, resulting in the above listed savings to the state.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$183,080	\$0
FY 2009	\$183,080	\$0

PL- 80008 - Additional Lien and Estate Recovery Costs -

This request is for \$183,080 total funds and \$91,540 state special revenue funds in each year of the FY 2009 biennium for additional Lien and Estate recovery costs. As a result of these recovery efforts, the department estimates an increase in Lien & Estate State Special Revenue (SSR) collections of \$253,840 in FY 2008 and \$258,800 in FY 2009.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 80009 - Child Care Licensing Increase 1 FTE -

This decision package is a request to convert 1.00 FTE, modified to a permanent position for each year of the Biennium as an Administrative Assistant in the Quality Assurance Division (QAD), Child Care Licensing program that will be located in the Billings office. Administrative and technical support for the Child Care Licensing program is currently provided through 1.00 FTE modified. Converting this FTE to a permanent position will allow better management of workload and assignment of duties associated with the Child Care Licensing program. No additional funds are requested.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$58,231
FY 2009	\$0	\$58,340

PL- 80010 - TPL Funding Adjustment -

This adjusts the funding in the TPL Unit. It was originally funded at 25% general fund and 75% federal funds. It is now a 50% general fund program. This decision package requests \$58,231 in general fund with a reduction of equal amount in federal funds for FY 2008 and \$58,340 in general fund with a reduction of equal amount in federal funds for FY 2009.

Public Health & Human Services-6901 Technology Services Division-09

Program Description - The Technology Services Division (TSD) is responsible for all agency information technology. TSD has three bureaus:

- The External Systems Bureau which is engaged in project management, using outside contractors to develop and manage major data systems. These systems include SEARCHS for child support enforcement, CAPS for children's protective services, TEAMS and CHIMES for Medicaid, TANF and food stamps eligibility determination, Montana Access for electronic benefits.
- The Information Services Bureau, which provides database management, user help desk, and internal system development. Systems developed and maintained by internal programmers include ISERV, PERQS, AWACS, MICRS (all financial systems) and TIER (a patient management system used at Boulder and Warm Springs).
- The Network and Communications Bureau, which provides networking and desktop services to all agency employees.

Statutory Authority - Title 17 and Title 40, MCA, and Title IV of the Social Security Act, Section 06, P.L. 96-265.

Program Indicators –

Indicator	Actual FY2004	Estimated FY2005	Requested FY2006	Requested FY2007	Requested FY2008	Requested FY2009
Petitions Filed	261	278	324	324	350	350
Trials	68	82	41	80	80	80
Settlement Conferences	51	71	51	70	0	0

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	56.10	0.00	0.00	56.10	0.00	0.00	56.10
Personal Services	3,094,418	241,505	0	3,335,923	255,351	0	3,349,769
Operating Expenses	13,758,257	1,672,142	0	15,430,399	1,823,419	0	15,581,676
Equipment	0	0	0	0	0	0	0
Debt Service	307,596	0	0	307,596	0	0	307,596
Total Costs	\$17,160,271	\$1,913,647	\$0	\$19,073,918	\$2,078,770	\$0	\$19,239,041
General Fund	6,474,663	991,836	0	7,466,499	1,069,861	0	7,544,524
State/Other Special	645,254	68,966	0	714,220	75,025	0	720,279
Federal Special	10,040,354	852,845	0	10,893,199	933,884	0	10,974,238
Total Funds	\$17,160,271	\$1,913,647	\$0	\$19,073,918	\$2,078,770	\$0	\$19,239,041

**Public Health & Human Services-6901
Technology Services Division-09**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$110,032	\$61,618
FY 2009	\$110,032	\$61,618

PL- 90004 - CAPS System Facilities Management Increase -

This decision package is requesting \$123,236 general fund and \$96,828 federal funds over the biennium for the cost of living and level of effort increase for the Child and Adult Protective Services (CAPS) contract.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$20,000	\$9,112
FY 2009	\$20,400	\$9,294

PL- 90007 - Ongoing Support for DPHHS Security System -

This request provides for ongoing maintenance and support for the DPHHS security system. The funding for this decision package is \$18,406 general fund, \$2,695 state special, and \$19,299 federal funds over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$114,046	\$57,023
FY 2009	\$114,046	\$57,023

PL- 90008 - On Going Support for CHIMES -

This request funds the platform hosting costs associated with running the new Medicaid eligibility system entitled, Combined Health Information and Medicaid Eligibility System (CHIMES), on a mid-tier platform as opposed to the ITSD mainframe. The funding for this decision package is \$114,046 general fund and \$114,046 federal funds over the biennium.

Public Health & Human Services-6901 Disability Services Division-10

Program Description - Disability Services Division (DSD) assists Montanans with disabilities in living, working, and participating in their communities. The division provides or contracts for institutional care, residential services, home-based services to families, case management, and a variety of employment outcome-related services. These services include counseling and guidance, career training, transportation, adaptive equipment, orientation and mobility services to the blind, vocational rehabilitation training, independent living services, medical services, job placement, and supported employment. DSD is responsible for medical adjudication of all claims for Social Security Disability and Supplemental Security Income. The division is responsible for the state institution at the Montana Developmental Center (MDC) in Boulder.

Vocational Rehabilitation (VR) serves individuals with orthopedic, mental, visual, hearing, brain injury, and other disabilities. Developmentally disabled includes individuals with mental retardation, epilepsy, autism, or other neurological conditions that require treatment similar to those required by someone with mental retardation. The developmental disability must have originated before age 18 and have resulted in a substantial handicap for indefinite duration.

Disability Services Division (DSD) serves the telephone needs of Montanans who are deaf, hard of hearing, speech disabled, or mobility disabled through the Montana Telecommunication Access Program (MTAP).

Statutory Authority - 53, MCA, 29 U.S.C. 721 et. seq., 29 U.S.C. 796, et. seq., 29 U.S.C. 774, 29 U.S.C. 777b, 29 U.S.C. 2201 et. seq., 42 U.S.C. 75, 6602, 72 U.S.C. 1300, 42 CFR 441.302(b), 42 CFR 441.302(g), 45 CFR 74.62, and 34 CRF Part 303.

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Estimated FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Vocational Rehabilitation number rehabilitated	892	899	900	900	900	900
Vocational Rehabilitation percentage severely disabled	82%	82%	80%	80%	80%	80%
Developmental Disabilities Program (DDP) waiting for service and receiving no other DDP services	457	486	471	484	491	498
DDP waiting for additional services and receiving some DDP services	828	818	832	836	838	840
Montana Telecommunications Access Program (MTAP) Relay Service total minutes per year	370,310	364,835	336,703	286,922	281,983	501,422

For both Vocational Rehabilitation indicators, actual numbers for FY2006 will be available Oct 1, 2006.

MTAP relay service total minutes decreased between FY2004 and FY2008 because of the introduction of Internet Protocol (IP) relay and Turbo technology, which is much faster and therefore fewer minutes are needed. The estimated increase from FY2008 to FY2009 reflects an anticipated federal government mandate that states pay for Video Relay Service (VRS) and IP Relay.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	492.92	0.00	1.00	493.92	0.00	1.00	493.92
Personal Services	22,208,155	553,531	40,779	22,802,465	717,688	40,820	22,966,663
Operating Expenses	8,376,219	140,305	1,129,504	9,646,028	236,449	61,064	8,673,732
Equipment	68,120	(53,120)	0	15,000	(53,120)	0	15,000
Benefits & Claims	96,915,222	2,598,760	14,211,731	113,725,713	2,659,299	18,015,352	117,589,873
Debt Service	0	0	0	0	0	0	0
Total Costs	\$127,567,716	\$3,239,476	\$15,382,014	\$146,189,206	\$3,560,316	\$18,117,236	\$149,245,268
General Fund	46,584,972	1,520,275	3,738,665	51,843,912	1,817,150	4,651,055	53,053,177
State/Other Special	1,458,428	512,758	2,782,826	4,754,012	513,938	2,185,587	4,157,953
Federal Special	79,524,316	1,206,443	8,860,523	89,591,282	1,229,228	11,280,594	92,034,138
Total Funds	\$127,567,716	\$3,239,476	\$15,382,014	\$146,189,206	\$3,560,316	\$18,117,236	\$149,245,268

