

## Agency Base Budget Comparison

The following table compares the base budget with the expenditures adopted by the legislature for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	FY 2027	Biennium Change from Base Amount	Percent
PB	2,831.92	2,750.62	2,750.62	(81.30)	(1.4%)
General Fund	745,722,273	833,247,895	883,819,288	225,622,637	15.1%
State/Other Special Rev. Funds	275,051,083	297,808,208	305,021,423	52,727,465	9.6%
Federal Spec. Rev. Funds	2,602,793,078	2,435,580,940	2,566,208,090	(203,797,126)	(3.9%)
<b>Total Funds</b>	<b>3,623,566,434</b>	<b>3,566,637,043</b>	<b>3,755,048,801</b>	<b>74,552,976</b>	<b>1.0%</b>
Personal Services	241,554,183	239,537,005	241,758,936	(1,812,425)	(0.4%)
Operating Expenses	184,474,809	269,256,889	280,897,136	181,204,407	49.1%
Equipment & Intangible Assets	426,370	423,820	423,820	(5,100)	(0.6%)
Grants	90,667,724	110,545,179	110,129,818	39,339,549	21.7%
Benefits & Claims	3,094,450,620	2,935,009,472	3,109,974,410	(143,917,358)	(2.3%)
Transfers	3,604,708	3,602,664	3,602,665	(4,087)	(0.1%)
Debt Service	8,388,020	8,262,014	8,262,016	(252,010)	(1.5%)
<b>Total Expenditures</b>	<b>3,623,566,434</b>	<b>3,566,637,043</b>	<b>3,755,048,801</b>	<b>74,552,976</b>	<b>1.0%</b>
<b>Total Ongoing</b>	<b>3,623,566,434</b>	<b>3,488,579,544</b>	<b>3,641,522,321</b>	<b>(117,031,003)</b>	<b>(1.6%)</b>
<b>Total One-Time-Only</b>		<b>78,057,499</b>	<b>113,526,480</b>	<b>191,583,979</b>	<b>0.0%</b>

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## Agency Highlights

**Department of Public Health and Human Services  
Major Budget Highlights**

- The 2027 biennium HB 2 ongoing budget is 1.6% lower than the 2025 biennium ongoing budget. The budget totals \$7,321.9 million ongoing and one-time-only funds and includes a biennial general fund increase of 15.1%, or \$225.6 million, due in part to:
  - Federal Medical Assistance Percentage (FMAP) adjustments, mostly for Medicaid, increase general fund by \$86.7 million over the biennium. The FMAP determines the state and federal shares of Medicaid financing
  - One-time-only authority of \$79.5 million in general fund over the biennium for the operation of state-owned facilities, including the Montana State Hospital (MSH)
  - Provider rate increases for both Medicaid and non-Medicaid providers totaling \$53.9 million general fund and \$102.5 million matching federal funds
  - Increases for information technology amount to \$19.8 million general fund across the biennium. These costs include increases for information technology maintenance and operations as well as rate increases for information technology services through the Statewide Information Technology Services Division (SITSD)
  - Caseload adjustments for foster care, guardianship, and adoption account for a \$14.4 million increase in general fund over the biennium
- The continuation of the Medicaid expansion program funding in HB 2. The budget for Medicaid expansion benefits totals \$1,991.8 million in all funds over the 2027 biennium including \$70.3 million general fund and \$119.3 million state special revenue funds
- Appropriations for nine recommendations based on the work of the Behavioral Health System for Future Generations Commission. In FY 2026, this amounts to \$12.1 million state special revenue funds from the account established in HB 872 of the 2023 Legislative Session. In FY 2027, this amounts to \$22.0 million state special revenue funds
- Additional funds from the account established in HB 872 of the 2023 Legislative Session totaling \$24.7 million over the biennium have been appropriated to increase bed capacity at psychiatric residential treatment facilities, community crisis centers, and the MSH
  - \$10.2 million was appropriated to continue operation of MSH Grasslands; and \$3.0 million was appropriated for a student loan repayment program targeting high need positions at state facilities
- A total reduction of 81.30 HB 2 PB in both years of the biennium. This includes a reduction of 101.30 PB in various programs and the addition of 20.00 PB across the agency

## Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	218,275,467	229,385,387	241,554,183	239,537,005	241,758,936
Operating Expenses	183,782,454	203,086,341	184,474,809	269,256,889	280,897,136
Equipment & Intangible Assets	439,528	819,039	426,370	423,820	423,820
Grants	103,371,086	103,696,113	90,667,724	110,545,179	110,129,818
Benefits & Claims	2,684,889,375	2,903,555,936	3,094,450,620	2,935,009,472	3,109,974,410
Transfers	4,427,993	6,628,961	3,604,708	3,602,664	3,602,665
Debt Service	12,919,338	9,186,466	8,388,020	8,262,014	8,262,016
<b>Total Expenditures</b>	<b>\$3,208,105,241</b>	<b>\$3,456,358,243</b>	<b>\$3,623,566,434</b>	<b>\$3,566,637,043</b>	<b>\$3,755,048,801</b>
General Fund	677,322,103	694,073,411	745,722,273	833,247,895	883,819,288
State/Other Special Rev. Funds	236,587,039	258,441,365	275,051,083	297,808,208	305,021,423
Federal Spec. Rev. Funds	2,294,196,099	2,503,843,467	2,602,793,078	2,435,580,940	2,566,208,090
<b>Total Funds</b>	<b>\$3,208,105,241</b>	<b>\$3,456,358,243</b>	<b>\$3,623,566,434</b>	<b>\$3,566,637,043</b>	<b>\$3,755,048,801</b>
<b>Total Ongoing</b>	<b>\$3,208,105,241</b>	<b>\$3,456,358,243</b>	<b>\$3,623,566,434</b>	<b>\$3,488,579,544</b>	<b>\$3,641,522,321</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,057,499</b>	<b>\$113,526,480</b>

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## Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2025	Executive Budget Fiscal 2026	Legislative Budget Fiscal 2026	Leg — Exec. Difference Fiscal 2026	Executive Budget Fiscal 2027	Legislative Budget Fiscal 2027	Leg — Exec. Difference Fiscal 2027	Biennium Difference Fiscal 26-27
Personal Services	241,554,183	240,768,980	239,537,005	(1,231,975)	242,123,653	241,758,936	(364,717)	(1,596,692)
Operating Expenses	184,474,809	257,778,649	269,256,889	11,478,240	266,112,824	280,897,136	14,784,312	26,262,552
Equipment & Intangible Assets	426,370	426,370	423,820	(2,550)	426,370	423,820	(2,550)	(5,100)
Grants	90,667,724	93,849,835	110,545,179	16,695,344	93,956,145	110,129,818	16,173,673	32,869,017
Benefits & Claims	3,094,450,620	2,815,094,822	2,935,009,472	119,914,650	2,973,911,996	3,109,974,410	136,062,414	255,977,064
Transfers	3,604,708	3,604,708	3,602,664	(2,044)	3,604,708	3,602,665	(2,043)	(4,087)
Debt Service	8,388,020	8,388,020	8,262,014	(126,006)	8,388,020	8,262,016	(126,004)	(252,010)
<b>Total Costs</b>	<b>\$3,623,566,434</b>	<b>\$3,419,911,384</b>	<b>\$3,566,637,043</b>	<b>\$146,725,659</b>	<b>\$3,588,523,716</b>	<b>\$3,755,048,801</b>	<b>\$166,525,085</b>	<b>\$313,250,744</b>
General Fund	745,722,273	835,572,797	833,247,895	(2,324,902)	877,011,698	883,819,288	6,807,590	4,482,688
State/Other Special Rev. Funds	275,051,083	292,038,766	297,808,208	5,769,442	285,911,636	305,021,423	19,109,787	24,879,229
Federal Spec. Rev. Funds	2,602,793,078	2,292,299,821	2,435,580,940	143,281,119	2,425,600,382	2,566,208,090	140,607,708	283,888,827
<b>Total Funds</b>	<b>\$3,623,566,434</b>	<b>\$3,419,911,384</b>	<b>\$3,566,637,043</b>	<b>\$146,725,659</b>	<b>\$3,588,523,716</b>	<b>\$3,755,048,801</b>	<b>\$166,525,085</b>	<b>\$313,250,744</b>
<b>Total Ongoing</b>	<b>\$3,623,566,434</b>	<b>\$3,384,861,146</b>	<b>\$3,488,579,544</b>	<b>\$103,718,398</b>	<b>\$3,553,245,908</b>	<b>\$3,641,522,321</b>	<b>\$88,276,413</b>	<b>\$191,994,811</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$35,050,238</b>	<b>\$78,057,499</b>	<b>\$43,007,261</b>	<b>\$35,277,808</b>	<b>\$113,526,480</b>	<b>\$78,248,672</b>	<b>\$121,255,933</b>

The legislative budget is \$313.3 million total funds higher than the executive request over the biennium. The majority of this difference is due to the legislature not adopting the executive proposal to move the Supplemental Nutrition Program (SNAP) from HB 2 to a statutory appropriation. The SNAP appropriation over the 2027 biennium is \$345.1 million.

- The legislative budget includes 2,750.62 PB, 9.00 fewer than the executive request. The legislature did accept the executive proposal to remove 97.30 PB from the Healthcare Facilities Division but did not adopt a decision package that would have added 12.00 PB in the Human and Community Services Division. The legislature also adopted the following PB changes across the agency:
  - 5.00 PB in the Disability Employment and Transitions Division
  - 1.00 PB in the Human and Community Services Division
  - 1.00 PB in the Child and Family Services Division
  - 2.00 PB in the Business and Financial Services Division
  - (3.00) PB in the Technology Services Division
  - 1.00 PB in the Medicaid and Health Services Management Division
  - 3.00 PB in the Senior and Long-Term Care Division
  - 7.00 PB in the Early Childhood and Family Support Division
- The legislative budget is \$4.5 million general fund higher than the executive request over the 2027 biennium. In FY 2026, the executive request is \$2.3 million higher than the adopted legislative budget in general fund. In FY 2027, the executive budget general fund request is \$6.8 million lower than the adopted legislative budget. The legislature adopted a lower caseload adjustment for Medicaid and Medicaid expansion than the executive requested. However, these lower caseloads are offset by the legislative adoption of provider rate increases for non-Medicaid and Medicaid providers that added \$53.9 million general fund to the agency budget. These rates go beyond the executive proposal for provider rate increases which totaled \$3.0 million general fund and only included an increase for Part C services
- The legislative budget is \$24.9 million state special revenue funds higher than the executive request over the 2027 biennium. This difference is driven by the legislative adoption of higher appropriations for expenditures utilizing the Behavioral Health System for Future Generations fund than those in the original executive budget request
- The legislative budget is \$283.9 million federal funds higher than the executive request over the 2027 biennium. This difference is mainly due to the legislature not adopting the executive proposal to move the Supplemental Nutrition Program (SNAP) from HB 2 to a statutory appropriation, which would have lowered the federal funds in HB 2 by \$345.1 million over the 2027 biennium. The subcommittee also brought federal authority into HB 2 that has historically been funded through the budget amendment process

## Funding

The following table shows the adopted agency funding for all sources of authority.

Total Department of Public Health & Human Services Funding by Source of Authority 2027 Biennium Budget						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
<b>01100 General Fund</b>	<b>1,627,773,472</b>	<b>89,293,711</b>			<b>1,717,067,183</b>	<b>22.8%</b>
02989 69010-Hospital Utilization Fee	114,977,171				114,977,171	1.5%
02597 Healthy Montana Kids Plan	103,662,998				103,662,998	1.4%
02181 BHSFG	18,396,535	57,004,851			75,401,386	1.0%
02067 Montana HELP Act	55,721,216				55,721,216	0.7%
02772 Tobacco Hlth and Medicaid Init	48,140,706				48,140,706	0.6%
Other State Special Revenue	200,326,154	4,600,000		5,200,024	210,126,178	2.8%
<b>State Special Revenue Total</b>	<b>541,224,780</b>	<b>61,604,851</b>	-	<b>5,200,024</b>	<b>608,029,655</b>	<b>8.1%</b>
03583 93.778 - Med Ben FMAP	1,805,681,985	20,348,591		2	1,826,030,578	24.3%
03975 Medicaid Exp HELP Act Benefit	1,611,035,165	13,162,739			1,624,197,904	21.6%
03678 6901-Food Stamp Benefits	345,133,644				345,133,644	4.6%
03582 93.778 - Med Ben 100%				189,112,462	189,112,462	2.5%
03977 Med Exp HELP Act Indian Health	175,763,023				175,763,023	2.3%
Other Federal Special Revenue	1,023,489,796	7,174,087			1,030,663,883	13.7%
<b>Federal Special Revenue Total</b>	<b>4,961,103,613</b>	<b>40,685,417</b>	-	<b>189,112,464</b>	<b>5,190,901,494</b>	<b>69.1%</b>
<b>Proprietary Fund Total</b>	-	-	-	-	-	<b>0.0%</b>
<b>Total of All Funds</b>	<b>7,130,101,865</b>	<b>191,583,979</b>	-	<b>194,312,488</b>	<b>7,515,998,332</b>	
<b>Percent of All Sources of Authority</b>	<b>94.9%</b>	<b>2.5%</b>	<b>0.0%</b>	<b>2.6%</b>		

DPHHS is primarily funded through HB 2 with general fund, state special funds, and federal funds. The majority of funding in this agency is federal funding for the various social assistance programs that DPHHS administers including traditional Medicaid, Medicaid expansion and the Children's Health Insurance Program (CHIP). The state resources in this agency are in large part used as state match to draw down the federal funds in these various health and social assistance programs.

The federal statutory appropriations in the table above are almost entirely for the Indian Health Services traditional Medicaid program. The state special revenue statutory appropriations are largely associated with the statutory alcohol tax program.

## Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Department of Public Health & Human Services 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>745,722,273</b>	<b>275,051,083</b>	<b>2,602,793,078</b>	<b>3,623,566,434</b>	<b>101.6%</b>	<b>745,722,273</b>	<b>275,051,083</b>	<b>2,602,793,078</b>	<b>3,623,566,434</b>	<b>96.5%</b>
Statewide PL										
Personal Services	1,367,432	(456,432)	(1,225,791)	(314,791)	(0.0%)	1,568,429	(427,401)	(980,036)	160,992	0.0%
Fixed Costs	3,080,106	(170,232)	2,297,770	5,207,644	0.1%	2,624,696	(212,395)	1,990,401	4,402,702	0.1%
Inflation Deflation	(43,809)	(1,202)	(15,900)	(60,911)	(0.0%)	(29,604)	(812)	(10,746)	(41,162)	(0.0%)
Total Statewide PL	4,403,729	(627,866)	1,056,079	4,831,942	0.1%	4,163,521	(640,608)	999,619	4,522,532	0.1%
Present Law (PL)	18,568,979	(5,977,243)	(225,804,807)	(213,213,071)	(6.0%)	53,222,516	(5,374,669)	(166,828,939)	(118,981,092)	(3.2%)
New Proposals	64,552,914	29,362,234	57,536,590	151,451,738	4.2%	80,710,978	35,985,617	129,244,332	245,940,927	6.5%
<b>Total HB 2 Adjustments</b>	<b>87,525,622</b>	<b>22,757,125</b>	<b>(167,212,138)</b>	<b>(56,929,391)</b>	<b>(1.6%)</b>	<b>138,097,015</b>	<b>29,970,340</b>	<b>(36,584,988)</b>	<b>131,482,367</b>	<b>3.5%</b>
<b>Total Budget</b>	<b>833,247,895</b>	<b>297,808,208</b>	<b>2,435,580,940</b>	<b>3,566,637,043</b>		<b>883,819,288</b>	<b>305,021,423</b>	<b>2,566,208,090</b>	<b>3,755,048,801</b>	

## Language

The line-item BHSFG 22. Certified Community Behavioral Health Clinics (Restricted/Biennial/OTO) is void if a bill containing provisions for the implementation of the certified community behavioral health clinic (CCBHC) model is not passed and approved.

The line-item Student Loan Repayment Program (Restricted/Biennial/OTO) is restricted to a student loan repayment program for nurses, licensed practical nurses, and psychiatrists at the Montana State Hospital or other state-run facilities. It is the intent of the Legislature that these funds be prioritized for positions at the Montana State Hospital.

The line-item Increase Psychiatric Residential Treatment Facility Bed Capacity (Restricted/OTO) is restricted to grants for increasing psychiatric residential treatment facility bed capacity across the state of Montana with the intention of prioritizing the youngest and highest-need kids.

It is the intent of the Legislature that the Tribal Relations Manager position be returned to the direct supervision of the director of the Department of Public Health and Human Services, that this position report directly to the director, and that this position be located in Helena within department offices. It is the intent of the Legislature that this be done by June 30, 2025.

The line-item Montana State Hospital Beds (OTO) is contingent on passage of a bill that permits the use of state special revenue funds as provided in section 50-1-119, MCA, for expenditures for operating the Montana State Hospital.

The line-item Tobacco Use Prevention Program Contingent Funding (OTO) is void in any fiscal year during which the Department of Public Health and Human Services receives federal tobacco control program funding.

## 69010 - Department Of Public Health & Human Services01-Disability Employment and Transitions

### Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	FY 2027	Biennium Change from Base Amount	Percent
PB	139.07	144.07	144.07	5.00	1.8%
General Fund	6,778,258	7,399,204	8,017,777	1,860,465	13.7%
State/Other Special Rev. Funds	1,809,133	2,230,477	2,275,628	887,839	24.5%
Federal Spec. Rev. Funds	23,443,425	22,740,941	22,772,292	(1,373,617)	(2.9%)
<b>Total Funds</b>	<b>32,030,816</b>	<b>32,370,622</b>	<b>33,065,697</b>	<b>1,374,687</b>	<b>2.1%</b>
Personal Services	11,626,531	11,255,488	11,281,444	(716,130)	(3.1%)
Operating Expenses	5,001,334	5,352,796	5,388,033	738,161	7.4%
Grants	719,317	218,287	218,287	(1,002,060)	(69.7%)
Benefits & Claims	13,510,785	14,371,202	15,005,084	2,354,716	8.7%
Transfers	411,032	411,032	411,032		0.0%
Debt Service	761,817	761,817	761,817		0.0%
<b>Total Expenditures</b>	<b>32,030,816</b>	<b>32,370,622</b>	<b>33,065,697</b>	<b>1,374,687</b>	<b>2.1%</b>
<b>Total Ongoing</b>	<b>32,030,816</b>	<b>32,370,622</b>	<b>33,065,697</b>	<b>1,374,687</b>	<b>2.1%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

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### Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	9,691,411	10,575,649	11,626,531	11,255,488	11,281,444
Operating Expenses	4,357,311	5,768,593	5,001,334	5,352,796	5,388,033
Grants	401,332	268,288	719,317	218,287	218,287
Benefits & Claims	13,246,355	13,880,065	13,510,785	14,371,202	15,005,084
Transfers	483,385	468,432	411,032	411,032	411,032
Debt Service	746,942	761,817	761,817	761,817	761,817
<b>Total Expenditures</b>	<b>\$28,926,736</b>	<b>\$31,722,844</b>	<b>\$32,030,816</b>	<b>\$32,370,622</b>	<b>\$33,065,697</b>
General Fund	7,171,645	7,243,085	6,778,258	7,399,204	8,017,777
State/Other Special Rev. Funds	890,040	1,778,333	1,809,133	2,230,477	2,275,628
Federal Spec. Rev. Funds	20,865,051	22,701,426	23,443,425	22,740,941	22,772,292
<b>Total Funds</b>	<b>\$28,926,736</b>	<b>\$31,722,844</b>	<b>\$32,030,816</b>	<b>\$32,370,622</b>	<b>\$33,065,697</b>
<b>Total Ongoing</b>	<b>\$28,926,736</b>	<b>\$31,722,844</b>	<b>\$32,030,816</b>	<b>\$32,370,622</b>	<b>\$33,065,697</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 69010 - Department Of Public Health & Human Services01-Disability Employment and Transitions

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### Funding

The Disability Employment and Transitions Division (DETD) is funded primarily by a variety of federal funds. Some programs are fully funded with federal funds including disability determinations, while other federally funded programs require varying levels of state match funds. Most of the federal authority is contained in four programs including:

- Rehab Sec 110 A
- Disability Determination Administration
- Social Security – Ticket to Work
- Indirect Activity Program

General fund and state special revenue funds cover the rest of the division's costs. Portions of each are used to support administrative costs with the remaining general fund being used to support Vocational Rehabilitation; the remaining state special revenue is used to facilitate the Montana Telecommunications Access Program (MTAP).

### Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

	Disability Employment and Transitions 2027 Biennium HB 2 Base Budget and Adjustments									
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>6,778,258</b>	<b>1,809,133</b>	<b>23,443,425</b>	<b>32,030,816</b>	<b>99.0%</b>	<b>6,778,258</b>	<b>1,809,133</b>	<b>23,443,425</b>	<b>32,030,816</b>	<b>96.9%</b>
Statewide PL										
Personal Services	(185,469)	(59,093)	(506,024)	(750,586)	(2.3%)	(181,219)	(57,042)	(486,577)	(724,838)	(2.2%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(221)	0	(815)	(1,036)	(0.0%)	(149)	0	(551)	(700)	(0.0%)
Total Statewide PL	(185,690)	(59,093)	(506,839)	(751,622)	(2.3%)	(181,368)	(57,042)	(487,128)	(725,538)	(2.2%)
Present Law (PL)	0	0	(501,030)	(501,030)	(1.5%)	0	0	(501,030)	(501,030)	(1.5%)
New Proposals	806,636	480,437	305,385	1,592,458	4.9%	1,420,887	523,537	317,025	2,261,449	6.8%
<b>Total HB 2 Adjustments</b>	<b>620,946</b>	<b>421,344</b>	<b>(702,484)</b>	<b>339,806</b>	<b>1.0%</b>	<b>1,239,519</b>	<b>466,495</b>	<b>(671,133)</b>	<b>1,034,881</b>	<b>3.1%</b>
<b>Total Budget</b>	<b>7,399,204</b>	<b>2,230,477</b>	<b>22,740,941</b>	<b>32,370,622</b>		<b>8,017,777</b>	<b>2,275,628</b>	<b>22,772,292</b>	<b>33,065,697</b>	

### Present Law Adjustments -

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

## 69010 - Department Of Public Health & Human Services01-Disability Employment and Transitions

Present Law Adjustments										
Fiscal 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	(185,469)	(59,093)	(506,024)	(750,586)	0.00	(181,219)	(57,042)	(486,577)	(724,838)
DP 3 - Inflation Deflation	0.00	(221)	0	(815)	(1,036)	0.00	(149)	0	(551)	(700)
DP 1003 - Decreasing Approp for MonTech Program - DETD	0.00	0	0	(501,030)	(501,030)	0.00	0	0	(501,030)	(501,030)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$185,690)</b>	<b>(\$59,093)</b>	<b>(\$1,007,869)</b>	<b>(\$1,252,652)</b>	<b>0.00</b>	<b>(\$181,368)</b>	<b>(\$57,042)</b>	<b>(\$988,158)</b>	<b>(\$1,226,568)</b>

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

### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state motor pool and motor pool leased vehicles.

### DP 1003 - Decreasing Approp for MonTech Program - DETD -

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

### **New Proposals -**

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

New Proposals										
Fiscal 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 1001 - MTAP Appropriation Increase for Expanded Services - DETD	2.00	0	480,437	0	480,437	2.00	0	523,537	0	523,537
DP 1007 - Ind. Living Skills Program for Blind/Low Vision - Homemaker	1.00	75,446	0	0	75,446	1.00	72,646	0	0	72,646
DP 1011 - 3% Provider Rate Adjustment - DETD Non-Medicaid	0.00	93,669	0	166,748	260,417	0.00	111,825	0	182,474	294,299
DP 1014 - Alt. Voc. Rehab for Clients with SDMI/Co-Occurring Illnesses	2.00	37,521	0	138,637	176,158	2.00	36,416	0	134,551	170,967
DP 1015 - Prov Rate Adj. - Voc Rehab & Blind Services	0.00	600,000	0	0	600,000	0.00	1,200,000	0	0	1,200,000
<b>Total</b>	<b>5.00</b>	<b>\$806,636</b>	<b>\$480,437</b>	<b>\$305,385</b>	<b>\$1,592,458</b>	<b>5.00</b>	<b>\$1,420,887</b>	<b>\$523,537</b>	<b>\$317,025</b>	<b>\$2,261,449</b>

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

## **69010 - Department Of Public Health & Human Services01-Disability Employment and Transitions**

### DP 1001 - MTAP Appropriation Increase for Expanded Services - DETD -

The legislature adopted 2.00 PB to expand services for the Montana Telecommunications Access Program (MTAP). This service is funded with state special revenue through assessment of a 10-cent fee collected monthly from users of landlines and cell phones.

### DP 1007 - Ind. Living Skills Program for Blind/Low Vision - Homemaker -

The legislature adopted 1.00 PB to distribute and provide training on usage of equipment assistive technology for individuals adjusting to blindness and vision loss that are now seeking employment. Due to eligibility requirements, these services are currently only available to individuals wishing to maintain, retain, or advance in employment, or those aged 55 and older. This provides services to individuals managing the onset of blindness or low vision who do not fit into the other categories. This decision package totals \$148,092 in general funds for the biennium and is contingent on passage and approval of LC0443.

### DP 1011 - 3% Provider Rate Adjustment - DETD Non-Medicaid -

The legislature adopted funding for provider rate increases.

### DP 1014 - Alt. Voc. Rehab for Clients with SDMI/Co-Occurring Illnesses -

The legislature adopted 2.00 PB for rehabilitation counselors to the budget for the Vocational Rehabilitation Program. The increase will be used to provide and coordinate Individualized Placement and Support (IPS) services for clients who live with a Serious and Disabling Mental Illness (SDMI) or co-occurring diagnosis. The funding source for these positions is 78.7% federal funds and 21.3% general fund.

### DP 1015 - Prov Rate Adj. - Voc Rehab & Blind Services -

The legislature adopted funding increases for provider rate adjustments. Those providers eligible for the statutory increases in 53-6-125, MCA, are not captured in this decision package as their adjustment is already included in the Medicaid caseload adjustment.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	FY 2027	Biennium Change from Base Amount	Percent
PB	492.50	493.50	493.50	1.00	0.1%
General Fund	26,830,208	26,587,021	26,489,578	(583,817)	(1.1%)
State/Other Special Rev. Funds	2,179,116	2,120,784	2,124,069	(113,379)	(2.6%)
Federal Spec. Rev. Funds	263,882,023	275,440,689	275,367,739	23,044,382	4.4%
<b>Total Funds</b>	<b>292,891,347</b>	<b>304,148,494</b>	<b>303,981,386</b>	<b>22,347,186</b>	<b>3.8%</b>
Personal Services	41,346,407	39,622,988	39,698,709	(3,371,117)	(4.1%)
Operating Expenses	8,011,603	8,778,269	8,535,440	1,290,503	8.1%
Equipment & Intangible Assets	26,000	26,000	26,000		0.0%
Grants	24,366,008	27,149,708	27,149,708	5,567,400	11.4%
Benefits & Claims	217,004,998	226,435,198	226,435,198	18,860,400	4.3%
Transfers	2,122,620	2,122,620	2,122,620		0.0%
Debt Service	13,711	13,711	13,711		0.0%
<b>Total Expenditures</b>	<b>292,891,347</b>	<b>304,148,494</b>	<b>303,981,386</b>	<b>22,347,186</b>	<b>3.8%</b>
<b>Total Ongoing</b>	<b>292,891,347</b>	<b>300,681,178</b>	<b>300,514,070</b>	<b>15,412,554</b>	<b>2.6%</b>
<b>Total One-Time-Only</b>		<b>3,467,316</b>	<b>3,467,316</b>	<b>6,934,632</b>	<b>0.0%</b>

**Page Reference**

LFD Budget Analysis, B-24

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	38,568,387	41,197,505	41,346,407	39,622,988	39,698,709
Operating Expenses	10,749,868	13,827,883	8,011,603	8,778,269	8,535,440
Equipment & Intangible Assets	0	25,000	26,000	26,000	26,000
Grants	28,798,606	31,179,658	24,366,008	27,149,708	27,149,708
Benefits & Claims	193,305,471	197,159,797	217,004,998	226,435,198	226,435,198
Transfers	1,947,486	4,203,010	2,122,620	2,122,620	2,122,620
Debt Service	2,231,163	18,711	13,711	13,711	13,711
<b>Total Expenditures</b>	<b>\$275,600,981</b>	<b>\$287,611,564</b>	<b>\$292,891,347</b>	<b>\$304,148,494</b>	<b>\$303,981,386</b>
General Fund	25,953,882	26,235,897	26,830,208	26,587,021	26,489,578
State/Other Special Rev. Funds	2,334,338	2,759,956	2,179,116	2,120,784	2,124,069
Federal Spec. Rev. Funds	247,312,761	258,615,711	263,882,023	275,440,689	275,367,739
<b>Total Funds</b>	<b>\$275,600,981</b>	<b>\$287,611,564</b>	<b>\$292,891,347</b>	<b>\$304,148,494</b>	<b>\$303,981,386</b>
<b>Total Ongoing</b>	<b>\$275,600,981</b>	<b>\$287,611,564</b>	<b>\$292,891,347</b>	<b>\$300,681,178</b>	<b>\$300,514,070</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,467,316</b>	<b>\$3,467,316</b>

**Page Reference**

LFD Budget Analysis, B-27

**Funding**

The Human and Community Services Division budget is mainly comprised of federal special revenue funds although it does include general fund and state special revenue as well. There are three major areas of federal benefits funding for HB 2; Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) and the Low-Income Housing Energy Assistance Program (LIHEAP). Additional sources of federal funding include the Weatherization Assistance Program which helps eligible individuals reduce their energy consumption and improve the energy efficiency in their home; programs funded through the Community Services Block Grant; Housing and Urban Development (HUD) emergency shelter funding; Commodity Supplemental Food Program for low-income elderly Montanans; and Housing Opportunities for People with acquired immunodeficiency syndrome (AIDS; HOPWA).

Though most funding in this division goes to benefits, there is a large amount of funding in this division that goes to administration of the programs mentioned above as well as indirect activity. Indirect activity is a federally approved cost allocation formula which is derived from those funds expended on functions benefitting or serving other divisions in the department for other programs. In the HCSD, indirect activity funds the Office of Public Assistance which is responsible for Medicaid eligibility determinations.

**Legislative Budget**

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Human and Community Services 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>26,830,208</b>	<b>2,179,116</b>	<b>263,882,023</b>	<b>292,891,347</b>	<b>96.3%</b>	<b>26,830,208</b>	<b>2,179,116</b>	<b>263,882,023</b>	<b>292,891,347</b>	<b>96.4%</b>
Statewide PL										
Personal Services	(928,499)	(70,919)	(1,467,793)	(2,467,211)	(0.8%)	(901,797)	(67,650)	(1,416,774)	(2,386,221)	(0.8%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(471)	(50)	(1,012)	(1,533)	(0.0%)	(318)	(34)	(683)	(1,035)	(0.0%)
Total Statewide PL	(928,970)	(70,969)	(1,468,805)	(2,468,744)	(0.8%)	(902,115)	(67,684)	(1,417,457)	(2,387,256)	(0.8%)
Present Law (PL)	80,874	12,637	159,219	252,730	0.1%	80,874	12,637	159,219	252,730	0.1%
New Proposals	604,909	0	12,868,252	13,473,161	4.4%	480,611	0	12,743,954	13,224,565	4.4%
<b>Total HB 2 Adjustments</b>	<b>(243,187)</b>	<b>(58,332)</b>	<b>11,558,666</b>	<b>11,257,147</b>	<b>3.7%</b>	<b>(340,630)</b>	<b>(55,047)</b>	<b>11,485,716</b>	<b>11,090,039</b>	<b>3.6%</b>
<b>Total Budget</b>	<b>26,587,021</b>	<b>2,120,784</b>	<b>275,440,689</b>	<b>304,148,494</b>		<b>26,489,578</b>	<b>2,124,069</b>	<b>275,367,739</b>	<b>303,981,386</b>	

**Present Law Adjustments -**

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

## 69010 - Department Of Public Health & Human Services      02-Human and Community Services

Present Law Adjustments										
Fiscal 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	(928,499)	(70,919)	(1,467,793)	(2,467,211)	0.00	(901,797)	(67,650)	(1,416,774)	(2,386,221)
DP 3 - Inflation Deflation	0.00	(471)	(50)	(1,012)	(1,533)	0.00	(318)	(34)	(683)	(1,035)
DP 2004 - Office of Public Assistance Overtime HCSD (RST)	0.00	80,874	12,637	159,219	252,730	0.00	80,874	12,637	159,219	252,730
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$848,096)</b>	<b>(\$58,332)</b>	<b>(\$1,309,586)</b>	<b>(\$2,216,014)</b>	<b>0.00</b>	<b>(\$821,241)</b>	<b>(\$55,047)</b>	<b>(\$1,258,238)</b>	<b>(\$2,134,526)</b>

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

### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

### DP 2004 - Office of Public Assistance Overtime HCSD (RST) -

The legislature adopted authority for overtime in the Office of Public Assistance. The increase was adopted to maintain the client caseload in addition to what is funded in SWPL 1.

### **New Proposals -**

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

New Proposals										
Fiscal 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 2001 - Summer EBT Administrative and Benefits - HCSD	1.00	478,734	0	9,836,112	10,314,846	1.00	354,436	0	9,711,814	10,066,250
DP 2008 - Realign Appropriation with Revenue Com. Sup. Food Prog.	0.00	0	0	(309,000)	(309,000)	0.00	0	0	(309,000)	(309,000)
DP 2009 - Reduce Appropriation for Orphan Fund - HCSD	0.00	0	0	(1)	(1)	0.00	0	0	(1)	(1)
DP 2010 - Funds to Entities that Adv. for Child. In Legal Set. (RST/BI	0.00	0	0	500,000	500,000	0.00	0	0	500,000	500,000
DP 2034 - Medically Needy Personal Services Funding (RST/BIEN/OTO)	0.00	126,175	0	341,141	467,316	0.00	126,175	0	341,141	467,316
DP 2040 - Funding to Entities Providing Child Mentorship (RST/BIEN/OTO	0.00	0	0	500,000	500,000	0.00	0	0	500,000	500,000
DP 2041 - Funding for Food Banks (RST/BIEN/OTO)	0.00	0	0	1,000,000	1,000,000	0.00	0	0	1,000,000	1,000,000
DP 2042 - Funding for After School Programs (RST/BIEN/OTO)	0.00	0	0	1,000,000	1,000,000	0.00	0	0	1,000,000	1,000,000
<b>Total</b>	<b>1.00</b>	<b>\$604,909</b>	<b>\$0</b>	<b>\$12,868,252</b>	<b>\$13,473,161</b>	<b>1.00</b>	<b>\$480,611</b>	<b>\$0</b>	<b>\$12,743,954</b>	<b>\$13,224,565</b>

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

## **69010 - Department Of Public Health & Human Services      02-Human and Community Services**

### **DP 2001 - Summer EBT Administrative and Benefits - HCSD -**

The legislature adopted permanent funding for the Summer EBT Program. The Summer EBT Program, first implemented in FY 2024, provides food assistance to children who are eligible for free or reduced school lunch during the summer when school lunch is unavailable.

### **DP 2008 - Realign Appropriation with Revenue Com. Sup. Food Prog. -**

The legislature adopted a reduction in the appropriation of federal revenue to the commodity supplemental food program to align the appropriation with anticipated expenditures.

### **DP 2009 - Reduce Appropriation for Orphan Fund - HCSD -**

The legislature adopted a reduction in the appropriation of federal funds for the homeless management information system fund. This fund has a base appropriation of \$1 per year with no active revenue for the past several years. This change package gets rid of this appropriation over the biennium.

### **DP 2010 - Funds to Entities that Adv. for Child. In Legal Set. (RST/BI -**

The legislature adopted an increase of \$500,000 in each year of the biennium for entities that advocate for children in legal settings. This appropriation is restricted to grants for the specified types of entities.

### **DP 2034 - Medically Needy Personal Services Funding (RST/BIEN/OTO) -**

The legislature adopted funding for personal services in the Medicaid Medically Needy program.

### **DP 2040 - Funding to Entities Providing Child Mentorship (RST/BIEN/OTO -**

The legislature adopted funding for entities providing child mentorship programs.

### **DP 2041 - Funding for Food Banks (RST/BIEN/OTO) -**

The legislature adopted funding for food banks.