Public Health & Human Services-6901 Disability Services Division-10

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	(\$475,001)
FY 2009	\$0	(\$475,001)

PL- 10001 - Adjust I-149 Funding -

The 2005 Legislature appropriated \$950,000 of state funds per year in the 2007 biennium for a funding increase for the Developmental Disability Program community services. In base year 2006, the Legislature appropriated \$475,000 general fund and \$475,000 I-149 funds, spending general funds first to allow time to build the I-149 fund balance. The funding appropriated for FY 2007 is \$950,000 I-149 funds. This request moves \$475,000 of general fund to I-149 funds per year in the 2009 biennium to offset the split funding designated in the base year 2006.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$1,398,752
FY 2009	\$0	\$1,540,649

PL- 10002 - FMAP Adjustment -

This request provides an increase in general fund of almost \$2.9 million over the biennium, with an offsetting decrease in federal funds, due to a projected change in Federal Medical Assistance Percentage (FMAP) rates for FY 2008 and FY 2009.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,366,542	\$695,174
FY 2009	\$2,366,542	\$701,609

PL- 10003 - Annualization of Community Services Cost Plans -

This request is for \$4.7 million total funds, \$1.4 million general fund over the biennium to support annualized cost plans for individuals already in developmental disability community services.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$439,448	\$439,448
FY 2009	\$449,601	\$449,601

PL- 10004 - MDC Base Adjustments -

This request provides about \$0.9 million in general fund over the biennium to adjust for zero-based personal services funding as compared to the base year. This request is necessary to maintain minimum Montana Developmental Center (MDC) staffing requirements at this 24-hour day, 7-days-a-week facility and to maintain Medicaid certification.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$24,185	\$5,587
FY 2009	\$40,640	\$10,366

PL- 10005 - DSD Rent for non-state facilities -

DSD requests funding for rent increases for offices in non-D of A buildings. This decision package requests \$15,953 of general fund, \$5,705 of state special revenue, and \$43,167 of federal funds over the biennium for the Developmental Disabilities and Vocational Rehabilitation programs. The increases are built into the lease agreements for field offices.

**Public Health & Human Services-6901
Disability Services Division-10**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$157,521	\$0
FY 2009	\$238,241	\$0

PL- 10007 - Disability Determination Services Base Adjustments -

This decision package requests an increase of \$395,762 in federal funds over the biennium for Disability Determination Services workload increase.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$208,256	\$44,359
FY 2009	\$264,023	\$56,237

PL- 10008 - VR Tuition Increases -

This decision package requests \$100,596 of general fund and \$371,683 of federal funds over the biennium to provide for a 5% tuition increase each year from FY 2007 through FY 2009 for non-state schools only, and no increase for state schools. The funds, which are a portion of the Vocational Rehabilitation benefits, will offset increases in tuition costs and maintain current level services that assist individuals with disabilities in returning to work.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$16,000	\$0
FY 2009	\$16,000	\$0

PL- 10020 - Health Services Accounts -

SB 433 of the 2005 Session appropriated \$16,000 state special revenue to DSD for a Medicaid pilot program to create waiver services accounts for individuals with developmental disabilities. The pilot program did not start until the second year of the 2007 biennium. This request adds the authority back into the division's budget.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$50,000	\$50,000
FY 2009	\$50,000	\$50,000

NP- 10009 - Montana Youth Leadership Forum (MYLF) -

This decision package is a request to support the Montana Youth Leadership Forum (MYLF) for disabled youth, including Indian students on Montana reservations. It is a request for \$100,000 in general funds over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$4,654,963	\$1,664,117
FY 2009	\$6,787,744	\$2,347,665

NP- 10010 - DD Wait List Reduction -

This request is for \$11.4 million total funds, \$4 million general fund over the biennium to support community services for individuals currently on the developmental disability community services waiting list.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$8,169,675	\$1,582,172
FY 2009	\$9,840,515	\$1,814,413

NP- 10011 - DD Rate Rebasing -

This request is for \$18 million total funds, \$3.4 million general fund and \$3.9 million in state special revenue funds over the biennium to support the rebasing of the developmental disability program provider rates.

**Public Health & Human Services-6901
Disability Services Division-10**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$120,000	\$120,000
FY 2009	\$120,000	\$120,000

NP- 10016 - DD Crisis Funding - Restores OTO -

The Travis D settlement calls for \$200,000 of general fund, continuous crisis funding. \$80,000 of this amount is in the division's base budget. This decision package requests \$120,000 general fund per year over the biennium, which the 2005 Legislature previously provided as one-time-only funding.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,065,000	\$0
FY 2009	\$0	\$0

NP- 10018 - MTAP new technologies (BIEN) -

DSD requests \$1,065,000 state special revenue authority for the Montana Telecommunications Access Program (MTAP), in the event that the federal government mandates that the states pay for new technologies. DSD predicts that the federal mandate will come with advance notice of at least 18 months.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,000,000	\$0
FY 2009	\$1,000,000	\$0

NP- 10021 - Developmental Disabilities Program - Fed Authority -

This request is for \$2 million of additional federal authority for the biennium to provide the appropriation authority for increases in federal grants or maximize general funds under the Home and Community Based Waiver. This waiver is used to fund services to individuals with developmental disabilities. The federal authority would not require any future commitment of general fund dollars.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$55,283	\$55,283
FY 2009	\$51,884	\$51,884

NP- 10026 - VR Transition Counselor -

This decision package is a request for support for 1.00 FTE, vocational rehabilitation counselor to be located in a local school district who will assist in identifying students and coordinating available services. This request is part of the initiative to Improve Outcomes for Young Adults with Disabilities. This is a budget request for \$107,167 general fund over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$267,093	\$267,093
FY 2009	\$267,093	\$267,093

NP- 10501 - Provider Rate Increases -

This decision package requests increases for provider rates by 2.5% for the biennium. Total funds requested are \$534,186 all general funds.

Public Health & Human Services-6901 Health Resources Division-11

Program Description - The Health Resources Division (HRD) administers Medicaid primary care services, children's mental health services and the Children's Health Insurance Program (CHIP). The purpose of the division is to improve and protect the health and safety of Montanans. The Division reimburses private and public providers for a wide range of preventive, primary, and acute care services. Major service providers include: physicians, public health departments, clinics, hospitals, dentists, pharmacies, durable medical equipment, and mental health providers. The Division develops tools, measurements and reports necessary to allow division management to administer and control programs and expenditures in the division, and to report those results in an accurate and timely manner to others. The Division strives to provide superior customer service in a respectful, fair, and timely manner.

The majority of services in the Division are funded through Medicaid. Medicaid is a voluntary state/federal partnership that reimburses for medical services for the aged, blind, disabled, children and low-income families. The Children's Mental Health Bureau is predominately financed through Medicaid. A small federal SAMHSA grant provides regional infrastructure and very limited services for children below 150% of the federal poverty level.

The division administers CHIP as a separate health insurance program and contracts with Blue Cross Blue Shield to provide third party administrator services. CHIP dental and eyeglasses benefits are reimbursed directly by the department.

Program Indicators –

Indicator	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Children's Mental Health, Percentage SED Clients Served in Community	84.91%	85.23%	85.5%	85.5%	85.5%
CHIP & Special Health, Percentage of Clients Served Receiving Preventive Health Care	56.0%	N/A	57.0%	58.0%	59.0%
Managed Care, Percentage of participation in the Nurse First Care Management Programs	16.2%	15.9%	16.0%	16.0%	16.0%

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	81.00	0.00	6.00	87.00	0.00	6.00	87.00
Personal Services	3,258,627	886,028	256,970	4,401,625	897,046	257,260	4,412,933
Operating Expenses	8,525,672	281,821	1,005,061	9,812,554	291,642	1,035,774	9,853,088
Grants	189,278	0	0	189,278	0	0	189,278
Benefits & Claims	444,205,071	69,863,702	18,418,352	532,487,125	105,771,479	19,582,305	569,558,855
Debt Service	2,282	0	0	2,282	0	0	2,282
Total Costs	\$456,180,930	\$71,031,551	\$19,680,383	\$546,892,864	\$106,960,167	\$20,875,339	\$584,016,436
General Fund	99,892,880	25,569,957	948,297	126,411,134	35,342,560	947,669	136,183,109
State/Other Special	23,744,825	12,233,491	4,939,007	40,917,323	12,078,951	5,374,309	41,198,085
Federal Special	332,543,225	33,228,103	13,793,079	379,564,407	59,538,656	14,553,361	406,635,242
Total Funds	\$456,180,930	\$71,031,551	\$19,680,383	\$546,892,864	\$106,960,167	\$20,875,339	\$584,016,436

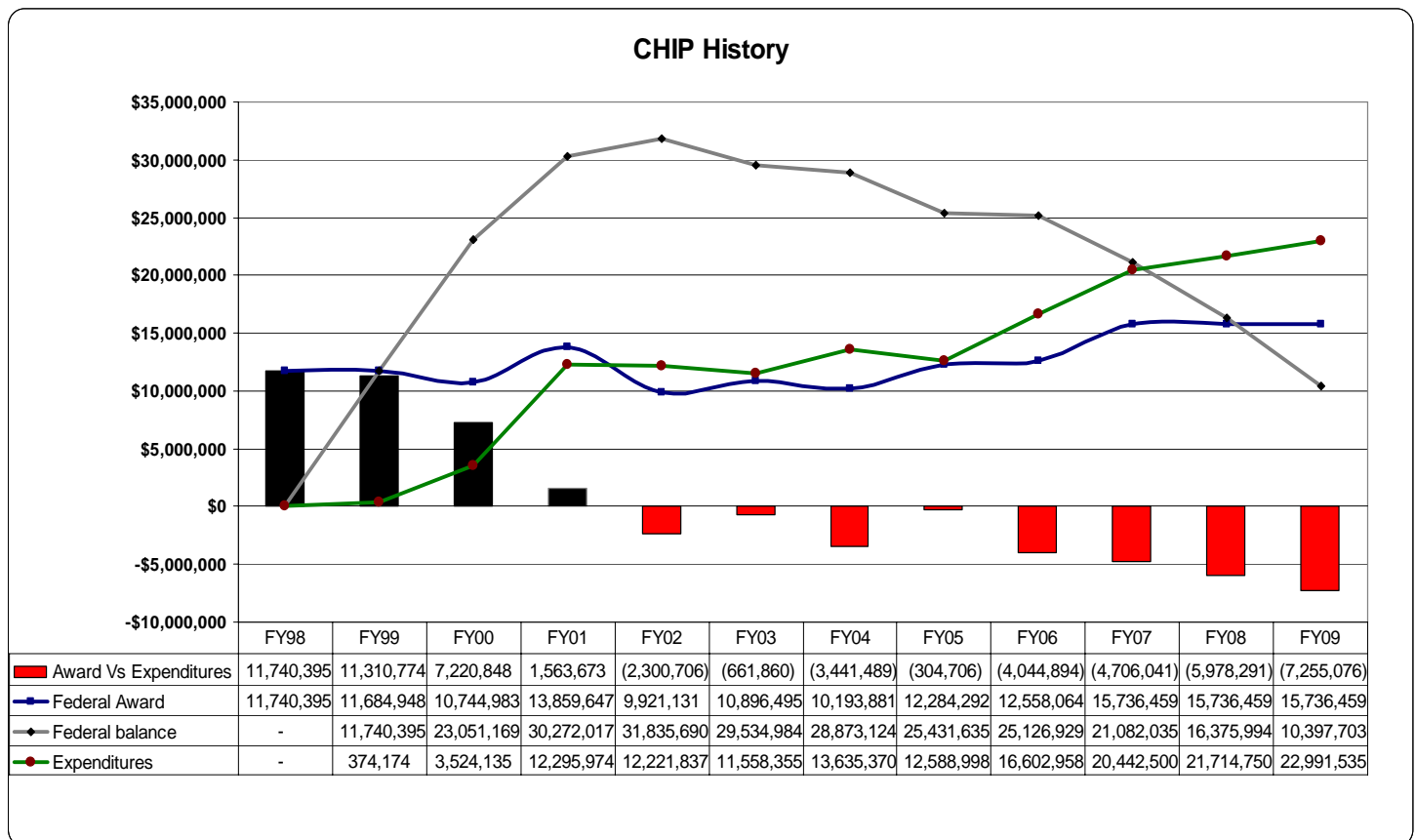
Public Health & Human Services-6901 Health Resources Division-11

CHIP

In the 2007 biennium, the Department expanded Children's Health Insurance Plan (CHIP), which provides health coverage to uninsured, low-income children, using tobacco-tax revenue set aside for that purpose through Initiative 149. Over the past year, CHIP actively recruited clients and has seen a steady increase in enrollment. The Department has also investigated to a more cost-effective way to reduce administrative costs through self-administration of the program. It is anticipated that this will allow more dollars to go towards coverage. While this cost-effective option does place the state at risk in the event of a catastrophic illness or event which could incur high medical costs, the risk can be mitigated through 1) maintenance of a reserve account, 2) purchase of stop loss insurance or 3) controlling attrition as CHIP is not an entitlement program.

The department is awaiting the renewal of federal legislation reauthorizing the CHIP program expected sometime in fiscal year 2007. Until such time, the department will continue to maintain its current level of service to children eligible to 150% FPL.

In the process of determining the budget request, the FY 2007 CHIP grant amount was used for forecasting purposes. As the chart below indicates, CHIP expenditures have been exceeding the annual federal award amount since 2005. The program has remained solvent, however, due to the federal balance amount accumulated during the earlier years when expenditure rates were lower. It is anticipated that this balance will be expended by fiscal year end 2009. Several options are being examined to determine how to continue the program after FY 2009.



**Public Health & Human Services-6901
Health Resources Division-11**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$28,975,589	\$7,378,133
FY 2009	\$50,841,000	\$12,881,323

PL- 11001 - Medicaid Caseload -

This request reflects the caseload costs in Medicaid. Medicaid caseload costs consist of the number of eligibles, utilization and patient acuity levels. This decision package requests \$79.8 million in total funds. The biennial funding is \$20.2 million in general fund and \$59.6 million in federal funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$9,239,977	\$2,900,429
FY 2009	\$13,950,712	\$4,393,079

PL- 11002 - Medicaid Caseload - Children's Mental Health -

This request reflects the caseload growth in Children's Mental Health. This decision package requests \$23.1 million in total funds for the biennium. The biennial funding is \$7.2 million in general fund and \$15.9 million in federal funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,459,396	\$772,004
FY 2009	\$5,161,880	\$1,625,476

PL- 11003 - Medicare Buy - In Caseload -

This request reflects expected increases in premiums for Medicare Part A and Part B that have been projected by the department. This request is for \$7.6 million over the biennium with \$2.4 million in general fund and \$5.2 million in Federal funds. The program is mandated by Federal Law.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$719,289	\$157,740
FY 2009	\$1,337,709	\$295,767

PL- 11004 - Medicaid Breast & Cervical Cancer -

This request is for \$2,056,998 for the biennium including \$453,507 general fund to provide continued funding for the Medicaid expenditures related to the Breast & Cervical Cancer Treatment Program for those individuals determined to be Medicaid eligible.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$7,070,145
FY 2009	\$0	\$7,411,883

PL- 11005 - FMAP MATCH Rate for FY2008/FY2009 -

This decision package reflects the federal participation rate change (FMAP). This adjustment is for \$14.5 million in general fund and a reduction in Federal funds of the same amount.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 11006 - CHIP FMAP Match Rate -

This decision package reflects the federal participation rate change (FMAP). This adjustment is for \$663,707 in tobacco settlement funds over the biennium and a reduction in Federal funds of the same amount.