### **DP 2042 - Funding for After School Programs (RST/BIEN/OTO) -**

The legislature adopted funding for after school programs.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	449.97	450.97	450.97	1.00	0.1%
General Fund	69,664,550	81,092,385	83,324,093	25,087,378	18.0%
State/Other Special Rev. Funds	1,478,208	1,473,989	1,471,928	(10,499)	(0.4%)
Federal Spec. Rev. Funds	50,628,895	49,048,825	49,814,643	(2,394,322)	(2.4%)
<b>Total Funds</b>	<b>121,771,653</b>	<b>131,615,199</b>	<b>134,610,664</b>	<b>22,682,557</b>	<b>9.3%</b>
Personal Services	36,865,435	37,561,703	37,654,892	1,485,725	2.0%
Operating Expenses	5,911,903	5,883,821	5,890,256	(49,729)	(0.4%)
Grants	4,939,476	5,341,990	5,408,941	871,979	8.8%
Benefits & Claims	72,103,213	80,876,059	83,704,949	20,374,582	14.1%
Transfers	593,356	593,356	593,356		0.0%
Debt Service	1,358,270	1,358,270	1,358,270		0.0%
<b>Total Expenditures</b>	<b>121,771,653</b>	<b>131,615,199</b>	<b>134,610,664</b>	<b>22,682,557</b>	<b>9.3%</b>
<b>Total Ongoing</b>	<b>121,771,653</b>	<b>131,615,199</b>	<b>134,610,664</b>	<b>22,682,557</b>	<b>9.3%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

**Page Reference**

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**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	36,972,808	34,496,745	36,865,435	37,561,703	37,654,892
Operating Expenses	3,260,763	5,924,343	5,911,903	5,883,821	5,890,256
Grants	6,208,033	6,368,044	4,939,476	5,341,990	5,408,941
Benefits & Claims	68,360,030	69,014,315	72,103,213	80,876,059	83,704,949
Transfers	1,608,485	1,429,421	593,356	593,356	593,356
Debt Service	2,898,451	2,939,436	1,358,270	1,358,270	1,358,270
<b>Total Expenditures</b>	<b>\$119,308,570</b>	<b>\$120,172,304</b>	<b>\$121,771,653</b>	<b>\$131,615,199</b>	<b>\$134,610,664</b>
General Fund	72,562,330	72,714,573	69,664,550	81,092,385	83,324,093
State/Other Special Rev. Funds	1,479,697	1,541,584	1,478,208	1,473,989	1,471,928
Federal Spec. Rev. Funds	45,266,543	45,916,147	50,628,895	49,048,825	49,814,643
<b>Total Funds</b>	<b>\$119,308,570</b>	<b>\$120,172,304</b>	<b>\$121,771,653</b>	<b>\$131,615,199</b>	<b>\$134,610,664</b>
<b>Total Ongoing</b>	<b>\$119,308,570</b>	<b>\$120,172,304</b>	<b>\$121,771,653</b>	<b>\$131,615,199</b>	<b>\$134,610,664</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Page Reference

LFD Budget Analysis, B-34

## Funding

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

Statutory appropriations are made for adoption services. These revenues come from adoption services fees and fund personal services and operating expenses in the Child and Family Services Division (CFSD).

## Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Child and Family Services 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>69,664,550</b>	<b>1,478,208</b>	<b>50,628,895</b>	<b>121,771,653</b>	<b>92.5%</b>	<b>69,664,550</b>	<b>1,478,208</b>	<b>50,628,895</b>	<b>121,771,653</b>	<b>90.5%</b>
Statewide PL										
Personal Services	84,041	0	72,203	156,244	0.1%	138,018	0	88,098	226,116	0.2%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(22,239)	0	(5,942)	(28,181)	(0.0%)	(15,028)	0	(4,018)	(19,046)	(0.0%)
Total Statewide PL	61,802	0	66,261	128,063	0.1%	122,990	0	84,080	207,070	0.2%
Present Law (PL)	9,016,003	(4,219)	(2,567,088)	6,444,696	4.9%	9,531,466	(6,280)	(2,737,474)	6,787,712	5.0%
New Proposals	2,350,030	0	920,757	3,270,787	2.5%	4,005,087	0	1,839,142	5,844,229	4.3%
<b>Total HB 2 Adjustments</b>	<b>11,427,835</b>	<b>(4,219)</b>	<b>(1,580,070)</b>	<b>9,843,546</b>	<b>7.5%</b>	<b>13,659,543</b>	<b>(6,280)</b>	<b>(814,252)</b>	<b>12,839,011</b>	<b>9.5%</b>
<b>Total Budget</b>	<b>81,092,385</b>	<b>1,473,989</b>	<b>49,048,825</b>	<b>131,615,199</b>		<b>83,324,093</b>	<b>1,471,928</b>	<b>49,814,643</b>	<b>134,610,664</b>	

## Present Law Adjustments -

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

Present Law Adjustments										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	84,041	0	72,203	156,244	0.00	138,018	0	88,098	226,116
DP 3 - Inflation Deflation	0.00	(22,239)	0	(5,942)	(28,181)	0.00	(15,028)	0	(4,018)	(19,046)
DP 3001 - Foster Care Caseload Adjustment - CFSD	0.00	4,583,941	(4,219)	(1,385,142)	3,194,580	0.00	4,540,836	(6,280)	(1,296,215)	3,238,341
DP 3002 - Adoption Caseload Adjustment - CFSD	0.00	1,524,493	0	677,456	2,201,949	0.00	1,577,167	0	686,278	2,263,445
DP 3003 - Guardianship Caseload Adjustment - CFSD	0.00	985,978	0	(99,526)	886,452	0.00	1,147,940	0	(46,684)	1,101,256
DP 3004 - Holiday/Overtime/Differential CFSD (RST)	0.00	761,391	0	156,812	918,203	0.00	799,460	0	164,653	964,113
DP 3044 - Eliminate Overtime Duplication - CFSD	0.00	(380,695)	0	(78,406)	(459,101)	0.00	(399,730)	0	(82,326)	(482,056)
DP 3045 - Remove Excess Fed. Auth. Children's Justice Act	0.00	0	0	(99,901)	(99,901)	0.00	0	0	(99,901)	(99,901)
DP 3046 - Remove Excess Fed. Auth. Domestic Violence Grant - CFSD	0.00	0	0	(197,486)	(197,486)	0.00	0	0	(197,486)	(197,486)
DP 3996 - Guardianship FMAP Adjustment - CFSD	0.00	6,366	0	(6,366)	0	0.00	93,039	0	(93,039)	0
DP 3997 - Adoption FMAP Adjustment - CFSD	0.00	752,196	0	(752,196)	0	0.00	936,177	0	(936,177)	0
DP 3998 - Foster Care FMAP Adjustment - CFSD	0.00	782,333	0	(782,333)	0	0.00	836,577	0	(836,577)	0
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$9,077,805</b>	<b>(\$4,219)</b>	<b>(\$2,500,827)</b>	<b>\$6,572,759</b>	<b>0.00</b>	<b>\$9,654,456</b>	<b>(\$6,280)</b>	<b>(\$2,653,394)</b>	<b>\$6,994,782</b>

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

#### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

#### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

#### DP 3001 - Foster Care Caseload Adjustment - CFSD -

The legislature adopted funding for foster care caseload in CFSD. This decision package reflects an increase in general-fund intensive foster care services provided by CFSD relative to the base budget.

#### DP 3002 - Adoption Caseload Adjustment - CFSD -

The legislature adopted funding for adoption caseload in CFSD.

#### DP 3003 - Guardianship Caseload Adjustment - CFSD -

The legislature adopted funding for guardianship caseload in CFSD.

DP 3004 - Holiday/Overtime/Differential CFSD (RST) -

The legislature adopted funding for overtime in CFSD.

DP 3044 - Eliminate Overtime Duplication - CFSD -

The legislature removed funding for a duplication of overtime in CFSD.

DP 3045 - Remove Excess Fed. Auth. Children's Justice Act -

The legislature removed excess federal authority for the Children's Justice Act grant in CFSD as that grant is no longer administered by DPHHS.

DP 3046 - Remove Excess Fed. Auth. Domestic Violence Grant - CFSD -

The legislature removed excess federal authority for the Domestic Violence grant as that grant is no longer administered by DPHHS.

DP 3996 - Guardianship FMAP Adjustment - CFSD -

The legislature adopted funding changes for guardianship in CFSD. The biennial funding increases general fund and includes an offsetting reduction in federal funds. The total cost for the program does not change.

DP 3997 - Adoption FMAP Adjustment - CFSD -

The legislature adopted funding changes for adoption in CFSD. The biennial funding increases general fund and includes an offsetting reduction in federal funds. The total cost for the program does not change.

DP 3998 - Foster Care FMAP Adjustment - CFSD -

The legislature adopted funding changes for foster care in CFSD. The biennial funding increases general fund and includes an offsetting reduction in federal funds. The total cost for the program does not change.

**New Proposals -**

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

New Proposals	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 3006 - Post Adoption Case Management - CFSD	1.00	685,904	0	0	685,904	1.00	750,517	0	0	750,517
DP 3011 - Replace CPS Owned Vehicles with Leases - CFSD	0.00	85,716	0	19,302	105,018	0.00	85,716	0	19,302	105,018
DP 3015 - Reduce Appropriation for Orphan Fund - CFSD	0.00	0	0	(10,000)	(10,000)	0.00	0	0	(10,000)	(10,000)
DP 3056 - 3% Provider Rate Adjustment - CFSD Non-Medicaid	0.00	1,578,410	0	911,455	2,489,865	0.00	3,168,854	0	1,829,840	4,998,694
<b>Total</b>	<b>1.00</b>	<b>\$2,350,030</b>	<b>\$0</b>	<b>\$920,757</b>	<b>\$3,270,787</b>	<b>1.00</b>	<b>\$4,005,087</b>	<b>\$0</b>	<b>\$1,839,142</b>	<b>\$5,844,229</b>

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

DP 3006 - Post Adoption Case Management - CFSD -

The legislature adopted funding for services and the addition of 1.00 PB for the Post-Adoption Program in the Child and Family Services Division. The increase is intended to provide case management services for families who have adopted/guardianship of youth from foster care and provides ancillary services (e.g., respite, non-Medicaid services, therapeutic treatment services) for families and assists with preventing adoption/guardianship breakdowns and youth returning to foster care.

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

The legislature adopted funding to replace high-mileage vehicles currently owned by CFSD with leased vehicles available through the State Motor Pool.

DP 3015 - Reduce Appropriation for Orphan Fund - CFSD -

The legislature adopted reduced appropriation of federal funds for the Children's Alliance of MT fund. This fund has a base appropriation of \$10,000 per year with no active revenue for the past several years. This is a reduction of \$20,000 in federal funds over the biennium.

DP 3056 - 3% Provider Rate Adjustment - CFSD Non-Medicaid -

The legislature adopted funding for provider rate increases.

### Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	79.25	79.25	79.25	0.00	0.0%
General Fund	5,403,662	5,475,520	5,486,235	154,431	1.4%
State/Other Special Rev. Funds	3,380,959	3,246,761	3,247,629	(267,528)	(4.0%)
Federal Spec. Rev. Funds	7,272,740	7,419,042	7,430,161	303,723	2.1%
<b>Total Funds</b>	<b>16,057,361</b>	<b>16,141,323</b>	<b>16,164,025</b>	<b>190,626</b>	<b>0.6%</b>
Personal Services	8,432,135	8,658,640	8,676,746	471,116	2.8%
Operating Expenses	7,329,112	7,195,453	7,200,048	(262,723)	(1.8%)
Grants	219,829	213,234	213,234	(13,190)	(3.0%)
Benefits & Claims	2,549	2,473	2,473	(152)	(3.0%)
Transfers	68,100	66,056	66,057	(4,087)	(3.0%)
Debt Service	5,636	5,467	5,467	(338)	(3.0%)
<b>Total Expenditures</b>	<b>16,057,361</b>	<b>16,141,323</b>	<b>16,164,025</b>	<b>190,626</b>	<b>0.6%</b>
<b>Total Ongoing</b>	<b>16,057,361</b>	<b>16,141,323</b>	<b>16,164,025</b>	<b>190,626</b>	<b>0.6%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

### Page Reference

LFD Budget Analysis, B-42

### Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	10,543,635	9,573,231	8,432,135	8,658,640	8,676,746
Operating Expenses	1,225,209	3,382,278	7,329,112	7,195,453	7,200,048
Grants	190,136	219,829	219,829	213,234	213,234
Benefits & Claims	28,866	2,549	2,549	2,473	2,473
Transfers	105,868	69,597	68,100	66,056	66,057
Debt Service	252,071	5,636	5,636	5,467	5,467
<b>Total Expenditures</b>	<b>\$12,345,785</b>	<b>\$13,253,120</b>	<b>\$16,057,361</b>	<b>\$16,141,323</b>	<b>\$16,164,025</b>
General Fund	5,720,882	5,755,080	5,403,662	5,475,520	5,486,235
State/Other Special Rev. Funds	772,973	1,192,627	3,380,959	3,246,761	3,247,629
Federal Spec. Rev. Funds	5,851,930	6,305,413	7,272,740	7,419,042	7,430,161
<b>Total Funds</b>	<b>\$12,345,785</b>	<b>\$13,253,120</b>	<b>\$16,057,361</b>	<b>\$16,141,323</b>	<b>\$16,164,025</b>
<b>Total Ongoing</b>	<b>\$12,345,785</b>	<b>\$13,253,120</b>	<b>\$16,057,361</b>	<b>\$16,141,323</b>	<b>\$16,164,025</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Page Reference

LFD Budget Analysis, B-44

## Funding

This program receives general fund, state special revenue fund, and federal special revenue fund authority. Most functions within the Director's Office are cost allocated through indirect cost recoveries to the other divisions within DPHHS.

## Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Director's Office 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>5,403,662</b>	<b>3,380,959</b>	<b>7,272,740</b>	<b>16,057,361</b>	<b>99.5%</b>	<b>5,403,662</b>	<b>3,380,959</b>	<b>7,272,740</b>	<b>16,057,361</b>	<b>99.3%</b>
Statewide PL										
Personal Services	198,347	(39,923)	340,306	498,730	3.1%	207,779	(39,420)	349,037	517,396	3.2%
Fixed Costs	48,748	6,976	42,978	98,702	0.6%	50,319	7,366	45,378	103,063	0.6%
Inflation Deflation	0	0	(904)	(904)	(0.0%)	0	0	(611)	(611)	(0.0%)
Total Statewide PL	247,095	(32,947)	382,380	596,528	3.7%	258,098	(32,054)	393,804	619,848	3.8%
Present Law (PL)	(3,381)	(719)	(4,353)	(8,453)	(0.1%)	(3,381)	(719)	(4,353)	(8,453)	(0.1%)
New Proposals	(171,856)	(100,532)	(231,725)	(504,113)	(3.1%)	(172,144)	(100,557)	(232,030)	(504,731)	(3.1%)
<b>Total HB 2 Adjustments</b>	<b>71,858</b>	<b>(134,198)</b>	<b>146,302</b>	<b>83,962</b>	<b>0.5%</b>	<b>82,573</b>	<b>(133,330)</b>	<b>157,421</b>	<b>106,664</b>	<b>0.7%</b>
<b>Total Budget</b>	<b>5,475,520</b>	<b>3,246,761</b>	<b>7,419,042</b>	<b>16,141,323</b>		<b>5,486,235</b>	<b>3,247,629</b>	<b>7,430,161</b>	<b>16,164,025</b>	

## Present Law Adjustments -

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

Present Law Adjustments										
	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	198,347	(39,923)	340,306	498,730	0.00	207,779	(39,420)	349,037	517,396
DP 2 - Fixed Costs	0.00	48,748	6,976	42,978	98,702	0.00	50,319	7,366	45,378	103,063
DP 3 - Inflation Deflation	0.00	0	0	(904)	(904)	0.00	0	0	(611)	(611)
DP 22 - Fixed Cost Adjustment for Robert's Rules	0.00	(3,381)	(719)	(4,353)	(8,453)	0.00	(3,381)	(719)	(4,353)	(8,453)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$243,714</b>	<b>(\$33,666)</b>	<b>\$378,027</b>	<b>\$588,075</b>	<b>0.00</b>	<b>\$254,717</b>	<b>(\$32,773)</b>	<b>\$389,451</b>	<b>\$611,395</b>

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

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 2 - Fixed Costs -

The legislature adopted funding for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

DP 22 - Fixed Cost Adjustment for Robert's Rules -

The legislature adopted an adjustment to fixed cost that removed new appropriations for Robert's Rules of Order training included in DP 2.

**New Proposals -**

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

New Proposals	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 4010 - 3% Reduction in Budget - Director's Office	0.00	(171,856)	(100,532)	(231,725)	(504,113)	0.00	(172,144)	(100,557)	(232,030)	(504,731)
<b>Total</b>	<b>0.00</b>	<b>(\$171,856)</b>	<b>(\$100,532)</b>	<b>(\$231,725)</b>	<b>(\$504,113)</b>	<b>0.00</b>	<b>(\$172,144)</b>	<b>(\$100,557)</b>	<b>(\$232,030)</b>	<b>(\$504,731)</b>

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

DP 4010 - 3% Reduction in Budget - Director's Office -

The legislature adopted a budget reduction for certain DPHHS divisions.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	129.81	129.81	129.81	0.00	0.0%
General Fund	3,656,440	3,701,750	3,710,021	98,891	1.4%
State/Other Special Rev. Funds	363,458	363,458	363,458		0.0%
Federal Spec. Rev. Funds	8,504,155	8,592,111	8,608,166	191,967	1.1%
<b>Total Funds</b>	<b>12,524,053</b>	<b>12,657,319</b>	<b>12,681,645</b>	<b>290,858</b>	<b>1.2%</b>
Personal Services	10,504,717	10,637,983	10,662,309	290,858	1.4%
Operating Expenses	1,456,890	1,456,890	1,456,890		0.0%
Equipment & Intangible Assets	21,456	21,456	21,456		0.0%
Debt Service	540,990	540,990	540,990		0.0%
<b>Total Expenditures</b>	<b>12,524,053</b>	<b>12,657,319</b>	<b>12,681,645</b>	<b>290,858</b>	<b>1.2%</b>
<b>Total Ongoing</b>	<b>12,524,053</b>	<b>12,657,319</b>	<b>12,681,645</b>	<b>290,858</b>	<b>1.2%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

**Page Reference**

LFD Budget Analysis, B-47

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	10,117,274	9,908,197	10,504,717	10,637,983	10,662,309
Operating Expenses	1,413,701	1,732,682	1,456,890	1,456,890	1,456,890
Equipment & Intangible Assets	0	21,456	21,456	21,456	21,456
Debt Service	540,967	534,931	540,990	540,990	540,990
<b>Total Expenditures</b>	<b>\$12,071,942</b>	<b>\$12,197,266</b>	<b>\$12,524,053</b>	<b>\$12,657,319</b>	<b>\$12,681,645</b>
General Fund	3,539,349	3,555,832	3,656,440	3,701,750	3,710,021
State/Other Special Rev. Funds	355,924	375,458	363,458	363,458	363,458
Federal Spec. Rev. Funds	8,176,669	8,265,976	8,504,155	8,592,111	8,608,166
<b>Total Funds</b>	<b>\$12,071,942</b>	<b>\$12,197,266</b>	<b>\$12,524,053</b>	<b>\$12,657,319</b>	<b>\$12,681,645</b>
<b>Total Ongoing</b>	<b>\$12,071,942</b>	<b>\$12,197,266</b>	<b>\$12,524,053</b>	<b>\$12,657,319</b>	<b>\$12,681,645</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis, B-48

## Funding

This program is primarily federally funded. Title IV-D eligible expenditures are funded with two-thirds federal funds and one-third state funds. The non-IV-D federal funding is an incentive payment for reaching specified federal benchmarks. State match for the Title IV-D spending comes from the child support state special revenue fund and the general fund.

## Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Child Support Services 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>3,656,440</b>	<b>363,458</b>	<b>8,504,155</b>	<b>12,524,053</b>	<b>98.9%</b>	<b>3,656,440</b>	<b>363,458</b>	<b>8,504,155</b>	<b>12,524,053</b>	<b>98.8%</b>
Statewide PL										
Personal Services	45,310	0	87,956	133,266	1.1%	53,581	0	104,011	157,592	1.2%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	45,310	0	87,956	133,266	1.1%	53,581	0	104,011	157,592	1.2%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
<b>Total HB 2 Adjustments</b>	<b>45,310</b>	<b>0</b>	<b>87,956</b>	<b>133,266</b>	<b>1.1%</b>	<b>53,581</b>	<b>0</b>	<b>104,011</b>	<b>157,592</b>	<b>1.2%</b>
<b>Total Budget</b>	<b>3,701,750</b>	<b>363,458</b>	<b>8,592,111</b>	<b>12,657,319</b>		<b>3,710,021</b>	<b>363,458</b>	<b>8,608,166</b>	<b>12,681,645</b>	

## Present Law Adjustments -

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

Present Law Adjustments										
	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	45,310	0	87,956	133,266	0.00	53,581	0	104,011	157,592
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$45,310</b>	<b>\$0</b>	<b>\$87,956</b>	<b>\$133,266</b>	<b>0.00</b>	<b>\$53,581</b>	<b>\$0</b>	<b>\$104,011</b>	<b>\$157,592</b>

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

## DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	FY 2027	Biennium Change from Base Amount	Percent
PB	56.00	58.00	58.00	2.00	1.8%
General Fund	5,358,999	5,636,140	5,150,765	68,907	0.6%
State/Other Special Rev. Funds	1,607,484	1,610,954	1,569,911	(34,103)	(1.1%)
Federal Spec. Rev. Funds	7,341,275	7,564,274	7,186,170	67,894	0.5%
<b>Total Funds</b>	<b>14,307,758</b>	<b>14,811,368</b>	<b>13,906,846</b>	<b>102,698</b>	<b>0.4%</b>
Personal Services	4,712,515	4,526,948	4,540,969	(357,113)	(3.8%)
Operating Expenses	9,587,317	10,276,732	9,358,188	460,286	2.4%
Debt Service	7,926	7,688	7,689	(475)	(3.0%)
<b>Total Expenditures</b>	<b>14,307,758</b>	<b>14,811,368</b>	<b>13,906,846</b>	<b>102,698</b>	<b>0.4%</b>
<b>Total Ongoing</b>	<b>14,307,758</b>	<b>14,811,368</b>	<b>13,906,846</b>	<b>102,698</b>	<b>0.4%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

**Page Reference**

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**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	4,471,206	4,057,869	4,712,515	4,526,948	4,540,969
Operating Expenses	9,145,794	10,593,740	9,587,317	10,276,732	9,358,188
Equipment & Intangible Assets	0	5,100	0	0	0
Debt Service	27,442	7,926	7,926	7,688	7,689
<b>Total Expenditures</b>	<b>\$13,644,442</b>	<b>\$14,664,635</b>	<b>\$14,307,758</b>	<b>\$14,811,368</b>	<b>\$13,906,846</b>
General Fund	5,140,496	5,275,510	5,358,999	5,636,140	5,150,765
State/Other Special Rev. Funds	909,666	1,569,190	1,607,484	1,610,954	1,569,911
Federal Spec. Rev. Funds	7,594,280	7,819,935	7,341,275	7,564,274	7,186,170
<b>Total Funds</b>	<b>\$13,644,442</b>	<b>\$14,664,635</b>	<b>\$14,307,758</b>	<b>\$14,811,368</b>	<b>\$13,906,846</b>
<b>Total Ongoing</b>	<b>\$13,644,442</b>	<b>\$14,664,635</b>	<b>\$14,307,758</b>	<b>\$14,811,368</b>	<b>\$13,906,846</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis, B-53

## Funding

The 2027 biennium budget for the Business and Financial Services Division (BFSD) is general fund, state special revenue funds, and federal special revenue funds. The entire appropriation for BFSD comes from House Bill 2.

BFSD receives general fund, state special revenue, and federal funds through a federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefiting or serving other programs in the department. The general fund, like the state special revenue and federal state special revenue received from the cost allocation formula, is used to support internal BFSD functions.

Many BFSD activities are funded with indirect revenues from all fund types. The exception to this is facility reimbursement activities. General fund is used to support facility reimbursement staff who are responsible for collecting private funds, private insurance, Medicaid, and Medicare from patients receiving services at DPHHS facilities. Funds collected reimburse the general fund as well as state special funds used to support facilities such as the Montana Chemical Dependency Center (MCDC) cost recovery fund.

## Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Business and Financial Services 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>5,358,999</b>	<b>1,607,484</b>	<b>7,341,275</b>	<b>14,307,758</b>	<b>96.6%</b>	<b>5,358,999</b>	<b>1,607,484</b>	<b>7,341,275</b>	<b>14,307,758</b>	<b>102.9%</b>
Statewide PL										
Personal Services	(67,148)	(10,388)	(45,152)	(122,688)	(0.8%)	(61,253)	(9,484)	(37,496)	(108,233)	(0.8%)
Fixed Costs	391,766	35,235	317,158	744,159	5.0%	(98,248)	(6,542)	(67,068)	(171,858)	(1.2%)
Inflation Deflation	(37)	0	0	(37)	(0.0%)	(25)	0	0	(25)	(0.0%)
Total Statewide PL	324,581	24,847	272,006	621,434	4.2%	(159,526)	(16,026)	(104,564)	(280,116)	(2.0%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	(47,440)	(21,377)	(49,007)	(117,824)	(0.8%)	(48,708)	(21,547)	(50,541)	(120,796)	(0.9%)
<b>Total HB 2 Adjustments</b>	<b>277,141</b>	<b>3,470</b>	<b>222,999</b>	<b>503,610</b>	<b>3.4%</b>	<b>(208,234)</b>	<b>(37,573)</b>	<b>(155,105)</b>	<b>(400,912)</b>	<b>(2.9%)</b>
<b>Total Budget</b>	<b>5,636,140</b>	<b>1,610,954</b>	<b>7,564,274</b>	<b>14,811,368</b>		<b>5,150,765</b>	<b>1,569,911</b>	<b>7,186,170</b>	<b>13,906,846</b>	

## Present Law Adjustments -

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

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Present Law Adjustments										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(67,148)	(10,388)	(45,152)	(122,688)	0.00	(61,253)	(9,484)	(37,496)	(108,233)
DP 2 - Fixed Costs	0.00	391,766	35,235	317,158	744,159	0.00	(98,248)	(6,542)	(67,068)	(171,858)
DP 3 - Inflation Deflation	0.00	(37)	0	0	(37)	0.00	(25)	0	0	(25)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$324,581</b>	<b>\$24,847</b>	<b>\$272,006</b>	<b>\$621,434</b>	<b>0.00</b>	<b>(\$159,526)</b>	<b>(\$16,026)</b>	<b>(\$104,564)</b>	<b>(\$280,116)</b>

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

### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

### DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: audit fees, Capitol complex rent, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

### New Proposals -

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

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 6002 - Alternative Procurement Officer BFSD	2.00	36,296	4,722	43,452	84,470	2.00	35,136	4,571	42,063	81,770
DP 6010 - 3% Reduction in Budget - BFSD	0.00	(172,685)	(49,253)	(231,006)	(452,944)	0.00	(158,092)	(48,018)	(219,625)	(425,735)
DP 6011 - Restore Administration Funding - BFSD	0.00	88,949	23,154	138,547	250,650	0.00	74,248	21,900	127,021	223,169
<b>Total</b>	<b>2.00</b>	<b>(\$47,440)</b>	<b>(\$21,377)</b>	<b>(\$49,007)</b>	<b>(\$117,824)</b>	<b>2.00</b>	<b>(\$48,708)</b>	<b>(\$21,547)</b>	<b>(\$50,541)</b>	<b>(\$120,796)</b>

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

### DP 6002 - Alternative Procurement Officer BFSD -

The legislature adopted 1.00 PB for a procurement officer in the Business and Financial Services Division.

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DP 6010 - 3% Reduction in Budget - BFSD -

The legislature adopted a budget reduction for certain DPHHS divisions.

DP 6011 - Restore Administration Funding - BFSD -

The legislature adopted a partial restoration of authority to cover fixed costs, rates, and information technology maintenance and operations costs.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	FY 2027	Biennium Change from Base Amount	Percent
PB	153.75	153.75	153.75	0.00	0.0%
General Fund	3,382,917	3,357,262	3,324,954	(83,618)	(1.2%)
State/Other Special Rev. Funds	14,394,802	16,741,694	16,733,171	4,685,261	16.3%
Federal Spec. Rev. Funds	23,012,520	22,112,051	22,181,569	(1,731,420)	(3.8%)
<b>Total Funds</b>	<b>40,790,239</b>	<b>42,211,007</b>	<b>42,239,694</b>	<b>2,870,223</b>	<b>3.5%</b>
Personal Services	14,120,954	13,949,250	13,977,071	(315,587)	(1.1%)
Operating Expenses	9,921,150	9,918,772	9,919,543	(3,985)	(0.0%)
Equipment & Intangible Assets	141,821	141,821	141,821		0.0%
Grants	13,491,004	15,085,854	15,085,949	3,189,795	11.8%
Benefits & Claims	2,704,648	2,704,648	2,704,648		0.0%
Transfers	346,100	346,100	346,100		0.0%
Debt Service	64,562	64,562	64,562		0.0%
<b>Total Expenditures</b>	<b>40,790,239</b>	<b>42,211,007</b>	<b>42,239,694</b>	<b>2,870,223</b>	<b>3.5%</b>
<b>Total Ongoing</b>	<b>40,790,239</b>	<b>39,911,007</b>	<b>39,939,694</b>	<b>(1,729,777)</b>	<b>(2.1%)</b>
<b>Total One-Time-Only</b>		<b>2,300,000</b>	<b>2,300,000</b>	<b>4,600,000</b>	<b>0.0%</b>

**Page Reference**

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**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	12,779,918	12,272,641	14,120,954	13,949,250	13,977,071
Operating Expenses	9,117,965	9,550,353	9,921,150	9,918,772	9,919,543
Equipment & Intangible Assets	252,461	433,930	141,821	141,821	141,821
Grants	12,412,318	13,342,270	13,491,004	15,085,854	15,085,949
Benefits & Claims	2,390,097	2,775,354	2,704,648	2,704,648	2,704,648
Transfers	261,644	346,100	346,100	346,100	346,100
Debt Service	42,245	46,227	64,562	64,562	64,562
<b>Total Expenditures</b>	<b>\$37,256,648</b>	<b>\$38,766,875</b>	<b>\$40,790,239</b>	<b>\$42,211,007</b>	<b>\$42,239,694</b>
General Fund	3,227,687	3,273,806	3,382,917	3,357,262	3,324,954
State/Other Special Rev. Funds	12,311,708	12,975,669	14,394,802	16,741,694	16,733,171
Federal Spec. Rev. Funds	21,717,253	22,517,400	23,012,520	22,112,051	22,181,569
<b>Total Funds</b>	<b>\$37,256,648</b>	<b>\$38,766,875</b>	<b>\$40,790,239</b>	<b>\$42,211,007</b>	<b>\$42,239,694</b>
<b>Total Ongoing</b>	<b>\$37,256,648</b>	<b>\$38,766,875</b>	<b>\$40,790,239</b>	<b>\$39,911,007</b>	<b>\$39,939,694</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,300,000</b>	<b>\$2,300,000</b>

**Page Reference**

LFD Budget Analysis, B-59

**Funding**

The 2027 biennium Public Health and Safety Division (PHSD) budget request is funded by general fund, state special revenue, and federal funds. The entire appropriation for PHSD comes from HB 2 authority. General fund is used to fund a portion of each of the major functions.

The major sources of state special revenue are:

- Tobacco settlement funds and tobacco settlement trust fund interest (see the state special revenue fund balance table in the DPHHS Agency Summary for detail on these funds)
- Public health laboratory fees
- Licensing fees for food manufacturers or food sales establishments (5.0% of an annual license fee of \$115) and penalties for failure to renew licenses in a timely manner

Of the more than 30 funding sources that support PHSD, the majority are federal categorical grants which are allocated to specific activities.

**Legislative Budget**

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Public Health and Safety Division 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>3,382,917</b>	<b>14,394,802</b>	<b>23,012,520</b>	<b>40,790,239</b>	<b>96.6%</b>	<b>3,382,917</b>	<b>14,394,802</b>	<b>23,012,520</b>	<b>40,790,239</b>	<b>96.6%</b>
Statewide PL										
Personal Services	(24,865)	46,892	(193,731)	(171,704)	(0.4%)	(57,429)	38,369	(124,823)	(143,883)	(0.3%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(790)	0	(1,588)	(2,378)	(0.0%)	(534)	0	(1,073)	(1,607)	(0.0%)
Total Statewide PL	(25,655)	46,892	(195,319)	(174,082)	(0.4%)	(57,963)	38,369	(125,896)	(145,490)	(0.3%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	2,300,000	(705,150)	1,594,850	3.8%	0	2,300,000	(705,055)	1,594,945	3.8%
<b>Total HB 2 Adjustments</b>	<b>(25,655)</b>	<b>2,346,892</b>	<b>(900,469)</b>	<b>1,420,768</b>	<b>3.4%</b>	<b>(57,963)</b>	<b>2,338,369</b>	<b>(830,951)</b>	<b>1,449,455</b>	<b>3.4%</b>
<b>Total Budget</b>	<b>3,357,262</b>	<b>16,741,694</b>	<b>22,112,051</b>	<b>42,211,007</b>		<b>3,324,954</b>	<b>16,733,171</b>	<b>22,181,569</b>	<b>42,239,694</b>	

**Present Law Adjustments -**

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

## 69010 - Department Of Public Health & Human Services      07-Public Health and Safety Division

Present Law Adjustments										
Fiscal 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	(24,865)	46,892	(193,731)	(171,704)	0.00	(57,429)	38,369	(124,823)	(143,883)
DP 3 - Inflation Deflation	0.00	(790)	0	(1,588)	(2,378)	0.00	(534)	0	(1,073)	(1,607)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$25,655)</b>	<b>\$46,892</b>	<b>(\$195,319)</b>	<b>(\$174,082)</b>	<b>0.00</b>	<b>(\$57,963)</b>	<b>\$38,369</b>	<b>(\$125,896)</b>	<b>(\$145,490)</b>

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

### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

### **New Proposals -**

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

New Proposals										
Fiscal 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 7001 - Realign Appropriation for Ryan White ADAP	0.00	0	0	(705,150)	(705,150)	0.00	0	0	(705,055)	(705,055)
DP 7011 - Tobacco Use Prevention Program Funding (OTO)	0.00	0	1,000,000	0	1,000,000	0.00	0	1,000,000	0	1,000,000
DP 7012 - Tobacco Use Prevention Program Contingent Funding (OTO)	0.00	0	1,300,000	0	1,300,000	0.00	0	1,300,000	0	1,300,000
<b>Total</b>	<b>0.00</b>	<b>\$0</b>	<b>\$2,300,000</b>	<b>(\$705,150)</b>	<b>\$1,594,850</b>	<b>0.00</b>	<b>\$0</b>	<b>\$2,300,000</b>	<b>(\$705,055)</b>	<b>\$1,594,945</b>

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

### DP 7001 - Realign Appropriation for Ryan White ADAP -

The legislature reduced the appropriation of federal funds for the Ryan White acquired immunodeficiency syndrome (AIDS) Drug Assistance Program (ADAP) fund to align the appropriation with anticipated available funding.

### DP 7011 - Tobacco Use Prevention Program Funding (OTO) -

The legislature adopted grants appropriations in each year of the biennium for the tobacco use prevention program. It also adopted another contingent grant appropriation in each year of the biennium along with HB 2 language specifying the nature of the contingency. For a fiscal year in the 2027 biennium in which the state does not receive federal funds for the tobacco use prevention program, the contingent appropriation is valid.

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DP 7012 - Tobacco Use Prevention Program Contingent Funding (OTO) -

The legislature adopted grants appropriations in each year of the biennium for the tobacco use prevention program. It also adopted another contingent grant appropriation in each year of the biennium along with HB 2 language specifying the nature of the contingency. For a fiscal year in the 2027 biennium in which the state does not receive federal funds for the tobacco use prevention program, the contingent appropriation is valid.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	88.50	88.50	88.50	0.00	0.0%
General Fund	2,704,940	2,774,769	2,783,228	148,117	2.7%
State/Other Special Rev. Funds	1,065,729	1,040,990	1,041,199	(49,269)	(2.3%)
Federal Spec. Rev. Funds	6,080,301	6,181,460	6,191,511	212,369	1.7%
<b>Total Funds</b>	<b>9,850,970</b>	<b>9,997,219</b>	<b>10,015,938</b>	<b>311,217</b>	<b>1.6%</b>
Personal Services	7,110,747	7,457,285	7,474,011	709,802	5.0%
Operating Expenses	2,101,046	1,919,933	1,921,925	(360,234)	(8.6%)
Grants	636,577	617,480	617,480	(38,194)	(3.0%)
Debt Service	2,600	2,521	2,522	(157)	(3.0%)
<b>Total Expenditures</b>	<b>9,850,970</b>	<b>9,997,219</b>	<b>10,015,938</b>	<b>311,217</b>	<b>1.6%</b>
<b>Total Ongoing</b>	<b>9,850,970</b>	<b>9,997,219</b>	<b>10,015,938</b>	<b>311,217</b>	<b>1.6%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

**Page Reference**

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**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	7,298,827	6,780,078	7,110,747	7,457,285	7,474,011
Operating Expenses	1,157,621	2,063,797	2,101,046	1,919,933	1,921,925
Grants	677,192	636,577	636,577	617,480	617,480
Debt Service	56,174	2,600	2,600	2,521	2,522
<b>Total Expenditures</b>	<b>\$9,189,814</b>	<b>\$9,483,052</b>	<b>\$9,850,970</b>	<b>\$9,997,219</b>	<b>\$10,015,938</b>
General Fund	3,168,931	3,188,144	2,704,940	2,774,769	2,783,228
State/Other Special Rev. Funds	219,979	317,067	1,065,729	1,040,990	1,041,199
Federal Spec. Rev. Funds	5,800,904	5,977,841	6,080,301	6,181,460	6,191,511
<b>Total Funds</b>	<b>\$9,189,814</b>	<b>\$9,483,052</b>	<b>\$9,850,970</b>	<b>\$9,997,219</b>	<b>\$10,015,938</b>
<b>Total Ongoing</b>	<b>\$9,189,814</b>	<b>\$9,483,052</b>	<b>\$9,850,970</b>	<b>\$9,997,219</b>	<b>\$10,015,938</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis, B-65

## Funding

The Office of the Inspector General (OIG) receives general fund, state special revenue, and federal funds. The entire appropriation for OIG comes from HB 2 authority.

General fund appropriations get funneled into a wide range of administrative functions including:

- State match for eligible Medicaid costs
- Title IV-E (foster care)
- Federal discretionary childcare funds
- Community residential facilities
- Program compliance

State special revenues include:

- Alcohol taxes allocated to OIG used to fund staff and operational costs for the Chemical Dependency Licensure Program
- Lien and estate funds used to support services to pursue recoveries for Medicaid costs, mainly for nursing home services
- Recovery audit contract funds used to support audits performed by the program to identify waste, fraud, or abuse in Medicaid

Federal special revenue funds come from a variety of federal sources and supports activities pertaining to certifications, licensure, and program compliance. Some of these sources support multiple functions.

Two of the larger federal funds in the division are Title 18 and Title 19, which fund quality assurance certifications. Title 18 covers skilled nursing facilities (SNF) and long-term care (LTC) facilities. Title 19 covers the certification of home health providers. Federal Medicaid and Medicare funds are used to support multiple activities including certification of nursing homes and home health services, a Department of Justice fraud surveillance contract, federal match for the Recovery Audit Program, the nurse aide registry, and more. Clinical laboratory improvement amendments (CLIA) support reviews of laboratories that wish to qualify for federal funding. Rural hospital flexibility grants are used to help local hospitals maintain their critical access hospital (CAH) status.

## Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

	Office of Inspector General 2027 Biennium HB 2 Base Budget and Adjustments									
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>2,704,940</b>	<b>1,065,729</b>	<b>6,080,301</b>	<b>9,850,970</b>	<b>98.5%</b>	<b>2,704,940</b>	<b>1,065,729</b>	<b>6,080,301</b>	<b>9,850,970</b>	<b>98.4%</b>
Statewide PL										
Personal Services	160,205	7,457	449,874	617,536	6.2%	167,447	7,672	459,660	634,779	6.3%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(4,558)	0	(1,776)	(6,334)	(0.1%)	(3,080)	0	(1,200)	(4,280)	(0.0%)
Total Statewide PL	155,647	7,457	448,098	611,202	6.1%	164,367	7,672	458,460	630,499	6.3%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	(85,818)	(32,196)	(346,939)	(464,953)	(4.7%)	(86,079)	(32,202)	(347,250)	(465,531)	(4.6%)
<b>Total HB 2 Adjustments</b>	<b>69,829</b>	<b>(24,739)</b>	<b>101,159</b>	<b>146,249</b>	<b>1.5%</b>	<b>78,288</b>	<b>(24,530)</b>	<b>111,210</b>	<b>164,968</b>	<b>1.6%</b>
<b>Total Budget</b>	<b>2,774,769</b>	<b>1,040,990</b>	<b>6,181,460</b>	<b>9,997,219</b>		<b>2,783,228</b>	<b>1,041,199</b>	<b>6,191,511</b>	<b>10,015,938</b>	

**Present Law Adjustments -**

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

Present Law Adjustments										
Fiscal 2026						Fiscal 2027				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	160,205	7,457	449,874	617,536	0.00	167,447	7,672	459,660	634,779
DP 3 - Inflation Deflation	0.00	(4,558)	0	(1,776)	(6,334)	0.00	(3,080)	0	(1,200)	(4,280)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$155,647</b>	<b>\$7,457</b>	<b>\$448,098</b>	<b>\$611,202</b>	<b>0.00</b>	<b>\$164,367</b>	<b>\$7,672</b>	<b>\$458,460</b>	<b>\$630,499</b>

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

**DP 1 - Personal Services -**

The legislature adopted adjustments to the present law personal services budget.

**DP 3 - Inflation Deflation -**

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

**New Proposals -**

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

New Proposals										
Fiscal 2026						Fiscal 2027				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 8001 - Realign Appropriation with Revenue Rural Hospital Flex Pgm	0.00	0	0	(115,400)		0.00	0	0	(115,400)	(115,400)
DP 8002 - Realign Appropriation - Clinical Laboratory Improvement	0.00	0	0	(40,360)	(40,360)	0.00	0	0	(40,360)	(40,360)
DP 8010 - 3% Reduction in Budget - OIG	0.00	(85,818)	(32,196)	(191,179)	(309,193)	0.00	(86,079)	(32,202)	(191,490)	(309,771)
<b>Total</b>	<b>0.00</b>	<b>(\$85,818)</b>	<b>(\$32,196)</b>	<b>(\$346,939)</b>	<b>(\$464,953)</b>	<b>0.00</b>	<b>(\$86,079)</b>	<b>(\$32,202)</b>	<b>(\$347,250)</b>	<b>(\$465,531)</b>

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

**DP 8001 - Realign Appropriation with Revenue Rural Hospital Flex Pgm -**

The legislature reduced the appropriation of federal revenue to the Rural Hospital Flexibility program to align appropriation with anticipated expenditures.

**DP 8002 - Realign Appropriation - Clinical Laboratory Improvement -**

The legislature reduced the appropriation of federal revenue to the Title 18 Clinical Laboratory Improvement Amendments program to align appropriation with anticipated expenditures.

DP 8010 - 3% Reduction in Budget - OIG -

The legislature adopted a budget reduction for certain DPHHS divisions.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	66.00	63.00	63.00	(3.00)	(2.3%)
General Fund	25,339,380	30,073,406	34,969,644	14,364,290	28.3%
State/Other Special Rev. Funds	2,306,712	2,344,589	2,489,523	220,688	4.8%
Federal Spec. Rev. Funds	47,874,108	51,486,965	62,251,787	17,990,536	18.8%
<b>Total Funds</b>	<b>75,520,200</b>	<b>83,904,960</b>	<b>99,710,954</b>	<b>32,575,514</b>	<b>21.6%</b>
Personal Services	6,767,040	6,466,364	6,481,928	(585,788)	(4.3%)
Operating Expenses	64,484,160	73,297,666	89,088,096	33,417,442	25.9%
Equipment & Intangible Assets	85,000	82,450	82,450	(5,100)	(3.0%)
Debt Service	4,184,000	4,058,480	4,058,480	(251,040)	(3.0%)
<b>Total Expenditures</b>	<b>75,520,200</b>	<b>83,904,960</b>	<b>99,710,954</b>	<b>32,575,514</b>	<b>21.6%</b>
<b>Total Ongoing</b>	<b>75,520,200</b>	<b>83,904,960</b>	<b>99,710,954</b>	<b>32,575,514</b>	<b>21.6%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

**Page Reference**

LFD Budget Analysis, B-68

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	7,211,600	6,402,275	6,767,040	6,466,364	6,481,928
Operating Expenses	63,967,933	69,073,158	64,484,160	73,297,666	89,088,096
Equipment & Intangible Assets	0	85,000	85,000	82,450	82,450
Debt Service	3,319,670	3,581,800	4,184,000	4,058,480	4,058,480
<b>Total Expenditures</b>	<b>\$74,499,203</b>	<b>\$79,142,233</b>	<b>\$75,520,200</b>	<b>\$83,904,960</b>	<b>\$99,710,954</b>
General Fund	24,337,818	24,684,291	25,339,380	30,073,406	34,969,644
State/Other Special Rev. Funds	2,288,183	2,944,053	2,306,712	2,344,589	2,489,523
Federal Spec. Rev. Funds	47,873,202	51,513,889	47,874,108	51,486,965	62,251,787
<b>Total Funds</b>	<b>\$74,499,203</b>	<b>\$79,142,233</b>	<b>\$75,520,200</b>	<b>\$83,904,960</b>	<b>\$99,710,954</b>
<b>Total Ongoing</b>	<b>\$74,499,203</b>	<b>\$79,142,233</b>	<b>\$75,520,200</b>	<b>\$83,904,960</b>	<b>\$99,710,954</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis, B-70

## Funding

Technology Services Division (TSD) is funded with general fund, state special revenue funds, and federal funds. TSD receives most of its federal funds and all its state special revenue funds through a federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefitting or serving other programs in the department. TSD provides services to every other division within the department in some capacity. This includes the oversight of information technology (IT) systems and improvement projects, data management and governance, as well as security regulation compliance.

There is also a large amount of funding for Medicaid expansion administrative funding, which covers various Montana Program for Automating and Transforming Healthcare (MPATH) operations including but not limited to data management and federal reporting.

## Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Technology Services Division 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>25,339,380</b>	<b>2,306,712</b>	<b>47,874,108</b>	<b>75,520,200</b>	<b>90.0%</b>	<b>25,339,380</b>	<b>2,306,712</b>	<b>47,874,108</b>	<b>75,520,200</b>	<b>75.7%</b>
Statewide PL										
Personal Services	64,985	7,834	130,205	203,024	0.2%	71,608	9,194	138,268	219,070	0.2%
Fixed Costs	3,065,733	(92,627)	1,962,193	4,935,299	5.9%	3,108,253	(90,734)	2,037,197	5,054,716	5.1%
Inflation Deflation	(543)	0	0	(543)	(0.0%)	(367)	0	0	(367)	(0.0%)
Total Statewide PL	3,130,175	(84,793)	2,092,398	5,137,780	6.1%	3,179,494	(81,540)	2,175,465	5,273,419	5.3%
Present Law (PL)	1,893,077	175,581	1,804,489	3,873,147	4.6%	11,776,320	316,686	12,482,926	24,575,932	24.6%
New Proposals	(289,226)	(52,911)	(284,030)	(626,167)	(0.7%)	(5,325,550)	(52,335)	(280,712)	(5,658,597)	(5.7%)
<b>Total HB 2 Adjustments</b>	<b>4,734,026</b>	<b>37,877</b>	<b>3,612,857</b>	<b>8,384,760</b>	<b>10.0%</b>	<b>9,630,264</b>	<b>182,811</b>	<b>14,377,679</b>	<b>24,190,754</b>	<b>24.3%</b>
<b>Total Budget</b>	<b>30,073,406</b>	<b>2,344,589</b>	<b>51,486,965</b>	<b>83,904,960</b>		<b>34,969,644</b>	<b>2,489,523</b>	<b>62,251,787</b>	<b>99,710,954</b>	

## Present Law Adjustments -

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

Present Law Adjustments										
Fiscal 2026						Fiscal 2027				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	64,985	7,834	130,205	203,024	0.00	71,608	9,194	138,268	219,070
DP 2 - Fixed Costs	0.00	3,065,733	(92,627)	1,962,193	4,935,299	0.00	3,108,253	(90,734)	2,037,197	5,054,716
DP 3 - Inflation Deflation	0.00	(543)	0	0	(543)	0.00	(367)	0	0	(367)
DP 9000 - TSD Combined Maintenance & Operational Requests	0.00	1,893,077	175,581	1,804,489	3,873,147	0.00	11,776,320	316,686	12,482,926	24,575,932
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$5,023,252</b>	<b>\$90,788</b>	<b>\$3,896,887</b>	<b>\$9,010,927</b>	<b>0.00</b>	<b>\$14,955,814</b>	<b>\$235,146</b>	<b>\$14,658,391</b>	<b>\$29,849,351</b>

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

#### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

#### DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

#### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

#### DP 9000 - TSD Combined Maintenance & Operational Requests -

The legislature adopted authority for existing maintenance and operations (M&O) costs as well as appropriations needed for new system implementations within the TSD. For new IT systems, M&O costs are estimated during the HB 10 request, but costs are not finalized until the contract has been awarded. These costs enter the HB 2 biennial budget when the system becomes operational. This decision package funds anticipated increases in existing vendor contracts for CHIMES, CAPS, SEARCHS and EBT as well as systems implementations / replacements for CCWIS, SEARCHS, HIE, EHR, and various MPATH modules.

System	Acronym
Combined Health Information and Montana Eligibility System	CHIMES
Child Protective Services System	CAPS
System for the Enforcement and Recovery of Child Support	SEARCHS
Electronic Benefits Transfer	EBT
Comprehensive Child Welfare Information System	CCWIS
Health Information Exchange	HIE
Electronic Health Records and Billing Solution	EHR
Montana's Program for Automating & Transforming Healthcare	MPATH

**New Proposals -**

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

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 9001 - SITSD Security Consolidation										
(3.00)	(154,443)	(24,493)	(141,697)	(320,633)		(3.00)	(150,543)	(23,874)	(138,117)	(312,534)
DP 9010 - 3% Reduction in Budget - TSD										
0.00	(906,246)	(71,190)	(1,548,879)	(2,526,315)		0.00	(1,204,340)	(75,540)	(1,871,831)	(3,151,711)
DP 9011 - Restore Administration Funding - TSD										
0.00	771,463	42,772	1,406,546	2,220,781		0.00	1,069,333	47,079	1,729,236	2,845,648
DP 9333 - Remove Operations for Electronic Health Records										
0.00	0	0	0	0		0.00	(5,040,000)	0	0	(5,040,000)
<b>Total</b>	<b>(3.00)</b>	<b>(\$289,226)</b>	<b>(\$52,911)</b>	<b>(\$284,030)</b>	<b>(\$626,167)</b>	<b>(3.00)</b>	<b>(\$5,325,550)</b>	<b>(\$52,335)</b>	<b>(\$280,712)</b>	<b>(\$5,658,597)</b>

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

**DP 9001 - SITSD Security Consolidation -**

The legislature adopted a reduction of 3.00 PB from TSD as part of security consolidation efforts across the Executive Branch. Page R-5 of HB 2 from the 68th Legislature directed the State Information Technology Services Division to work with the Office of Budget and Program Planning to identify and reduce 8.00 PB across state agencies as part of the information technology security consolidation project. There are 3.00 PB from TSD that were identified and are being requested to be removed with this change package.

**DP 9010 - 3% Reduction in Budget - TSD -**

The legislature adopted a budget reduction for certain DPHHS divisions.

**DP 9011 - Restore Administration Funding - TSD -**

The legislature adopted a partial restoration of authority to cover fixed costs, rates, and information technology maintenance and operations costs.

**DP 9333 - Remove Operations for Electronic Health Records -**

The legislature adopted an adjustment to remove funding for operating expenses requested for the Electronic Health Records information technology system that was originally part of DP 9000. Due to delays in the RFP process, the Department of Public Health and Human Services has requested this reduction.

## 69010 - Department Of Public Health & Human Services 10-Behavioral Health & Dev Disability

### Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	FY 2027	Biennium Change from Base Amount	Percent
PB	104.00	104.00	104.00	0.00	0.0%
General Fund	139,528,384	150,594,574	162,952,201	34,490,007	12.4%
State/Other Special Rev. Funds	40,409,848	49,356,607	57,939,857	26,476,768	32.8%
Federal Spec. Rev. Funds	385,165,051	357,800,344	418,428,511	5,898,753	0.8%
<b>Total Funds</b>	<b>565,103,283</b>	<b>557,751,525</b>	<b>639,320,569</b>	<b>66,865,528</b>	<b>5.9%</b>
Personal Services	9,072,333	9,523,744	9,929,944	1,309,022	7.2%
Operating Expenses	4,536,610	17,310,038	13,074,373	21,311,191	234.9%
Grants	7,878,514	13,521,279	12,287,933	10,052,184	63.8%
Benefits & Claims	543,257,862	517,038,500	603,670,355	34,193,131	3.1%
Debt Service	357,964	357,964	357,964		0.0%
<b>Total Expenditures</b>	<b>565,103,283</b>	<b>557,751,525</b>	<b>639,320,569</b>	<b>66,865,528</b>	<b>5.9%</b>
<b>Total Ongoing</b>	<b>565,103,283</b>	<b>546,899,525</b>	<b>593,392,934</b>	<b>10,085,893</b>	<b>0.9%</b>
<b>Total One-Time-Only</b>		<b>10,852,000</b>	<b>45,927,635</b>	<b>56,779,635</b>	<b>0.0%</b>

### Page Reference

LFD Budget Analysis, B-75

### Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	9,373,030	8,344,553	9,072,333	9,523,744	9,929,944
Operating Expenses	5,127,387	4,307,084	4,536,610	17,310,038	13,074,373
Grants	14,399,813	9,338,114	7,878,514	13,521,279	12,287,933
Benefits & Claims	434,016,733	498,880,593	543,257,862	517,038,500	603,670,355
Debt Service	258,353	357,964	357,964	357,964	357,964
<b>Total Expenditures</b>	<b>\$463,175,316</b>	<b>\$521,228,308</b>	<b>\$565,103,283</b>	<b>\$557,751,525</b>	<b>\$639,320,569</b>
General Fund	120,634,014	122,608,865	139,528,384	150,594,574	162,952,201
State/Other Special Rev. Funds	31,974,044	38,290,738	40,409,848	49,356,607	57,939,857
Federal Spec. Rev. Funds	310,567,258	360,328,705	385,165,051	357,800,344	418,428,511
<b>Total Funds</b>	<b>\$463,175,316</b>	<b>\$521,228,308</b>	<b>\$565,103,283</b>	<b>\$557,751,525</b>	<b>\$639,320,569</b>
<b>Total Ongoing</b>	<b>\$463,175,316</b>	<b>\$521,228,308</b>	<b>\$565,103,283</b>	<b>\$546,899,525</b>	<b>\$593,392,934</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,852,000</b>	<b>\$45,927,635</b>

### Page Reference

LFD Budget Analysis, B-80

## 69010 - Department Of Public Health & Human Services 10-Behavioral Health & Dev Disability

### Funding

Funding for the Behavioral Health and Developmental Disabilities Division (BHDD) is made up of a combination of general fund, state special revenue funds, and federal funds.

A majority of BHDD's funding is federal funds. The largest portion of this funding is from Medicaid benefits and claims at the standard FMAP. BHDD also receives and administers non-competitive federal block grants, which are applied for annually and must be approved, conditional on demonstration of statutory and regulatory compliance, to receive the formula-based funding.

The bulk of general fund in BHDD funds the state portion of Medicaid and Medicaid expansion benefits administered by the division including waivers, targeted case management, adult and child mental health services, case management services, suicide prevention efforts, and chemical dependency care.

### Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Behavioral Health & Dev Disability 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>139,528,384</b>	<b>40,409,848</b>	<b>385,165,051</b>	<b>565,103,283</b>	<b>101.3%</b>	<b>139,528,384</b>	<b>40,409,848</b>	<b>385,165,051</b>	<b>565,103,283</b>	<b>88.4%</b>
Statewide PL										
Personal Services	107,213	116,513	(55,469)	168,257	0.0%	119,824	116,794	(43,466)	193,152	0.0%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(1,591)	(15)	(1,823)	(3,429)	(0.0%)	(1,075)	(10)	(1,233)	(2,318)	(0.0%)
Total Statewide PL	105,622	116,498	(57,292)	164,828	0.0%	118,749	116,784	(44,699)	190,834	0.0%
Present Law (PL)	4,164,105	(3,875,086)	(41,373,963)	(41,084,944)	(7.4%)	11,373,591	(3,543,787)	(29,215,418)	(21,385,614)	(3.3%)
New Proposals	6,796,463	12,705,347	14,066,548	33,568,358	6.0%	11,931,477	20,957,012	62,523,577	95,412,066	14.9%
<b>Total HB 2 Adjustments</b>	<b>11,066,190</b>	<b>8,946,759</b>	<b>(27,364,707)</b>	<b>(7,351,758)</b>	<b>(1.3%)</b>	<b>23,423,817</b>	<b>17,530,009</b>	<b>33,263,460</b>	<b>74,217,286</b>	<b>11.6%</b>
<b>Total Budget</b>	<b>150,594,574</b>	<b>49,356,607</b>	<b>357,800,344</b>	<b>557,751,525</b>		<b>162,952,201</b>	<b>57,939,857</b>	<b>418,428,511</b>	<b>639,320,569</b>	

### Present Law Adjustments -

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

## 69010 - Department Of Public Health & Human Services 10-Behavioral Health & Dev Disability

Present Law Adjustments										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	107,213	116,513	(55,469)	168,257	0.00	119,824	116,794	(43,466)	193,152
DP 3 - Inflation Deflation	0.00	(1,591)	(15)	(1,823)	(3,429)	0.00	(1,075)	(10)	(1,233)	(2,318)
DP 10400 - Traditional Medicaid Caseload Update DPHHS - BHDD	0.00	(1,370,225)	(705,589)	(4,296,896)	(6,372,710)	0.00	(1,378,458)	(882,078)	(4,571,955)	(6,832,491)
DP 10401 - Traditional Medicaid Caseload Update LFD - BHDD	0.00	(5,310,660)	0	(8,625,291)	(13,935,951)	0.00	(5,557,969)	0	(8,969,360)	(14,527,329)
DP 10550 - Medicaid Core Services AMH - BHDD	0.00	737,128	(169,825)	910,435	1,477,738	0.00	1,946,557	(118,208)	2,916,911	4,745,260
DP 10551 - Medicaid Core Services DDP and CMH - BHDD	0.00	2,595,303	(5,602,063)	(4,825,384)	(7,832,144)	0.00	5,503,375	(5,375,819)	203,502	331,058
DP 10552 - Medicaid Core FMAP Adjustment AMH - BHDD	0.00	1,110,445	215,360	(1,325,805)	0	0.00	1,181,654	226,739	(1,408,393)	0
DP 10553 - Medicaid Core FMAP Adjustment DDP and CMH - BHDD	0.00	3,154,959	522,347	(3,677,306)	0	0.00	3,321,268	557,470	(3,878,738)	0
DP 10554 - Medicaid Waiver Services AMH - BHDD	0.00	1,580,789	333,485	3,072,113	4,986,387	0.00	3,255,238	430,510	5,880,168	9,565,916
DP 10555 - Medicaid Waiver Services DDP and CMH- BHDD	0.00	(1,111,917)	(600,000)	(2,747,360)	(4,459,277)	0.00	(97,109)	(600,000)	(1,112,155)	(1,809,264)
DP 10556 - Medicaid Waiver FMAP Adjustment AMH - BHDD	0.00	(258,695)	1,736,849	(1,478,154)	0	0.00	(258,695)	1,785,919	(1,527,224)	0
DP 10557 - Medicaid Waiver FMAP Adjustment DDP and CMH - BHDD	0.00	4,636,619	0	(4,636,619)	0	0.00	4,885,679	0	(4,885,679)	0
DP 10560 - Medicaid Expansion Services AMH - BHDD	0.00	(1,388,412)	4,765	(12,452,825)	(13,836,472)	0.00	(961,346)	77,514	(7,954,490)	(8,838,322)
DP 10564 - Medicaid Expansion FMAP AMH - BHDD	0.00	289,608	0	(289,608)	0	0.00	289,608	0	(289,608)	0
DP 10600 - Medicaid Expansion Caseload Update DPHHS - BHDD	0.00	(319,587)	389,585	629,989	699,987	0.00	(490,859)	354,166	(1,230,233)	(1,366,926)
DP 10601 - Medicaid Expansion Caseload Update LFD - BHDD	0.00	(181,250)	0	(1,631,252)	(1,812,502)	0.00	(265,352)	0	(2,388,164)	(2,653,516)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$4,269,727</b>	<b>(\$3,758,588)</b>	<b>(\$41,431,255)</b>	<b>(\$40,920,116)</b>	<b>0.00</b>	<b>\$11,492,340</b>	<b>(\$3,427,003)</b>	<b>(\$29,260,117)</b>	<b>(\$21,194,780)</b>

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

### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

### DP 10400 - Traditional Medicaid Caseload Update DPHHS - BHDD -

The legislature adopted funding changes for total caseload for traditional Medicaid.

### DP 10401 - Traditional Medicaid Caseload Update LFD - BHDD -

The legislature adopted funding changes for total caseload for traditional Medicaid.

## **69010 - Department Of Public Health & Human Services 10-Behavioral Health & Dev Disability**

### **DP 10550 - Medicaid Core Services AMH - BHDD -**

The legislature adopted funding for caseload growth in the Adult Mental Health (AMH) Program in the Behavioral Health and Developmental Disabilities Division. This adjustment covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This adjustment does not include any changes in eligibility criteria or allowable plan services.

### **DP 10551 - Medicaid Core Services DDP and CMH - BHDD -**

The legislature adopted a decrease in caseload in the Developmental Disabilities Program (DDP) and Children's Mental Health (CMH) programs in the Behavioral Health and Developmental Disabilities Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This adjustment does not include any changes in eligibility criteria or allowable plan services.

### **DP 10552 - Medicaid Core FMAP Adjustment AMH - BHDD -**

The legislature adopted an adjustment to maintain existing services for Adult Mental Health (AMH) services in the Behavioral Health and Developmental Disability Division. The biennial funding increases the general and state special revenue funds and includes an offsetting decrease in federal funds. The total cost for the program does not change.

### **DP 10553 - Medicaid Core FMAP Adjustment DDP and CMH - BHDD -**

The legislature adopted an increase to maintain existing services for the Developmental Disabilities Program (DDP) and Children's Mental Health (CMH) programs in the Behavioral Health and Developmental Disabilities Division. The biennial funding increases the general and state special revenue funds and includes an offsetting decrease in federal funds. The total cost for the program does not change.

### **DP 10554 - Medicaid Waiver Services AMH - BHDD -**

The legislature adopted an increase for caseload in the Adult Mental Health (AMH) Program in the Behavioral Health and Developmental Disabilities Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care in the Severe and Disabling Mental Illness (SDMI) Waiver. This adjustment does not include any changes in eligibility criteria or allowable plan services.

### **DP 10555 - Medicaid Waiver Services DDP and CMH- BHDD -**

The legislature adopted a decrease of caseload in the Developmental Disabilities Program (DDP) and Children's Mental Health (CMH) programs in the Behavioral Health and Developmental Disabilities Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care in the Developmental Disabilities Waiver. This adjustment does not include any changes in eligibility criteria or allowable plan services.

### **DP 10556 - Medicaid Waiver FMAP Adjustment AMH - BHDD -**

The legislature adopted adjustments to maintain existing services for the Adult Mental Health (AMH) Program in the Behavioral Health and Developmental Disabilities Division. The biennial funding increases the general and state special revenue funds and includes an offsetting decrease in federal funds. The total cost for the program does not change.

## **69010 - Department Of Public Health & Human Services 10-Behavioral Health & Dev Disability**

### **DP 10557 - Medicaid Waiver FMAP Adjustment DDP and CMH - BHDD -**

The legislature adopted adjustments to maintain existing services for the Developmental Disabilities and Children's Mental Health Bureaus in the Behavioral Health and Developmental Disabilities Division. The biennial funding increases the general and state special revenue funds and includes an offsetting decrease in federal funds. The total cost for the program does not change.

### **DP 10560 - Medicaid Expansion Services AMH - BHDD -**

The legislature adopted adjustments for the decrease of caseload in the Adult Mental Health (AMH) Program in the Behavioral Health & Developmental Disabilities Division which covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Medicaid Expansion. This adjustment does not include any changes in eligibility criteria or allowable plan services.

### **DP 10564 - Medicaid Expansion FMAP AMH - BHDD -**

The legislature adopted adjustments to maintain existing services for the Adult Mental Health (AMH) Program in the Behavioral Health and Developmental Disabilities Division. The total cost for the program does not change.

### **DP 10600 - Medicaid Expansion Caseload Update DPHHS - BHDD -**

The legislature adopted funding changes for total caseload for Medicaid expansion.

### **DP 10601 - Medicaid Expansion Caseload Update LFD - BHDD -**

The legislature adopted funding changes for total caseload for Medicaid expansion.

### **New Proposals -**

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

## 69010 - Department Of Public Health & Human Services 10-Behavioral Health & Dev Disability

New Proposals										
Fiscal 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 10001 - State Opioid Response Grant - BHDD	0.00	0	0	4,000,000	4,000,000	0.00	0	0	4,000,000	4,000,000
DP 10002 - FDA Tobacco Grant - BHDD	0.00	0	0	218,855	218,855	0.00	0	0	218,855	218,855
DP 10301 - Psych. Res. Treat. Fac. Bed Capacity (Restricted/OTO)	0.00	0	1,237,000	0	1,237,000	0.00	0	0	0	0
DP 10420 - Medicaid Home Visiting for Ind. with SUD or SDMI (RST)	0.00	0	645,176	1,035,408	1,680,584	0.00	0	667,000	1,063,994	1,730,994
DP 10456 - Fund MH Community Crisis Beds (RST/BIEN/OTO)	0.00	0	1,250,000	0	1,250,000	0.00	0	1,250,000	0	1,250,000
DP 10482 - 3% Provider Rate Adjustment - BHDD Non-Medicaid	0.00	44,598	0	84,793	129,391	0.00	92,572	0	185,774	278,346
DP 10483 - 3% Provider Rate Adjustment - BHDD Trad Med	0.00	4,061,548	0	6,595,885	10,657,433	0.00	8,452,957	0	13,640,502	22,093,459
DP 10484 - 3% Provider Rate Adjustment - BHDD Med Exp	0.00	190,317	0	1,712,857	1,903,174	0.00	385,948	0	3,473,535	3,859,483
DP 10711 - BHSFG 01. 0208 Waiver Serv. Rates (RST/BIEN)	0.00	0	218,753	218,750	437,503	0.00	0	2,091,168	2,498,132	4,589,300
DP 10713 - BHSFG 03. Service Delivery for Complex Needs (RST/BIEN)	0.00	0	1,395,000	0	1,395,000	0.00	0	4,090,350	3,389,650	7,480,000
DP 10714 - BHSFG 04. Redefine and Reopen E & D Clinics (RST)	0.00	0	50,000	0	50,000	0.00	0	1,000,000	0	1,000,000
DP 10716 - BHSFG 6. Funding for Targeted Case Management (RST/BIEN)	0.00	0	355,273	125,000	480,273	0.00	0	1,105,273	125,000	1,230,273
DP 10718 - BHSFG 08. Care Transitions Program (RST/BIEN)	0.00	0	0	0	0	0.00	0	1,239,576	0	1,239,576
DP 10728 - BHSFG 18. School BH Initiatives (RST/BIEN)	0.00	0	1,764,145	0	1,764,145	0.00	0	1,764,145	0	1,764,145
DP 10729 - BHSFG 19. Workforce Incentivization (RST/BIEN/OTO)	0.00	0	7,715,000	0	7,715,000	0.00	0	565,000	0	565,000
DP 10732 - BHSFG 22. CCBHC (RST/BIEN/OTO)	0.00	0	0	0	0	0.00	0	8,436,984	31,924,371	40,361,355
DP 10759 - BHSFG 9.1 988 Marketing Campaign (RST/BIEN/OTO)	0.00	0	500,000	0	500,000	0.00	0	500,000	0	500,000
DP 10799 - BHSFG 17. Rates In-State Youth Res. Serv. (RST/BIEN/OTO)	0.00	0	75,000	75,000	150,000	0.00	0	1,247,516	2,003,764	3,251,280
DP 10801 - Refinance MED CORE AMH I-149	0.00	0	0	0	0	0.00	0	0	0	0
DP 10802 - Realign Appropriation for HCBS MH Waiver	0.00	0	0	0	0	0.00	0	0	0	0
DP 10803 - Realign Appropriation for Med Waiver AMH	0.00	2,500,000	(2,500,000)	0	0	0.00	3,000,000	(3,000,000)	0	0
<b>Total</b>	<b>0.00</b>	<b>\$6,796,463</b>	<b>\$12,705,347</b>	<b>\$14,066,548</b>	<b>\$33,568,358</b>	<b>0.00</b>	<b>\$11,931,477</b>	<b>\$20,957,012</b>	<b>\$62,523,577</b>	<b>\$95,412,066</b>

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

### DP 10001 - State Opioid Response Grant - BHDD -

The legislature adopted adjustments to add the State Opioid Response grant to the prevention program budget in BHDD. The funding has been requested through the Office of Budget and Program Planning (OBPP) using the Budget Amendment process since 2018. The grant dollars are used to address the opioid crisis by providing resources to Montana communities to increase access to FDA-approved medications for the treatment of opioid use disorder (OUD), and to support the continuum of prevention, harm reduction, treatment, and recovery support services for OUD, and other concurrent substance use disorders. The State Opioid Response Program also supports the continuum of care for stimulant misuse and use disorders, including cocaine and methamphetamine. This service is funded with 100.0% federal funds.

### DP 10002 - FDA Tobacco Grant - BHDD -

The legislature adopted adjustments to add the federal Food and Drug Administration (FDA) Tobacco grant to the prevention program budget in BHDD. The funding has been requested through the Office of Budget and Program Planning using the Budget Amendment process since 2018. The grant dollars are used to enforce retailer compliance with tobacco regulations. This service is funded with 100.0% federal funds.

## **69010 - Department Of Public Health & Human Services 10-Behavioral Health & Dev Disability**

### DP 10301 - Psych. Res. Treat. Fac. Bed Capacity (Restricted/OTO) -

The legislature added grant authority from the behavioral health systems for future generations state special revenue fund. This authority is designated as one-time-only and is restricted to grants for increasing psychiatric residential treatment facility bed capacity across the state of Montana for the youngest and highest-need kids.

### DP 10420 - Medicaid Home Visiting for Ind. with SUD or SDMI (RST) -

The legislature adopted funding to provide home visiting as a Medicaid service to individuals with a Substance Use Disorder (SUD) or Severe Disabling Mental Illness (SDMI) diagnosis and are either pregnant or have a child in the home under 6 years of age. This funding is restricted to the specified purpose.

### DP 10456 - Fund MH Community Crisis Beds (RST/BIEN/OTO) -

The legislature adopted funding for mental health community crisis beds.

### DP 10482 - 3% Provider Rate Adjustment - BHDD Non-Medicaid -

The legislature adopted funding for provider rate increases.

### DP 10483 - 3% Provider Rate Adjustment - BHDD Trad Med -

The legislature adopted funding for provider rate increases.

### DP 10484 - 3% Provider Rate Adjustment - BHDD Med Exp -

The legislature adopted funding for provider rate increases.

### DP 10711 - BHSFG 01. 0208 Waiver Serv. Rates (RST/BIEN) -

The legislature adopted funding to implement Behavioral Health System for Future Generations recommendation 01 - Refine and Reconfigure the Current 0208 Comprehensive Waiver Services Rates. This recommendation proposes an adjustment in tiered rate methodology from hours of support to an acuity and level of supports based model. More detail can be found on page 16 of the [BHSFG Commission Final Report](#). This funding will cover start-up and initial operations costs for the recommendation during the biennium and includes a continuing Medicaid funding component. This funding is restricted to the specified purpose and biennial.

### DP 10713 - BHSFG 03. Service Delivery for Complex Needs (RST/BIEN) -

The legislature adopted funding to implement Behavioral Health System for Future Generations recommendation 03 - Expand the Service Delivery System to Support Individuals with Complex Needs. This recommendation proposes piloting the START program, procuring training for those in the workforce focused on individuals with complex needs and develop an additional community living service in the 0208 waiver for individuals with complex needs. More detail can be found on page 18 of the [BHSFG Commission Final Report](#). This funding will cover one-time only and initial operations costs for the recommendation during the biennium and includes a Medicaid and non-Medicaid funding component. This funding is restricted to the specified purpose and biennial.

## **69010 - Department Of Public Health & Human Services 10-Behavioral Health & Dev Disability**

### DP 10714 - BHSFG 04. Redefine and Reopen E & D Clinics (RST) -

The legislature adopted adjustments to implement Behavioral Health System for Future Generations recommendation 04 - Redefine and Reopen Evaluation and Diagnostics (E&D) Clinics. More detail can be found on page 18 of the [BHSFG Commission Final Report](#). This funding will cover start-up and initial operations costs for the recommendation during the biennium.

### DP 10716 - BHSFG 6. Funding for Targeted Case Management (RST/BIEN) -

The legislature adopted funding to implement Behavioral Health System for Future Generations recommendation 06 - Enhance the Targeted Case Management (TCM) Program. This recommendation proposes a reevaluation of the TCM for certain service populations, an expansion of the TCM program as well as incentivization of TCM providers to measure outcomes. More detail can be found on page 21 of the [BHSFG Commission Final Report](#). This funding will cover start-up and initial operations costs for the recommendation during the biennium.

### DP 10718 - BHSFG 08. Care Transitions Program (RST/BIEN) -

The legislature adopted adjustments to implement Behavioral Health Systems for Future Generations recommendation 08 - Implement a Care Transitions Program. This recommendation proposes the initiation of a new case management program for people transitioning from certain settings. More detail can be found on page 23 of the [BHSFG Commission Final Report](#). This funding is restricted to the specified purpose and biennial.

### DP 10728 - BHSFG 18. School BH Initiatives (RST/BIEN) -

The legislature adopted funding to implement Behavioral Health System for Future Generations recommendation 18 - Invest in School-Based Behavioral Health Initiatives. This recommendation proposes additional investments in school based behavioral health efforts such as one-time investments in school-based multi-tiered system of supports (MTSS) and provide interprofessional training for school staff. More detail can be found on page 33 of the [BHSFG Commission Final Report](#). This funding will cover start-up and initial operations costs for the recommendation during the biennium and includes a continuing Medicaid funding component. This funding is restricted to the specified purpose and biennial.

### DP 10729 - BHSFG 19. Workforce Incentivization (RST/BIEN/OTO) -

The legislature adopted funding to implement Behavioral Health System for Future Generations (BHSFG) recommendation 19 - Incentivize Providers to Join the Behavioral Health (BH) and Developmental Disabilities (DD) Workforce. This recommendation proposes a tuition reimbursement program targeting the BH workforce and a dual enrollment program for tuition-free college level courses to high school students aimed at preparing students to enter BH and DD professions. More detail can be found on page 34 of the [BHSFG Commission Final Report](#). This funding will cover start-up and initial operations costs for the recommendation during the biennium. This funding is restricted to the specified purpose, biennial, and one time only.