**Public Health & Human Services-6901
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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$8,764,537	(\$200,000)
FY 2009	\$8,736,705	(\$200,000)

PL- 11007 - Medicaid Tobacco Portion -I-149 -

This decision package provides the I-149 appropriation authority for the projected cash flow in FY 2008 and FY 2009 for specific provider rate increase. This request would reduce general fund by (\$200,000) each year and increase state special funds \$2.9 million each year.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,645,589	\$0
FY 2009	\$7,642,731	\$0

PL- 11008 - Big Sky Rx Base Adjustment -

The Big Sky Rx program was funded with I-149 funds. This decision package provides appropriation authority for the projected cash flow of \$7.6 million in each fiscal year of the biennium. This would also provide funding for previously approved enrollment projections.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,137,449	(\$262,626)
FY 2009	\$3,137,449	(\$269,432)

PL- 11009 - CHIP Enrollment -

The CHIP program was funded with I-149 funds, general fund and federal funds. This decision package provides the appropriation authority for the projected cash flow in the 2009 biennium, accounts for FMAP changes, and provides funding for projected enrollment. This decision package requests biennial changes including increases of \$1.1 million in SSR and of \$5.7 million federal funds and a decrease of \$532,058 in general fund.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,542,878	\$0
FY 2009	\$5,960,281	\$0

PL- 11010 - Indian Health Services Caseload -

This decision package reflects the projected caseload and federal rate increases for the Medicaid Indian Health Services program. The request is \$7.5 million in federal funds for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$230,523	\$72,361
FY 2009	\$503,427	\$158,529

PL- 11025 - Rural Health & Fed Qualified Health Centers -

Rural Health Clinics and Federally Qualified Health Centers services are required Medicaid services. This decision package requests \$733,950 over the biennium for the rate increased by the Medicare Economic Index.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,148,475	\$7,148,475
FY 2009	\$8,499,585	\$8,499,585

PL- 11028 - Phased-down State Contribution Adjustment -

This decision package reflects the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) change that requires the state to pay a monthly fee for those individuals whose Medicaid drug coverage was assumed by Medicare Part D. This request is for \$15.6 million over the biennium in general fund.

**Public Health & Human Services-6901
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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 11031 - CMH - Direct Care Wage Biennial -

This decision package reflects the FMAP change needed for the Direct Care Worker rate increase. This was approved in the 2007 Session and is funded by I-149 funds. This request is a biennial amount of \$198,404 in state special and an equal reduction in federal funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$250,000	\$125,000
FY 2009	\$250,000	\$125,000

PL- 11040 - Hospital Cost Reports -

The decision package requests \$500,000 over the biennium for hospital costs reports. The reports are required by law and are critical for calculating items such as hospital settlements. The funding for this decision package is \$250,000 general fund and \$250,000 in federal funds over the biennium.

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,042,370	\$400,000
FY 2009	\$3,032,709	\$400,000

NP- 11011 - Dental Access -

This decision package would provide access to dental services for both adults and children in Medicaid. The request for the biennium is for \$6 million over the biennium. The funding for the biennium is \$800,000 in general fund, \$1,110,000 in state special revenue and \$4 million in federal funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$5,638,031	\$0
FY 2009	\$5,638,031	\$0

NP- 11013 - CHIP Self Administration -

This decision package requests 5.00 FTE and the associated start-up costs for the department to self-administer the CHIP program. This request is funded with I-149 funds in the amount of \$1,236,420 in FY 2008 and \$1,246,569 in FY 2009. The federal funds are \$8.8 million for the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$3,091,593	\$348,297
FY 2009	\$3,090,338	\$347,669

NP- 11038 - Family Planning Waiver Implementation - OTO -

This request is for the implementation of the Family Planning Waiver. This decision package is a one-time-only request for \$695,966 in general fund and \$5.5 million in federal funds for the biennium.

This decision package assumes the implementation of Family Planning Waiver in July, 2007, adding to Medicaid approximately 6,000 low-income women (185% FPL) of child-bearing age. This population would receive reproductive health services estimated at approximately \$480/year. While there will be savings in the future, costs are estimated to increase in years 1 and 2 of the waiver.

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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$5,228,856	\$0
FY 2009	\$5,228,856	\$0

NP- 11501 - Provider Rate Increases -

This decision package requests increases for provider rates by 2.5% for the biennium. Total funds requested are \$10,457,712 with \$3,287,904 I-149 Tobacco Initiative funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$200,000	\$200,000
FY 2009	\$200,000	\$200,000

NP- 11901 - System of Care Sustainability -

This decision package requests \$400,000 general funds for the biennium for System of Care (SOC) sustainability.

-----Other Legislation Required to Implement HB2-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,479,533	\$0
FY 2009	\$3,685,405	\$0

NP- 11012 - Hospital Utilization Fee -

This decision package is to provide an increase to the spending authority and the federal match for the hospital utilization fee. If the Utilization Fee is approved by the Legislature, this requests ties to the fiscal impact for state special and federal authority. Spending authority necessary for this fee for FY 2008 is estimated to be \$40.2 million total funds (\$12.6 million in state special revenue and \$27.6 million in federal funds) and FY 2009 to be \$41.4 million total funds (\$13.0 million in state special revenue and \$28.4 million in federal funds). This decision package is a request for the increase to the base funding for each fiscal year. An increase of \$1,506,249 in state special revenue and an increase of \$973,284 in federal funds are requested for FY 2008. In FY 2009, \$1,926,174 in state special revenue and \$1,759,231 in federal funds are requested.

Language Recommendations

DP 11012 - Hospital Utilization Fee is contingent upon passage of legislation, LC# xxxx

DP 11013 - CHIP Self Administration

The appropriation in the decision package 11013, CHIP Self Administration, includes \$1.7 million for a restricted appropriation for a Reserve Account. With the conversion to self-administration, the state assumes the financial risk for catastrophic illness, and consequently, the need for a reserve account. Based on claims experience, DPHHS has determined that a reserve of \$1.7 million is needed. A determination by the Office of Budget and Program Planning that the situation is warranted would be needed in order to access these funds. The Office of Budget and Program Planning shall notify the Legislative Finance Committee, if it is determined that the conditions are met and when the appropriation becomes effective.

Public Health & Human Services-6901 Senior & Long-term Care Division-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 physical disabilities. In addition, the division provides education and support regarding aging and long-term care issues to Montanans of all ages. The division makes services available through six major programs:

- The Office on Aging provides meals, transportation, public education, information and assistance, long-term care ombudsman and other services;
- Medicaid Community Services Program pays for in-home, assisted living, and other community-based services to Medicaid-eligible individuals as an alternative to nursing home care;
- Medicaid Nursing Facility Program pays for care to Medicaid-eligible individuals in 90 Montana nursing homes;
- Protective services, including the investigation of abuse neglect and exploitation are provided by adult protective services social workers;
- Skilled nursing facility care is provided to veterans at the 105-bed Montana Veterans Home (MVH) in Columbia Falls and the 80-bed Eastern Montana Veterans Home in Glendive; and
- The State Supplemental Payments Program pays for a portion of the room and board costs for SSI eligible individuals residing in designated residential care facilities.

Statutory Authority - Aging Services, 52-3-201 et seq., MCA, (Protection Services Act for Aged Persons or Disabled Adults), 52-3-501 et seq., MCA, (Montana Older Americans Act), 52-3-801 et seq., MCA, (Montana Elder and Developmentally Disabled Abuse Prevention Act); P.L.89-75 (Federal Older Americans Act), P.L. 93-66 Section 212, P.L. 93-233 (authorizes states to supplement the Supplemental Security Income Amendments to the (SSI) Payments Program Social Security Act); Veteran's Homes, 10-2-401, MCA (authorizes and establishes Montana Veteran's Homes); 53-1-602, MCA (Eastern Montana Veteran's Home); Medicaid, Title 53, Chapter 6, MCA; Title 19, Social Security Act 42 USC 1396 et. seq. (establishes and authorizes Medicaid Program).