### DP 10732 - BHSFG 22. CCBHC (RST/BIEN/OTO) -

The legislature adopted funding to implement Behavioral Health System for Future Generations recommendation 22 - Expand and Sustain Certified Community Behavioral Health Clinics (CCBHC). This recommendation proposes infrastructure and capacity investments for a statewide CCBHC model and provide funding to CCBHC providers to support adherence to SAMHSA CCBHC requirements. More detail can be found on page 37 of the [BHSFG Commission Final Report](#). This funding is all Medicaid funding and is restricted to the specified purpose, biennial, and one time only.

## **69010 - Department Of Public Health & Human Services 10-Behavioral Health & Dev Disability**

### DP 10759 - BHSFG 9.1 988 Marketing Campaign (RST/BIEN/OTO) -

The legislature adopted funding to implement a marketing campaign for the 988 crisis line throughout the state. These funds are restricted to this purpose, biennial, and one-time-only.

### DP 10799 - BHSFG 17. Rates In-State Youth Res. Serv. (RST/BIEN/OTO) -

The legislature adopted funding to implement Behavioral Health System for Future Generations recommendation 17 - Redesign Rates to Improve In-State Youth Residential Services. This recommendation proposes redefining the rate structure for high acuity youth at in-state youth residential homes as well as provide for smaller residence options for higher acuity youth. More detail can be found on page 32 of the [BHSFG Commission Final Report](#). This funding will cover start-up and initial operations costs for the recommendation during the biennium.

### DP 10801 - Refinance MED CORE AMH I-149 -

The legislature adopted adjustments to refinance Medicaid Core Adult Mental Health in BHDD. This change package includes a reduction of \$2.0 million from I-149 state special revenue fund paired with an offsetting increase in state special tobacco trust interest funds. The total cost for the program is not impacted by this change package.

### DP 10802 - Realign Appropriation for HCBS MH Waiver -

The legislature adopted adjustments to state special revenue funds in the Home and Community Based Services Mental Health Waiver program to align appropriation with anticipated expenditures. This change package includes a reduction of \$1.6 million from I-149 state special revenue fund paired with an offsetting increase in state special tobacco trust interest funds. The total cost for the program is not impacted by this change package.

### DP 10803 - Realign Appropriation for Med Waiver AMH -

The legislature adopted a fund switch in the Medicaid Waiver Adult Mental Health program reduces the state special appropriation for I-149 tobacco and increases general fund support. This change package includes a reduction of state special revenue over the biennium and includes an offsetting increase in general funds. The total cost for the program does not change.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	41.12	41.12	41.12	0.00	0.0%
General Fund	252,485,411	261,284,741	280,139,454	36,453,373	7.2%
State/Other Special Rev. Funds	142,340,451	145,198,374	145,803,727	6,321,199	2.2%
Federal Spec. Rev. Funds	1,416,489,505	1,286,903,024	1,332,144,540	(213,931,446)	(7.6%)
<b>Total Funds</b>	<b>1,811,315,367</b>	<b>1,693,386,139</b>	<b>1,758,087,721</b>	<b>(171,156,874)</b>	<b>(4.7%)</b>
Personal Services	3,477,156	3,815,719	3,823,065	684,472	9.8%
Operating Expenses	15,753,952	16,376,199	16,515,442	1,383,737	4.4%
Benefits & Claims	1,792,081,842	1,673,191,804	1,737,746,797	(173,225,083)	(4.8%)
Debt Service	2,417	2,417	2,417		0.0%
<b>Total Expenditures</b>	<b>1,811,315,367</b>	<b>1,693,386,139</b>	<b>1,758,087,721</b>	<b>(171,156,874)</b>	<b>(4.7%)</b>
<b>Total Ongoing</b>	<b>1,811,315,367</b>	<b>1,693,386,139</b>	<b>1,758,087,721</b>	<b>(171,156,874)</b>	<b>(4.7%)</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

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**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	3,283,776	3,567,644	3,477,156	3,815,719	3,823,065
Operating Expenses	8,757,189	15,443,938	15,753,952	16,376,199	16,515,442
Benefits & Claims	1,609,680,876	1,719,172,454	1,792,081,842	1,673,191,804	1,737,746,797
Debt Service	0	2,417	2,417	2,417	2,417
<b>Total Expenditures</b>	<b>\$1,621,721,841</b>	<b>\$1,738,186,453</b>	<b>\$1,811,315,367</b>	<b>\$1,693,386,139</b>	<b>\$1,758,087,721</b>
General Fund	232,549,210	236,743,307	252,485,411	261,284,741	280,139,454
State/Other Special Rev. Funds	129,205,197	133,072,313	142,340,451	145,198,374	145,803,727
Federal Spec. Rev. Funds	1,259,967,434	1,368,370,833	1,416,489,505	1,286,903,024	1,332,144,540
<b>Total Funds</b>	<b>\$1,621,721,841</b>	<b>\$1,738,186,453</b>	<b>\$1,811,315,367</b>	<b>\$1,693,386,139</b>	<b>\$1,758,087,721</b>
<b>Total Ongoing</b>	<b>\$1,621,721,841</b>	<b>\$1,738,186,453</b>	<b>\$1,811,315,367</b>	<b>\$1,693,386,139</b>	<b>\$1,758,087,721</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis, B-94

## Funding

The 2027 biennium Health Resources Division (HRD) HB 2 adopted budget is funded by general fund, state special revenue funds, and federal funds. General fund pays for the state Medicaid match, state Children's Health Insurance Program (CHIP) match, and Medicare buy-in.

State special revenue includes several sources of revenue. State special revenue is used in the state match for Medicaid and CHIP. Federal funds include Medicaid and CHIP funds. Medicaid is an entitlement fund source, meaning that the federal government will match all eligible expenditures at a certain rate. This rate, known as the Federal Medical Assistance Percentage (FMAP), is determined by comparing the average per capita income of a state to the national average per capita income. The FMAP for Medicaid expansion is 90.0%, meaning that the federal government reimburses the state for 90.0% of the expenditures incurred under this program.

HRD functions supported by state special revenue sources and the major sources of funds are:

State Medicaid match:

- Hospital utilization fee (\$70 per day assessed for each day of an inpatient stay)
- Outpatient hospital tax
- Tobacco revenue from the health and Medicaid initiatives account
- Insurance tax proceeds allocated to the Healthy Montana Kids (HMK) account
- Tobacco settlement trust fund interest

State CHIP match:

- Insurance tax proceeds allocated to the HMK account
- Tobacco state special revenue from the health and Medicaid initiatives account
- Tobacco settlement funds
- Tobacco settlement trust fund interest

Federal funding sources include:

- Federal Medicaid matching funds: some at a 50.0% match (Medicaid program administration), some at 100.0% (Indian Health Services, which are the sole statutory appropriation), some at 90.0% (Medicaid expansion), and some at the FMAP rate discussed above (currently 62.37% for FY 2025)
- Federal CHIP matching funds, which are about 11 percentage points higher than the standard FMAP rate

## Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Health Resources Division 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>252,485,411</b>	<b>142,340,451</b>	<b>1,416,489,505</b>	<b>1,811,315,367</b>	<b>107.0%</b>	<b>252,485,411</b>	<b>142,340,451</b>	<b>1,416,489,505</b>	<b>1,811,315,367</b>	<b>103.0%</b>
Statewide PL										
Personal Services	158,933	30,187	149,443	338,563	0.0%	161,493	31,122	153,294	345,909	0.0%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(45)	(11)	(57)	(113)	0.0%	(30)	(8)	(38)	(76)	0.0%
Total Statewide PL	158,888	30,176	149,386	338,450	0.0%	161,463	31,114	153,256	345,833	0.0%
Present Law (PL)	5,844,544	(613,122)	(148,527,662)	(143,296,240)	(8.5%)	19,437,680	(508,931)	(118,447,584)	(99,518,835)	(5.7%)
New Proposals	2,795,898	3,440,869	18,791,795	25,028,562	1.5%	8,054,900	3,941,093	33,949,363	45,945,356	2.6%
<b>Total HB 2 Adjustments</b>	<b>8,799,330</b>	<b>2,857,923</b>	<b>(129,586,481)</b>	<b>(117,929,228)</b>	<b>(7.0%)</b>	<b>27,654,043</b>	<b>3,463,276</b>	<b>(84,344,965)</b>	<b>(53,227,646)</b>	<b>(3.0%)</b>
<b>Total Budget</b>	<b>261,284,741</b>	<b>145,198,374</b>	<b>1,286,903,024</b>	<b>1,693,386,139</b>		<b>280,139,454</b>	<b>145,803,727</b>	<b>1,332,144,540</b>	<b>1,758,087,721</b>	

**Present Law Adjustments -**

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

Present Law Adjustments										
Fiscal 2026						Fiscal 2027				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	158,933	30,187	149,443	338,563	0.00	161,493	31,122	153,294	345,909
DP 3 - Inflation Deflation	0.00	(45)	(11)	(57)	(113)	0.00	(30)	(8)	(38)	(76)
DP 11400 - Traditional Medicaid Caseload Update DPHHS - HRD	0.00	(795,725)	0	(3,053,729)	(3,849,454)	0.00	214,738	0	(3,128,461)	(2,913,723)
DP 11401 - Traditional Medicaid Caseload Update LFD - HRD	0.00	(6,197,246)	0	(8,755,249)	(14,952,495)	0.00	(11,165,106)	0	(15,635,102)	(26,800,208)
DP 11600 - Medicaid Expansion Caseload Update DPHHS - HRD	0.00	(235,313)	0	(14,092,867)	(14,328,180)	0.00	(294,178)	0	(15,571,823)	(15,866,001)
DP 11601 - Medicaid Expansion Caseload Update LFD - HRD	0.00	(2,109,532)	0	(19,612,808)	(21,722,340)	0.00	(3,665,593)	0	(36,919,348)	(40,584,941)
DP 11891 - Expansion Core Services - HRD	0.00	(4,200,194)	0	(42,676,153)	(46,876,347)	0.00	(1,327,571)	0	(16,822,553)	(18,150,124)
DP 11892 - Expansion Core HUF FMAP Adjustment - HRD	0.00	0	1,030,241	(1,030,241)	0	0.00	0	1,030,241	(1,030,241)	0
DP 11893 - Expansion Federal Services - HRD	0.00	0	0	(11,773,953)	(11,773,953)	0.00	0	0	(5,376,010)	(5,376,010)
DP 11896 - Expansion Core FMAP Adjustment - HRD	0.00	(1,065,138)	0	1,065,138	0	0.00	(1,065,138)	0	1,065,138	0
DP 11897 - Expansion Hospital Supplemental Payments - HRD	0.00	0	(1,628,006)	(14,652,058)	(16,280,064)	0.00	0	(1,628,006)	(14,652,058)	(16,280,064)
DP 11990 - HMK Caseload - HRD	0.00	(3,912,670)	0	(10,681,400)	(14,594,070)	0.00	(1,758,018)	0	(4,760,401)	(6,518,419)
DP 11991 - Medicaid Core Services - HRD	0.00	3,082,335	3,333,851	7,290,985	13,707,171	0.00	14,320,135	3,239,960	25,026,759	42,586,854
DP 11992 - Medicaid Core HUF FMAP Adjustment - HRD	0.00	0	1,957,059	(1,957,059)	0	0.00	0	2,068,443	(2,068,443)	0
DP 11993 - Medicaid Federal Services - HRD	0.00	0	0	(887,446)	(887,446)	0.00	0	0	(576,949)	(576,949)
DP 11994 - Medicaid Other Services - HRD	0.00	(523,115)	0	0	(523,115)	0.00	1,176,724	0	0	1,176,724
DP 11995 - Medicaid Administration - HRD	0.00	225,739	0	396,621	622,360	0.00	276,242	0	485,324	761,566
DP 11996 - Medicaid Core FMAP Adjustment - HRD	0.00	25,670,285	(3,333,851)	(22,336,434)	0	0.00	26,390,405	(3,239,960)	(23,150,445)	0
DP 11997 - Medicaid Hospital Supplemental Payments - HRD	0.00	0	(1,972,416)	(3,165,423)	(5,137,839)	0.00	0	(1,979,609)	(3,158,230)	(5,137,839)
DP 11998 - HMK FMAP Adjustment - HRD	0.00	(2,298,487)	0	2,298,487	0	0.00	(2,089,985)	0	2,089,985	0
DP 11999 - Healthy Montana Kids Caseload Update DPHHS - HRD	0.00	(1,796,395)	0	(4,904,073)	(6,700,468)	0.00	(1,574,975)	0	(4,264,726)	(5,839,701)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$6,003,432</b>	<b>(\$582,946)</b>	<b>(\$148,378,276)</b>	<b>(\$142,957,790)</b>	<b>0.00</b>	<b>\$19,599,143</b>	<b>(\$477,817)</b>	<b>(\$118,294,328)</b>	<b>(\$99,173,002)</b>

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

#### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

#### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

#### DP 11400 - Traditional Medicaid Caseload Update DPHHS - HRD -

The legislature adopted funding changes for total caseload for traditional Medicaid.

DP 11401 - Traditional Medicaid Caseload Update LFD - HRD -

The legislature adopted funding changes for total caseload for traditional Medicaid.

DP 11600 - Medicaid Expansion Caseload Update DPHHS - HRD -

The legislature adopted funding changes for total caseload for Medicaid expansion.

DP 11601 - Medicaid Expansion Caseload Update LFD - HRD -

The legislature adopted funding changes for total caseload for Medicaid expansion.

DP 11891 - Expansion Core Services - HRD -

The legislature adopted a decrease to account for the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Medicaid Core. This adjustment does not include any changes in eligibility criteria or allowable plan services. Medicaid expansion continuing into the 2027 biennium is contingent upon legislative action.

DP 11892 - Expansion Core HUF FMAP Adjustment - HRD -

The legislature adopted an increase to maintain existing services for Expansion Core Hospital Utilization Fee (HUF). The biennial funding increases state special revenue and includes an offsetting decrease in federal funds. The total cost for the program does not change. Medicaid expansion continuing into the 2027 biennium is contingent upon legislative action.

DP 11893 - Expansion Federal Services - HRD -

The legislature adopted a reduction to account for the projected caseload decrease in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Medicaid expansion. This adjustment does not include any changes in eligibility criteria or allowable plan services. Medicaid expansion continuing into the 2027 biennium is contingent upon legislative action.

DP 11896 - Expansion Core FMAP Adjustment - HRD -

The legislature adopted this adjustment to maintain existing services for Medicaid expansion. The biennial funding decreases general fund and includes an offsetting increase in federal funds. The total cost for the program does not change. Medicaid expansion continuing into the 2027 biennium is contingent upon legislative action.

DP 11897 - Expansion Hospital Supplemental Payments - HRD -

The legislature reduced the appropriation for Medicaid expansion HUF. Medicaid expansion continuing into the 2027 biennium is contingent upon legislative action.

DP 11990 - HMK Caseload - HRD -

The legislature adopted a reduction to account for the projected caseload decrease (number of eligible individuals, utilization, acuity levels, and cost per service for medical care) in the Healthy Montana Kids Program. This adjustment does not include any changes in eligibility criteria or allowable plan services.

DP 11991 - Medicaid Core Services - HRD -

The legislature adopted an increase for the projected caseload growth (number of eligible individuals, utilization, acuity levels, and cost per service) for medical care for Medicaid Core Services (standard medical services). This adjustment does not include any changes in eligibility criteria or allowable plan services.

DP 11992 - Medicaid Core HUF FMAP Adjustment - HRD -

The legislature adopted an increase to maintain existing services for the Medicaid HUF Program. The decision package adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP (Federal Medical Assistance Percentage) rate of 37.5% state funds and 62.6% federal funds to the FY 2026 rate of 38.4% state funds and 61.6% federal funds, and the FY 2027 rate of 38.5% state funds and 61.5% federal funds. The total cost for the program does not change.

DP 11993 - Medicaid Federal Services - HRD -

The legislature adopted a reduction for the decrease of caseload (number of eligible individuals, utilization, acuity levels, and cost per service) for medical care for Federal Medicaid. This adjustment does not include any changes in eligibility criteria or allowable plan services.

DP 11994 - Medicaid Other Services - HRD -

The legislature adopted an increase to maintain existing services for the Medicaid Clawback Program.

DP 11995 - Medicaid Administration - HRD -

The legislature adopted an adjustment to maintain existing services for Medicaid administration.

DP 11996 - Medicaid Core FMAP Adjustment - HRD -

The legislature adopted an adjustment to maintain existing services for Medicaid. The decision package adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP rate of 37.5% state funds and 62.6% federal funds to the FY 2026 rate of 38.4% state funds and 61.6% federal funds, and the FY 2027 rate of 38.5% state funds and 61.5% federal funds. The total cost for the program does not change.

DP 11997 - Medicaid Hospital Supplemental Payments - HRD -

The legislature reduced the appropriation for the Medicaid Hospital Utilization Fee (HUF).

DP 11998 - HMK FMAP Adjustment - HRD -

The legislature adopted an adjustment to maintain existing services for the Healthy Montana Kids Program. The decision package adjusts the FY 2025 budgeted expenses from the FY 2025 FMAP rate of 26.1% state funds and 73.9% federal funds, to the state fiscal year (SFY) 2026 rate of 26.8% state funds and 73.2% federal funds, and the SFY 2027 rate of 27.0% state funds and 73.0% federal funds. The biennial funding increases general fund and includes an offsetting decrease in federal funds. The total cost for the program does not change.

DP 11999 - Healthy Montana Kids Caseload Update DPHHS - HRD -

The legislature adopted caseload adjustments for the Healthy Montana Kids (CHIP) program.

**New Proposals -**

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

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 11101 - Medicaid Provider Rate Adj. - Air Ambulance	0.00	850,000	0	4,507,059	5,357,059	0.00	850,000	0	4,503,037	5,353,037
DP 11702 - 3% Provider Rate Adjustment - HRD Non-Medicaid	0.00	264,138	440,869	2,777,370	3,482,377	0.00	563,838	941,093	5,928,663	7,433,594
DP 11703 - 3% Provider Rate Adjustment - HRD Trad Med	0.00	4,101,538	0	5,794,508	9,896,046	0.00	8,459,985	0	11,846,974	20,306,959
DP 11704 - 3% Provider Rate Adjustment - HRD Med Exp	0.00	580,222	0	5,712,858	6,293,080	0.00	1,181,077	0	11,670,689	12,851,766
DP 11803 - Realign Appropriation for Med Core HRD	0.00	(3,000,000)	3,000,000	0	0	0.00	(3,000,000)	3,000,000	0	0
<b>Total</b>	<b>0.00</b>	<b>\$2,795,898</b>	<b>\$3,440,869</b>	<b>\$18,791,795</b>	<b>\$25,028,562</b>	<b>0.00</b>	<b>\$8,054,900</b>	<b>\$3,941,093</b>	<b>\$33,949,363</b>	<b>\$45,945,356</b>

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

DP 11101 - Medicaid Provider Rate Adj. - Air Ambulance -

The legislature adopted rate increases for air ambulance providers.