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Estimated FY2007	Requested FY2008	Requested FY2009
Persons receiving Personal Assistance	2801	2808	2869	2984	3103	3227
Persons receiving HCBS Waiver	1802	1843	1938	2001	2129	2129
Persons receiving Nursing Home	5115	5118	5027	5002	4977	4952

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	193.44	0.00	10.30	203.74	0.00	9.30	202.74
Personal Services	8,156,927	1,006,877	364,165	9,527,969	1,097,379	504,014	9,758,320
Operating Expenses	6,057,344	921,577	434,974	7,413,895	934,369	168,900	7,160,613
Equipment	100,165	0	40,000	140,165	0	0	100,165
Capital Outlay	0	0	0	0	0	0	0
Grants	7,160,481	0	1,292,000	8,452,481	0	692,000	7,852,481
Benefits & Claims	198,773,021	8,427,196	7,968,661	215,168,878	11,592,362	7,969,032	218,334,415
Transfers	0	0	0	0	0	0	0
Debt Service	9,741	3,030	0	12,771	3,300	0	13,041
Total Costs	\$220,257,679	\$10,358,680	\$10,099,800	\$240,716,159	\$13,627,410	\$9,333,946	\$243,219,035
General Fund	46,295,501	2,603,310	2,309,174	51,207,985	3,164,836	1,721,360	51,181,697
State/Other Special	22,385,363	6,555,989	2,156,601	31,097,953	7,341,465	2,289,071	32,015,899
Federal Special	151,576,815	1,199,381	5,634,025	158,410,221	3,121,109	5,323,515	160,021,439
Total Funds	\$220,257,679	\$10,358,680	\$10,099,800	\$240,716,159	\$13,627,410	\$9,333,946	\$243,219,035

Public Health & Human Services-6901 Senior & Long-term Care Division-22

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$14,914	\$10,909
FY 2009	\$24,390	\$19,527

PL- 22201 - SLTC Field Office Rent Adjustment -

This decision package requests \$39,304 total funds for the biennium including \$30,436 in general fund to manage the rent increases needed for existing rental contracts.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$52,732	\$50,886
FY 2009	\$52,732	\$50,886

PL- 22204 - Adult Protective Services Database Maintenance -

This decision package requests \$105,464 over the biennium with \$101,772 in general fund to maintain the Adult Protective Services client database.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$908,886	\$0
FY 2009	\$916,919	\$0

PL- 22205 - Montana Veterans' Home Expense Adjustments -

This decision package requests \$1,825,805 over the biennium from state special revenue funds to provide for adjustments in operating costs for overtime, holiday pay, differential pay, increases in food costs, utilities and other supplies at the Montana Veterans Home.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$23,348	\$11,674
FY 2009	\$23,807	\$11,903

PL- 22206 - Dept of Transportation Cars -

This decision package requests \$47,155 total funds over the biennium including \$23,577 general fund to replace six cars owned by the Senior & Long Term Care division with cars from the State Motor Pool. Each of the currently owned cars has reached its functional life-cycle expectancy.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$7,901,391	\$0
FY 2009	\$7,788,162	\$0

PL- 22207 - Annualize Nursing Home Provider Tax -

This decision package requests \$15,689,553 in total funds over the biennium with \$5,000,000 in state special revenue funds. This proposal provides an adjustment for the increase in the nursing home provider tax between FY 06 and FY 07 from \$7.05 to \$8.30 per day. The FY 06 provider tax revenues (expenditures) total \$3.5 million in State Special Revenue (SSR), while FY 07 revenue increases to \$6.0 million from SSR.

**Public Health & Human Services-6901
Senior & Long-term Care Division-22**

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$24,960	\$24,960
FY 2009	\$49,920	\$49,920

PL- 22208 - State Supplement Caseload Increase -

This decision package reflects the projected cost for caseload increase in State Supplemental payments for 20 individuals in each year of the biennium who will transfer from institutional disability services to community programs. \$24,960 in general fund are requested for FY 2008 and \$49,920 in general fund are requested for FY 2009.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,160,354	(\$419,748)
FY 2009	\$1,160,354	(\$406,035)

PL- 22209 - Annualize Waiver Expansion Costs -

This decision package requests \$2,320,708 over the biennium to annualize the expansion of the Medicaid Community-Based Waiver program, which occurred in FY 2007 and was not included in the 2006 base expenditures. Additionally, a funding shift is proposed to reduce the general fund by \$825,783 and use state special revenue funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$2,894,405
FY 2009	\$0	\$3,033,599

PL- 22210 - Medicaid Nursing Home FMAP Adj -

This decision package reflects the federal participation rate change (FMAP). This adjustment is for an increase of \$5.9 million in general fund over the biennium and a reduction in Federal funds of the same amount.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$578,956
FY 2009	\$0	\$606,220

PL- 22211 - Home Based Medicaid FMAP Adj -

This decision package reflects the federal participation rate change (FMAP). This adjustment is for an increase of \$1.2 million in general fund over the biennium and a reduction in Federal funds of the same amount.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$491,021
FY 2009	\$0	\$514,859

PL- 22212 - Medicaid Waiver FMAP Adjustment -

This decision package reflects the federal participation rate change (FMAP). This adjustment is for an increase of \$1 million in general fund over the biennium and a reduction in Federal funds of the same amount.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	(\$4,480,189)	(\$1,417,532)
FY 2009	(\$5,049,143)	(\$1,620,775)

PL- 22213 - Nursing Home Caseload Adjustment -

This decision package reflects a reduction of (\$9.5 million) total funds over the biennium including (\$3.0 million) in general fund due to an anticipated caseload change in occupancy levels at Montana's nursing homes.

Public Health & Human Services-6901 Senior & Long-term Care Division-22

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,254,373	\$393,748
FY 2009	\$2,862,769	\$901,486

PL- 22214 - Medicaid Home Based Svs Caseload Adjustment -

This decision package reflects the anticipated caseload adjustment for Medicaid home based services that include personal care/personal assistance, home health and the hospice program. Caseload is expected to grow at 5% per year with an estimated cost of approximately \$4 million total funds and \$1.3 million general fund over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 22215 - FMAP Change for I-149 NH Provider Increase -

This decision package reflects the federal participation rate change (FMAP). This adjustment is for \$228,933 in state special revenue funds over the biennium and a reduction in Federal funds of the same amount.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 22216 - FMAP Change for I-149 Home Based Provider Increase -

This decision package reflects the federal participation rate change (FMAP). This adjustment is for \$30,017 in state special revenue funds over the biennium and a reduction in Federal funds of the same amount.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 22217 - FMAP Change for I-149 Waiver Provider Rate Inc -

This decision package reflects the federal participation rate change (FMAP). This adjustment is for \$25,022 in state special revenue funds over the biennium and a reduction in Federal funds of the same amount.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	(\$380,933)
FY 2009	\$0	(\$374,182)

PL- 22218 - Annualize Nursing Home Direct Care Wage -

This decision package reflects the federal participation rate change (FMAP) as well as a funding switch from general fund to state special revenue. This adjustment is for \$995,497 in state special revenue funds over the biennium and a reduction in Federal funds of (\$240,382) and general funds of (\$755,115).

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 22219 - FMAP Change – I-149 Home Based Direct Care Wages -

This proposal reflects the change in the required state match rate between the base year and FY 08 and FY 09, which results in the need for additional state funding to keep the total expenditures the same in the FY 09 biennium as they are in FY 06. This request is for \$69,964 in state special revenue funds and a reduction in federal funds in the same amount.

**Public Health & Human Services-6901
Senior & Long-term Care Division-22**

Total Agency Impact General Fund Total

FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 22220 - FMAP Change-I-149 Direct Care Wages Med Waiver -

This proposal reflects the change in the required state match rate between the base year and FY 08 and FY 09 which results in the need for additional state funding to keep the total expenditures the same in the FY 09 Biennium as they are in FY 06. This is a request for \$14,330 in state special revenue funds and a reduction in federal funds in the same amount.

Total Agency Impact General Fund Total

FY 2008	\$2,568,707	\$0
FY 2009	\$4,785,100	\$0

PL- 22223 - Nursing Home IGT Adjustment -

This request reflects the anticipated increase in Nursing Home Intergovernmental Payments (IGT) between the FY 06 base and the 2009 biennium. The increase is anticipated to cost approximately \$7.4 million over the biennium, with the state share coming from local county resources and none from the general fund.

Total Agency Impact General Fund Total

FY 2008	\$250,000	\$0
FY 2009	\$250,000	\$0

PL- 22909 - Montana Veterans' Home Contingency Fund Line Item -

This decision package requests continuation of the current restricted Montana Veterans' Home Contingency Fund appropriation in HB2 of \$250,000 state special revenue from cigarette tax each year of the biennium. These funds may be utilized only subject to a determination by the office of budget and program planning that federal and/or state special revenue appropriations are insufficient to operate the Veterans' Home in Columbia Falls. This appropriation was authorized in both the 2003 and 2005 legislatures.

-----**New Proposals**-----

Total Agency Impact General Fund Total

FY 2008	\$40,000	\$0
FY 2009	\$0	\$0

NP- 22101 - EMVH Resident Bus Replacement - OTO -

This decision package is requesting one-time-only state special revenue funds of \$40,000 to replace a bus which is used to transport residents of the Eastern Montana Veterans Home in Glendive.

Total Agency Impact General Fund Total

FY 2008	\$165,000	\$0
FY 2009	\$165,000	\$0

NP- 22103 - MVH Facility Upgrades- OTO -

This decision package is requesting one-time-only state special revenue funds of \$330,000 over the biennium for facility upgrades at the Montana Veterans Home in Columbia Falls. These upgrades will include replacing (80) beds and remodeling resident bathrooms.

**Public Health & Human Services-6901
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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$183,000	\$0

NP- 22104 - MVH Recruitment and Retention Contingency -

This proposal requests a contingency fund be established for FY 2009 for Montana Veterans Home in Columbia Falls to provide recruitment and retention wage increases. This contingency fund would be for \$183,000 in FY 2009 from the state special revenue. It is for the purpose of maintaining a competitive wage for direct care staff in the Flathead Valley and will assist in recruitment and retention of staff.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$137,862	\$0
FY 2009	\$138,421	\$0

NP- 22105 - MVH Special Care Unit Staff -

This proposal is a request for additional staff for the Special Care Unit (SCU) at the Montana Veterans' Home (MVH) in Columbia Falls. The 15-bed SCU is at full occupancy with a waiting list. Because many of the clients are in advanced stages of dementia, MVH has been experiencing a greater number of patient accidents in this unit. This proposal requests one additional Certified Nurse Assistant (CNA) for two shifts seven days a week (3.20FTE), one activities aide for one shift seven days a week (1.6 FTE) and a housekeeper on the weekends for the SCU (0.40 FTE). The total cost of this staff is approximately \$140,000 per year and would be funded from the cigarette tax state special revenue fund.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$22,539	\$0
FY 2009	\$22,685	\$0

NP- 22106 - MVH Pharmacy Clerk -

This decision package requests a 0.60 FTE position for a pharmacy clerk at the Montana Veterans Home in Columbia Falls. This position would be responsible for collecting data to be used in Medicare and Medicaid reimbursement billing and reimbursement activities related to the new Medicare Part D prescription drug program. This is a request for approximately \$23,000 each fiscal year and would be funded from state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$15,000	\$0
FY 2009	\$0	\$0

NP- 22107 - EMVH Fire Alarm System - OTO -

This one-time-only request is for upgrading the fire alarm system at the Eastern Montana Veterans' Home in Glendive. The cost is estimated at \$15,000 to be funded from state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$47,020	\$0
FY 2009	\$45,362	\$0

NP- 22108 - Additional Aging Ombudsman Position -

This decision package requests an additional 1.00 FTE Ombudsman in the Aging Bureau to address the increasing number of long term care facility options and concerns related to access and advocacy issues for long term care service recipients. This position will be funded from federal funds at approximately \$50,000 per year over the biennium.

Public Health & Human Services-6901 Senior & Long-term Care Division-22

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$692,000	\$692,000
FY 2009	\$692,000	\$692,000

NP- 22109 - Elderly Meal Programs -

This is a request for \$692,000 general fund each year over the biennium to support aging programs and grants administered by Area Agencies on Aging. This request makes permanent the one-time-only general fund appropriation of \$567,000 from the 2007 biennium and adds a new general fund appropriation of \$125,000 for the aging programs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$600,000	\$600,000
FY 2009	\$0	\$0

NP- 22110 - Continue Aging In-Home Caregiver Program -

This decision package requests \$600,000 in general fund over the biennium for Area Agencies on Aging to provide in-home caregiver services to elderly citizens residing in their homes. These funds were originally appropriated as one-time-only in the 2007 Biennium. In order to continue providing in-home services and assistance to caregivers of the elderly and disabled, the department is requesting continuation of the funding.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$47,020	\$0
FY 2009	\$45,362	\$0

NP- 22112 - Additional SHIP FTE for Aging Services -

This decision package is requesting 1.00 FTE in the Aging Services Bureau for the State Health Insurance Program (SHIP). The position would cost approximately \$48,000 per year in federal funds over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,649,055	\$838,161
FY 2009	\$2,649,055	\$850,347

NP- 22119 - Waiver Expansion -

This proposal requests \$5,298,110 total funds over the biennium including \$1.7 million in general funds and \$3.6 million in federal funds for the expansion of the Medicaid Home and Community Based Waiver program. This expansion will add funding to serve approximately 100 new individuals waiting to access community services in home or assisted living settings, supported living, or heavy care services such as ventilator or traumatic brain injury services.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$290,000	\$0
FY 2009	\$0	\$0

NP- 22127 - SLTC Alzheimer Grant Continuation -

This decision package requests \$290,000 in federal funds over the biennium. This is a continuation of funding for the third year of grant to implement goals and activities required to develop and/or improve systems for assistance to Montanans diagnosed with, or caring for those with, Alzheimer's disease and related disorders.

Public Health & Human Services-6901 Senior & Long-term Care Division-22

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$74,698	\$0
FY 2009	\$73,084	\$0

NP- 22239 - Adult Protective Services Field Staff -

This decision package requests 1.50 FTE field staff for Adult Protective Services (APS) referrals. The funding for these positions would be \$147,782 in state special revenue over the biennium. The additional staff is needed to address current caseload in a timelier manner.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$5,191,535	\$179,013
FY 2009	\$5,191,539	\$179,013

NP- 22501 - Provider Rate Increases -

This decision package requests increases for provider rates by 2.5% for the biennium. Total funds requested are \$11,383,074 with \$358,026 general funds and \$3,151,874 I-149 Tobacco Initiative funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$128,071	\$0
FY 2009	\$128,438	\$0

NP- 22904 - Personal Needs Increase -

This decision package requests \$256,509 tobacco trust interest funds over the biennium to provide for increases in the personal needs allowance for nursing facility residents from \$40.00 per month to \$50.00 per month. Personal needs funds are used by residents to purchase personal items that are not covered under the nursing facility reimbursement such as postage, cards, gifts and beauty shop services for residents.

Language Recommendations

DP 22909 Montana Veterans' Home Contingency Fund appropriation may be established subject to a determination by the Office of Budget and Program Planning that federal and/or state special revenue appropriations are insufficient to operate the Veterans' Home in Columbia Falls.

DP 22104 – MVH Recruitment and Retention Contingency – This decision package requests that a contingency fund of \$183,000 in state special revenue for FY 2009 be established for Montana Veterans Home in Columbia Falls for the purpose of maintaining a competitive wage for direct care staff in the Flathead Valley and to assist in recruitment and retention of staff. Montana Veteran’s Home (MVH) must compete with numerous other health care facilities in the Flathead Valley for a limited pool of direct care staff such as Registered Nurses, Licensed Practical Nurses and Certified Nursing Assistants. As MVH wages fall behind other facilities, it becomes increasingly difficult to recruit and retain qualified direct care staff at MVH. The facility must contract with temporary employment contractors at a much higher cost to be assured that mandated staffing levels are maintained. After conducting a wage survey of the nearby health care facilities in the spring of 2008, Senior and Long Term Care Division (SLTC) will determine if MVH direct care staff wages (RN's, LPN's and CNA's) have remained competitive. In the event that there is a disparity of \$2.00 per hour or more, a wage increase of \$1.50 per hour would be authorized for licensed staff to remain competitive with other employers. If a wage disparity of \$1.00 per hour or more occurred for CNA's, a wage increase of \$.75 cents per hour would be authorized for CNA's to remain competitive with other employers. This contingency fund will provide the facility with resources so they could recruit and retain direct care staff. The cost of this proposal is \$183,000 in FY 09 only from the state special revenue derived from the cigarette tax.

Public Health & Human Services-6901 Addictive & Mental Disorders Division-33

Program Description - The Addictive and Mental Disorders Division (AMDD) is responsible for providing alcohol and drug prevention services, treatment and aftercare services, and mental health treatment services. Alcohol and drug services are provided through inpatient and outpatient settings. Direct inpatient services are provided at the 76-bed Montana Chemical Dependency Center (MCDC) in Butte. Other inpatient, outpatient, and prevention services are provided through contracts with community-based programs around the state.

Community-based mental health services are delivered to eligible Medicaid and non-Medicaid individuals through a network of providers around the state. Non-Medicaid services are delivered through the Mental Health Services Plan (MHSP) and provide services to individuals earning up to 150% of the federal poverty level. Montana State Hospital (MSH) at Warm Springs (189 licensed beds) and the Montana Mental Health Nursing Care Center (MMHNCC) at Lewistown (165 beds available / 75 beds budgeted) provide institutional services to individuals with mental illness. The services at MSH are typically of a short duration while services for residents at the MMHNCC are considered to be long term.

Statutory Authority - Mental health is in Title 53, Chapter 21, parts 1 through 7 and part 10, MCA, and P. L. 102-321, CFR. Chemical dependency is in Title 53, Chapters 1 and 24, MCA, and Part C, Title XIX of the Social Security Act.

Program Indicators –

Indicator	Actual FY2004	Actual FY2005	Actual FY2006	Requested FY2007	Requested FY2008	Requested FY2009
Chemical Dependency Program unduplicated individuals in treatment	6,449	6,841	7,339	7,465	8,266	8,679
Adult Mental Health Medicaid Program Unduplicated number of people served (1)	12,920	13,586	13,913	14,191	14,475	14,765

(1) numbers from new Decision Support Software and subject to change.

Program Proposed Budget							
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009
FTE	572.75	36.60	16.00	625.35	36.60	57.69	667.04
Personal Services	28,079,552	4,863,712	793,083	33,736,347	5,214,355	3,084,932	36,378,839
Operating Expenses	10,063,759	908,528	1,059,528	12,031,815	1,374,516	2,334,498	13,772,773
Equipment	27,000	0	30,000	57,000	0	0	27,000
Capital Outlay	0	0	450,000	450,000	0	0	0
Grants	6,634,137	0	4,151,912	10,786,049	0	4,152,683	10,786,820
Benefits & Claims	46,337,774	10,818,101	3,183,088	60,338,963	12,305,367	3,289,290	61,932,431
Debt Service	106,196	0	2,700	108,896	0	66,000	172,196
Total Costs	\$91,248,418	\$16,590,341	\$9,670,311	\$117,509,070	\$18,894,238	\$12,927,403	\$123,070,059
General Fund	44,871,341	7,595,457	5,560,267	58,027,065	8,764,185	9,058,553	62,694,079
State/Other Special	8,646,414	1,969,789	748,079	11,364,282	2,082,653	434,116	11,163,183
Federal Special	37,730,663	7,025,095	3,361,965	48,117,723	8,047,400	3,434,734	49,212,797
Total Funds	\$91,248,418	\$16,590,341	\$9,670,311	\$117,509,070	\$18,894,238	\$12,927,403	\$123,070,059

**Public Health & Human Services-6901
Addictive & Mental Disorders Division-33**

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

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$48,000	\$23,708
FY 2009	\$54,000	\$26,671

PL- 33101 - AMDD Operations Present Law Adjustments -

This request includes projected rent increases for Helena office building located on Fuller Avenue and increases to maintain electronic medical records at the facilities. The proposal requests \$102,000 total funds which includes \$50,379 of general fund over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$0	\$0

PL- 33201 - Medicaid FMAP - Chemical Dependency -

A change in the Federal Medical Assistance Percentage (FMAP) increases the amount of state special revenue necessary to maintain the Chemical Dependency Medicaid program. \$51,122 of state special revenue appropriation authority is requested over the biennium to cover the corresponding decrease in federal Medicaid funding.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$553,597	\$0
FY 2009	\$621,586	\$0

PL- 33202 - CD Medicaid Caseload Adjustment -

Chemical dependency Medicaid services are estimated to increase by 5% each year (\$126,421 and \$194,410, respectively in FY 2008 and FY 2009). Medicaid youth residential services are also expected to increase each year by \$427,176 for new providers that were not providing these services previously. This request is for \$1,175,183 total funds over the biennium including \$369,512 in state special revenue (alcohol tax) and \$805,671 in federal funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$117,959	\$0
FY 2009	\$120,750	\$0

PL- 33301 - MCDC OT/Diff/Holiday Pay & Aggregate FTE Funding -

This request is for personal services costs that have been removed from the base budget and must be reauthorized by the legislature each biennium. These services include holidays worked, overtime, differential and physician on-call necessary to maintain minimum staffing requirements at a 24 hour a day, 7 days a week, 365 days a year facility. The appropriation authority requested is \$238,709 over the biennium from state special revenue.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$81,707	\$0
FY 2009	\$126,670	\$0

PL- 33302 - MCDC Present Law Adjustments -

Montana Chemical Dependency Center is an inpatient chemical dependency treatment facility administered by the state. The present law adjustment is to request increases for pharmacy, outside medical, and facility rent and food services, which are essential costs related to operating the facility. \$208,377 is requested over the biennium from state special revenue.

**Public Health & Human Services-6901
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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$670,404
FY 2009	\$0	\$703,781

PL- 33401 - Medicaid FMAP - Mental Health -

A change in the Federal Medical Assistance Percentage (FMAP) increases the amount of general fund necessary to maintain the Mental Health Medicaid program. \$1,374,185 of general fund is requested over the biennium to cover the corresponding decrease in federal Medicaid funding.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$6,048,754	\$1,777,713
FY 2009	\$7,468,031	\$2,213,180

PL- 33402 - Medicaid Caseload Adjustment - Mental Health -

This proposal is to fund the anticipated caseload adjustment for Medicaid adult mental health services that include community services such as targeted case management, psychiatrists, hospitals, FQHC, rural health clinics, physicians and other mental health professionals, and mental health center providers. Caseload and service utilization are expected to grow at 3.5% per year. In addition to caseload inflation, this proposal includes the following caseload or utilization items: full funding of underutilized Medicaid Program for Assertive Community Treatment (PACT) and Intensive Community-Based Rehabilitation (ICBR) services; increased hospitalization usage and anticipated increase in the use of non-secure crisis stabilization beds due to enhanced focus on local crisis stabilization service development and a slight increase in the federal funds used to record institutional Medicaid costs. \$13,516,785 total funds are requested over the biennium, of which \$3,990,893 is general fund and \$175,624 is from state special revenue funding.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$4,215,750	\$0
FY 2009	\$4,215,750	\$0

PL- 33414 - Annualize HCBS Waiver -

The 2005 legislature accepted the executive proposal to implement a home and community-based Medicaid waiver for adults with a severe and disabling mental illness, similar to the waivers already administered for elderly, physically disabled, and developmentally disabled adults. This request continues the waiver assuming approximately 105 clients served in FY 2008 and FY 2009 at a daily rate of \$110/day. Depending on the required service intensity, additional eligible clients could be served. This budget request annualizes the budget received in fiscal year 2007 and is funded with tobacco tax (I-149 funding). This is a budget request for \$8,431,500 total funds over the biennium including \$2,650,864 in state special revenue funds.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,692,249	\$1,684,211
FY 2009	\$1,720,533	\$1,720,533

PL- 33501 - MSH OT/Diff/Holiday Pay & Aggregate FTE Funding -

This request is for personal services costs that have been removed from the base budget and must be reauthorized by the legislature each biennium. These services include holidays worked, overtime, differential and physician on-call necessary to maintain minimum staffing requirements at a 24 hour a day, 7 days a week, 365 days a year facility. The amount of general fund requested over the biennium is \$3,404,744 and the amount of state special revenue requested is \$8,038.

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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$496,987	\$496,987
FY 2009	\$783,347	\$783,347

PL- 33502 - MSH Present Law Adjustments -

Montana State Hospital (MSH) is an inpatient psychiatric hospital for adults who have serious mental illnesses and require intensive treatment and rehabilitation not available in the community. The present law adjustment is to request increases for pharmacy, outside medical, food contract with Montana State Prison and replacement equipment, which are essential costs related to operating the facility. General fund of \$1,280,334 is requested over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,668,572	\$1,668,572
FY 2009	\$1,683,031	\$1,683,031

PL- 33503 - MSH 36.6 Modified FTE -

This is a request to continue 36.60 FTE added during state fiscal year 2006 to address increased workload. From fiscal year 2004 to 2005 admissions increased by 9%. While discharges from the hospital also increased from fiscal year 2004 to 2005, at the same time, the population has remained above licensed capacity. Federal hospital regulations and oversight increased staff workload. The additional staff is needed to meet these needs and increase treatment and therapeutic activities for the patients. This request is for \$3,351,603 general fund over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$495,861	\$495,861
FY 2009	\$507,504	\$507,504

PL- 33601 - MMHNCC OT/Diff/Holiday Pay & Aggregate FTE Funding -

This request is for personal services costs that have been removed from the base budget and must be reauthorized by the legislature each biennium. These services include holidays worked, overtime, differential and physician on-call necessary to maintain minimum staffing requirements at a 24 hour a day, 7 days a week, 365 days a year facility. The amount of general fund requested over the biennium is \$1,003,365.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$187,146	\$187,146
FY 2009	\$272,537	\$272,537

PL- 33602 - MMHNCC Present Law Adjustments -

Montana Mental Health Nursing Care Center (MMHNCC) is a long term care facility for persons who have a mental disorder. The present law adjustment is to request inflation increases for pharmacy, outside medical, replacement equipment and nursing facility bed tax, which are essential costs related to operating the facility. The amount of general fund requested over the biennium is \$459,683.

**Public Health & Human Services-6901
Addictive & Mental Disorders Division-33**

-----**New Proposals**-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$79,484	\$0
FY 2009	\$79,574	\$0

NP- 33104 - Behavioral Health Program Facilitator -

This proposal requests to continue a shared position between AMDD and Department of Corrections (DOC). AMDD provides 1.00 FTE to coordinate treatment modality between agencies, while DOC provides funding of position and related operational costs, such as travel and supplies. The departments have a signed memorandum of understanding and DOC is charged for actual expenditures incurred. This request is for state special revenue authority for \$159,058 over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,000,000	\$2,000,000
FY 2009	\$2,000,000	\$2,000,000

NP- 33203 - Meth & CD Regional Services Expansion -

This proposal requests \$4 million in general fund over the biennium to implement a residential treatment service to address the longer-term support needed for the recovery from methamphetamine and other drugs and alcohol abuse. Evidence-based, patient-centered, and outcome-oriented chemical dependency interventions will be the basis for treatment. The population served is often individuals with a co-occurring illness, who may be in the correctional system.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$0	\$0
FY 2009	\$1,000,000	\$1,000,000

NP- 33204 - Methamphetamine Prevention - OTO -

This proposal is to continue the goal of preventing meth use by use of a media campaign such as the Montana Meth Project. This project is focused on advertising in Montana -- involving television, newspapers, radio, billboards and movie screens -- to focus attention of the negative impact to people, families, and communities through the use of methamphetamine. This will assist in sustaining the private on going effort to call attention to this issue through concentrated media exposure. The division requests \$1 million of general fund, one-time-only funding, in the second year of the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,332,000	\$0
FY 2009	\$2,332,000	\$0

NP- 33206 - Strategic Prevention Framework Incentive Grant -

This proposal requests \$4,664,000 in federal funding for the biennium to implement the State Prevention Framework-State Incentive Grant. This grant focuses on infrastructure and capacity building at state and community levels to deliver and sustain effective substance abuse prevention services. Two modified FTE's will be required to monitor and assist with the management of this grant. The FTE would be responsible for the implementation of the grant, day to day activities, performance monitoring and training for providers. The funding will also provide for data collection and analysis, personnel training and the development of state certification criteria for Prevention Specialists, among other activities. The division will allocate funding to individual communities to implement evidence-based prevention programs.

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	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$340,906	\$0
FY 2009	\$344,518	\$0

NP- 33304 - MCDC Staff (Modified and Other) -

This new proposal requests continuation of 6.0 modified FTE added in SFY 07 due to patient and staff safety issues. Operating costs and equipment are also required. \$685,424 of state special revenue is requested over the biennium for these costs.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$2,032,770	\$1,861,245
FY 2009	\$2,032,770	\$1,860,334

NP- 33407 - Fund 72 hr Community Crisis Support -

The Addictive and Mental Disorders Division is requesting \$3,721,579 General Fund and \$343,961 Federal Funds for the biennium to provide funding for up to 72 hours of crisis stabilization care for adults with severe disabling mental illness, who are uninsured. Care could be provided in a community and/or hospital setting based upon the individual's needs. Determination of appropriate crisis stabilization care will be made by a licensed mental health professional. Services to hospitals may be delivered through a contracted psychiatric assistance hotline and may include specific emergency department training.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$585,226	\$585,226
FY 2009	\$535,165	\$535,165

NP- 33410 - Mental Health Community Services Development -

The Addictive and Mental Disorders Division is requesting \$1,120,391 General Fund for the biennium for community services development. Development of community services to improve opportunities for adults with serious mental illness to live and work in the community includes the following components:

Limited funding support for patients discharged from the Montana State Hospital; mental health community liaison officers; development of a peer support implementation plan, and contracting for a workforce development and retention study.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$142,200	\$0
FY 2009	\$142,200	\$0

NP- 33413 - Federal Data Infrastructure Grant -

The department received a federal data infrastructure grant to continue to develop data capacity within the Mental Health Bureau. This requests the federal appropriation to hire a Behavioral Health Data Analyst 1.00 FTE and related operating and equipment. \$284,400 of federal appropriation authority is requested over the biennium.

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$1,325,409	\$281,480
FY 2009	\$1,432,436	\$282,251

NP- 33701 - Provider Rate Increases -

This decision package requests increases for provider rates by 2.5% for the biennium. Total funds requested are \$2,757,845 with \$563,731 general funds and \$689,776 I-149 Tobacco Initiative funds.

**Public Health & Human Services-6901
Addictive & Mental Disorders Division-33**

-----Other Legislation Required to Implement HB2-----

	<u>Total Agency Impact</u>	<u>General Fund Total</u>
FY 2008	\$832,316	\$832,316
FY 2009	\$3,028,740	\$3,380,803

NP- 33506 - Secure Treatment & Examination Program (STEP) -

The DPHHS is requesting \$4,213,119 General Fund for the biennium to provide funding for the Secure Treatment and Examination Program (STEP). This funding includes 41.69 FTE in FY 2009 (approximately two-thirds of the total, new FTE which will be needed for the program). STEP will provide mental health and addiction treatment services for offenders who have been charged and/or convicted of criminal acts and are, by court order in a criminal proceeding, placed into the custody of either the Department of Corrections or the Department of Public Health and Human Services for examination, treatment, incarceration, or custody.

The STEP program will include provision of appropriate treatment and rehabilitation services to address the psychiatric illnesses and substance use disorders of the target offender population while learning basic life skills, such as the ability to socialize and communicate with others, essential for fostering recovery. The program will include establishment of connections with family, the community, and other forces that motivate positive social behavior and provide support when people's resources are inadequate.

Language Recommendations

DP 33506 - The Secure Treatment and Examination Program (STEP) proposal is contingent on the passage of legislation, LC#xxx.