DP 11702 - 3% Provider Rate Adjustment - HRD Non-Medicaid -

The legislature adopted funding for provider rate increases.

DP 11703 - 3% Provider Rate Adjustment - HRD Trad Med -

The legislature adopted funding for provider rate increases.

DP 11704 - 3% Provider Rate Adjustment - HRD Med Exp -

The legislature adopted funding for provider rate increases.

DP 11803 - Realign Appropriation for Med Core HRD -

The legislature adopted a fund switch in the Medicaid Core Program to increase the state special appropriation for I-155 Healthy Montana Kids Program and decrease the general fund support. This change package includes an increase in state special revenue in each year of the biennium and includes an offsetting decrease in general funds. The total cost for the program does not change.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	4.00	5.00	5.00	1.00	12.5%
General Fund	1,362,425	1,416,917	1,417,059	109,126	4.0%
State/Other Special Rev. Funds	42,142	48,835	48,845	13,396	15.9%
Federal Spec. Rev. Funds	3,879,657	3,891,759	3,891,939	24,384	0.3%
<b>Total Funds</b>	<b>5,284,224</b>	<b>5,357,511</b>	<b>5,357,843</b>	<b>146,906</b>	<b>1.4%</b>
Personal Services	529,532	602,840	603,165	146,941	13.9%
Operating Expenses	4,754,692	4,754,671	4,754,678	(35)	(0.0%)
<b>Total Expenditures</b>	<b>5,284,224</b>	<b>5,357,511</b>	<b>5,357,843</b>	<b>146,906</b>	<b>1.4%</b>
<b>Total Ongoing</b>	<b>5,284,224</b>	<b>5,357,511</b>	<b>5,357,843</b>	<b>146,906</b>	<b>1.4%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

**Page Reference**

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**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	556,231	510,521	529,532	602,840	603,165
Operating Expenses	4,107,923	4,869,043	4,754,692	4,754,671	4,754,678
<b>Total Expenditures</b>	<b>\$4,664,154</b>	<b>\$5,379,564</b>	<b>\$5,284,224</b>	<b>\$5,357,511</b>	<b>\$5,357,843</b>
General Fund	1,426,459	1,440,866	1,362,425	1,416,917	1,417,059
State/Other Special Rev. Funds	92,823	116,169	42,142	48,835	48,845
Federal Spec. Rev. Funds	3,144,872	3,822,529	3,879,657	3,891,759	3,891,939
<b>Total Funds</b>	<b>\$4,664,154</b>	<b>\$5,379,564</b>	<b>\$5,284,224</b>	<b>\$5,357,511</b>	<b>\$5,357,843</b>
<b>Total Ongoing</b>	<b>\$4,664,154</b>	<b>\$5,379,564</b>	<b>\$5,284,224</b>	<b>\$5,357,511</b>	<b>\$5,357,843</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis, B-105

**Funding**

Medicaid and Health Services Management Division (MHSM) receives general fund, state special revenue fund, and federal special revenue fund authority. The majority of MHSM funding is federal authority from Medicaid administration

(50.0% federal match) or indirect activity from the cost allocation plan (CAP). General fund is used for Medicaid administration. Federal funds for Medicaid expansion administration, Medicaid administration, and federal indirect activities are tied to utilization review/Quality Improvement Organization (QIO) contracts which serve the Medicaid programs across the agency.

### Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Medicaid & Health Svcs Mngmt 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>1,362,425</b>	<b>42,142</b>	<b>3,879,657</b>	<b>5,284,224</b>	<b>98.6%</b>	<b>1,362,425</b>	<b>42,142</b>	<b>3,879,657</b>	<b>5,284,224</b>	<b>98.6%</b>
Statewide PL										
Personal Services	(8,898)	(682)	(11,911)	(21,491)	(0.4%)	(8,763)	(672)	(11,731)	(21,166)	(0.4%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(21)	0	0	(21)	(0.0%)	(14)	0	0	(14)	(0.0%)
Total Statewide PL	(8,919)	(682)	(11,911)	(21,512)	(0.4%)	(8,777)	(672)	(11,731)	(21,180)	(0.4%)
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	63,411	7,375	24,013	94,799	1.8%	63,411	7,375	24,013	94,799	1.8%
<b>Total HB 2 Adjustments</b>	<b>54,492</b>	<b>6,693</b>	<b>12,102</b>	<b>73,287</b>	<b>1.4%</b>	<b>54,634</b>	<b>6,703</b>	<b>12,282</b>	<b>73,619</b>	<b>1.4%</b>
<b>Total Budget</b>	<b>1,416,917</b>	<b>48,835</b>	<b>3,891,759</b>	<b>5,357,511</b>		<b>1,417,059</b>	<b>48,845</b>	<b>3,891,939</b>	<b>5,357,843</b>	

### Present Law Adjustments -

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

Present Law Adjustments										
	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(8,898)	(682)	(11,911)	(21,491)	0.00	(8,763)	(672)	(11,731)	(21,166)
DP 3 - Inflation Deflation	0.00	(21)	0	0	(21)	0.00	(14)	0	0	(14)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$8,919)</b>	<b>(\$682)</b>	<b>(\$11,911)</b>	<b>(\$21,512)</b>	<b>0.00</b>	<b>(\$8,777)</b>	<b>(\$672)</b>	<b>(\$11,731)</b>	<b>(\$21,180)</b>

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

### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

**New Proposals -**

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

New Proposals										
	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 12055 - Add PB for Complex Care Coordinator	1.00	63,411	7,375	24,013	94,799	1.00	63,411	7,375	24,013	94,799
<b>Total</b>	<b>1.00</b>	<b>\$63,411</b>	<b>\$7,375</b>	<b>\$24,013</b>	<b>\$94,799</b>	<b>1.00</b>	<b>\$63,411</b>	<b>\$7,375</b>	<b>\$24,013</b>	<b>\$94,799</b>

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

DP 12055 - Add PB for Complex Care Coordinator -

The legislature adopted the reduction of 1.00 vacant PB from HFD and added 1.00 PB to MHSM for a complex care coordinator.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	20.60	20.60	20.60	0.00	0.0%
General Fund	854,603	894,189	896,792	81,775	4.8%
State/Other Special Rev. Funds	685,026	671,275	671,458	(27,319)	(2.0%)
Federal Spec. Rev. Funds	1,205,648	1,271,159	1,274,256	134,119	5.6%
<b>Total Funds</b>	<b>2,745,277</b>	<b>2,836,623</b>	<b>2,842,506</b>	<b>188,575</b>	<b>3.4%</b>
Personal Services	2,075,200	2,186,671	2,192,547	228,818	5.5%
Operating Expenses	670,077	649,952	649,959	(40,243)	(3.0%)
<b>Total Expenditures</b>	<b>2,745,277</b>	<b>2,836,623</b>	<b>2,842,506</b>	<b>188,575</b>	<b>3.4%</b>
<b>Total Ongoing</b>	<b>2,745,277</b>	<b>2,836,623</b>	<b>2,842,506</b>	<b>188,575</b>	<b>3.4%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

**Page Reference**

LFD Budget Analysis, B-107

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	1,767,995	1,932,324	2,075,200	2,186,671	2,192,547
Operating Expenses	178,985	740,968	670,077	649,952	649,959
<b>Total Expenditures</b>	<b>\$1,946,980</b>	<b>\$2,673,292</b>	<b>\$2,745,277</b>	<b>\$2,836,623</b>	<b>\$2,842,506</b>
General Fund	811,214	837,794	854,603	894,189	896,792
State/Other Special Rev. Funds	69,674	672,976	685,026	671,275	671,458
Federal Spec. Rev. Funds	1,066,092	1,162,522	1,205,648	1,271,159	1,274,256
<b>Total Funds</b>	<b>\$1,946,980</b>	<b>\$2,673,292</b>	<b>\$2,745,277</b>	<b>\$2,836,623</b>	<b>\$2,842,506</b>
<b>Total Ongoing</b>	<b>\$1,946,980</b>	<b>\$2,673,292</b>	<b>\$2,745,277</b>	<b>\$2,836,623</b>	<b>\$2,842,506</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis, B-109

**Funding**

Operations Services Division (OSD) receives general fund, state special revenue, and federal funds through a federally approved cost allocation formula that is generally referred to as indirect activity. The funding formula is derived from those funds expended on functions benefiting or serving other programs in the department. General funds are used to meet the match requirement for federally funded activities.

**Legislative Budget**

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Operations Services Division 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>854,603</b>	<b>685,026</b>	<b>1,205,648</b>	<b>2,745,277</b>	<b>96.8%</b>	<b>854,603</b>	<b>685,026</b>	<b>1,205,648</b>	<b>2,745,277</b>	<b>96.6%</b>
Statewide PL										
Personal Services	67,265	7,010	104,825	179,100	6.3%	69,941	7,199	108,018	185,158	6.5%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(24)	0	0	(24)	(0.0%)	(16)	0	0	(16)	(0.0%)
Total Statewide PL	67,241	7,010	104,825	179,076	6.3%	69,925	7,199	108,018	185,142	6.5%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	(27,655)	(20,761)	(39,314)	(87,730)	(3.1%)	(27,736)	(20,767)	(39,410)	(87,913)	(3.1%)
<b>Total HB 2 Adjustments</b>	<b>39,586</b>	<b>(13,751)</b>	<b>65,511</b>	<b>91,346</b>	<b>3.2%</b>	<b>42,189</b>	<b>(13,568)</b>	<b>68,608</b>	<b>97,229</b>	<b>3.4%</b>
<b>Total Budget</b>	<b>894,189</b>	<b>671,275</b>	<b>1,271,159</b>	<b>2,836,623</b>		<b>896,792</b>	<b>671,458</b>	<b>1,274,256</b>	<b>2,842,506</b>	

**Present Law Adjustments -**

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

Present Law Adjustments										
	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	67,265	7,010	104,825	179,100	0.00	69,941	7,199	108,018	185,158
DP 3 - Inflation Deflation	0.00	(24)	0	0	(24)	0.00	(16)	0	0	(16)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$67,241</b>	<b>\$7,010</b>	<b>\$104,825</b>	<b>\$179,076</b>	<b>0.00</b>	<b>\$69,925</b>	<b>\$7,199</b>	<b>\$108,018</b>	<b>\$185,142</b>

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

**DP 1 - Personal Services -**

The legislature adopted adjustments to the present law personal services budget.

**DP 3 - Inflation Deflation -**

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

**New Proposals -**

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

New Proposals	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 16010 - 3% Reduction in Budget - OSD	0.00	(27,655)	(20,761)	(39,314)	(87,730)	0.00	(27,736)	(20,767)	(39,410)	(87,913)
<b>Total</b>	<b>0.00</b>	<b>(\$27,655)</b>	<b>(\$20,761)</b>	<b>(\$39,314)</b>	<b>(\$87,730)</b>	<b>0.00</b>	<b>(\$27,736)</b>	<b>(\$20,767)</b>	<b>(\$39,410)</b>	<b>(\$87,913)</b>

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

**DP 16010 - 3% Reduction in Budget - OSD -**

The legislature adopted a budget reduction for certain DPHHS divisions.

**Program Base Budget Comparison**

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	75.75	78.75	78.75	3.00	2.0%
General Fund	110,420,770	116,197,031	124,125,416	19,480,907	8.8%
State/Other Special Rev. Funds	36,806,754	30,479,540	30,494,786	(12,639,182)	(17.2%)
Federal Spec. Rev. Funds	271,712,100	241,366,900	254,049,465	(48,007,835)	(8.8%)
<b>Total Funds</b>	<b>418,939,624</b>	<b>388,043,471</b>	<b>408,669,667</b>	<b>(41,166,110)</b>	<b>(4.9%)</b>
Personal Services	6,909,213	6,785,030	6,799,305	(234,091)	(1.7%)
Operating Expenses	2,733,471	3,084,643	3,109,252	726,953	13.3%
Grants	14,795,566	17,230,923	17,666,280	5,306,071	17.9%
Benefits & Claims	394,210,268	360,651,769	380,803,724	(46,965,043)	(6.0%)
Transfers	28,500	28,500	28,500		0.0%
Debt Service	262,606	262,606	262,606		0.0%
<b>Total Expenditures</b>	<b>418,939,624</b>	<b>388,043,471</b>	<b>408,669,667</b>	<b>(41,166,110)</b>	<b>(4.9%)</b>
<b>Total Ongoing</b>	<b>418,939,624</b>	<b>388,043,471</b>	<b>408,669,667</b>	<b>(41,166,110)</b>	<b>(4.9%)</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

**Page Reference**

LFD Budget Analysis, B-111

**Program Actuals and Budget Comparison**

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	6,501,272	6,293,481	6,909,213	6,785,030	6,799,305
Operating Expenses	2,703,692	3,024,883	2,733,471	3,084,643	3,109,252
Grants	14,624,993	14,339,694	14,795,566	17,230,923	17,666,280
Benefits & Claims	315,790,141	354,131,314	394,210,268	360,651,769	380,803,724
Transfers	0	32,500	28,500	28,500	28,500
Debt Service	212,276	29,081	262,606	262,606	262,606
<b>Total Expenditures</b>	<b>\$339,832,374</b>	<b>\$377,850,953</b>	<b>\$418,939,624</b>	<b>\$388,043,471</b>	<b>\$408,669,667</b>
General Fund	85,166,831	94,427,953	110,420,770	116,197,031	124,125,416
State/Other Special Rev. Funds	33,495,421	36,124,216	36,806,754	30,479,540	30,494,786
Federal Spec. Rev. Funds	221,170,122	247,298,784	271,712,100	241,366,900	254,049,465
<b>Total Funds</b>	<b>\$339,832,374</b>	<b>\$377,850,953</b>	<b>\$418,939,624</b>	<b>\$388,043,471</b>	<b>\$408,669,667</b>
<b>Total Ongoing</b>	<b>\$339,832,374</b>	<b>\$377,850,953</b>	<b>\$418,939,624</b>	<b>\$388,043,471</b>	<b>\$408,669,667</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Page Reference**

LFD Budget Analysis, B-114

**Funding**

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

The general fund supports:

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

General fund expenditures can increase due to:

- Provider rate increases for Medicaid and aging services
- An increased number of Medicaid enrollees
- Higher costs of care for Medicaid enrollees
- Direct care worker wage increases
- Higher state Medicaid matching costs due to the reduction in the federal match rate (FMAP)

Most state revenue sources are used as a match for Medicaid services, including:

- Nursing home utilization fee
- Health and Medicaid initiative tobacco tax revenue
- County intergovernmental transfer revenues (IGT)

***Nursing Home Utilization Fee***

A portion of the state Medicaid match for nursing homes is paid from a fee assessed for each day of nursing home care.

**Legislative Budget**

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Senior & Long-Term Care Svcs 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>110,420,770</b>	<b>36,806,754</b>	<b>271,712,100</b>	<b>418,939,624</b>	<b>108.0%</b>	<b>110,420,770</b>	<b>36,806,754</b>	<b>271,712,100</b>	<b>418,939,624</b>	<b>102.5%</b>
Statewide PL										
Personal Services	505,420	(6,712)	(865,661)	(366,953)	(0.1%)	516,089	(6,712)	(862,056)	(352,679)	(0.1%)
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	(7,057)	0	(457)	(7,514)	(0.0%)	(4,769)	0	(309)	(5,078)	(0.0%)
Total Statewide PL	498,363	(6,712)	(866,118)	(374,467)	(0.1%)	511,320	(6,712)	(862,365)	(357,757)	(0.1%)
Present Law (PL)	(4,058,267)	(1,906,533)	(35,688,510)	(41,653,310)	(10.7%)	(720,357)	(1,891,287)	(30,180,528)	(32,792,172)	(8.0%)
New Proposals	9,336,165	(4,413,969)	6,209,428	11,131,624	2.9%	13,913,683	(4,413,969)	13,380,258	22,879,972	5.6%
<b>Total HB 2 Adjustments</b>	<b>5,776,261</b>	<b>(6,327,214)</b>	<b>(30,345,200)</b>	<b>(30,896,153)</b>	<b>(8.0%)</b>	<b>13,704,646</b>	<b>(6,311,968)</b>	<b>(17,662,635)</b>	<b>(10,269,957)</b>	<b>(2.5%)</b>
<b>Total Budget</b>	<b>116,197,031</b>	<b>30,479,540</b>	<b>241,366,900</b>	<b>388,043,471</b>		<b>124,125,416</b>	<b>30,494,786</b>	<b>254,049,465</b>	<b>408,669,667</b>	

**Present Law Adjustments -**

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

Present Law Adjustments										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	505,420	(6,712)	(865,661)	(366,953)		0.00	516,089	(6,712)	(862,056)	(352,679)
DP 3 - Inflation Deflation										
0.00	(7,057)	0	(457)	(7,514)		0.00	(4,769)	0	(309)	(5,078)
DP 22100 - Medicaid Core Services CFC - SLTC										
0.00	1,356,416	0	3,102,236	4,458,652		0.00	2,762,397	0	6,037,043	8,799,440
DP 22101 - FMAP Adjustment Medicaid Core CFC - SLTC										
0.00	1,737,899	0	(1,737,899)	0		0.00	1,737,899	0	(1,737,899)	0
DP 22204 - Contractual Adjustments - SLTC										
0.00	243,902	0	99,359	343,261		0.00	259,038	0	114,496	373,534
DP 22400 - Traditional Medicaid Caseload Update DPHHS - SLTC										
0.00	(2,949,052)	204,056	(4,620,964)	(7,365,960)		0.00	(2,856,995)	204,800	(4,727,829)	(7,380,024)
DP 22600 - Medicaid Expansion Caseload Update DPHHS - SLTC										
0.00	(157,446)	0	(1,931,131)	(2,088,577)		0.00	(161,762)	0	(2,000,899)	(2,162,661)
DP 22850 - Medicaid Caseload Adjustment - LFD										
0.00	(1,798,139)	0	(2,847,169)	(4,645,308)		0.00	(2,233,649)	0	(3,242,045)	(5,475,694)
DP 22891 - Expansion Core Services - SLTC										
0.00	80,000	0	720,001	800,001		0.00	120,821	0	1,087,387	1,208,208
DP 22892 - Expansion Core Services CFC - SLTC										
0.00	(296,739)	0	(523,695)	(820,434)		0.00	(288,128)	0	(317,041)	(605,169)
DP 22991 - Medicaid Core Services - SLTC										
0.00	(9,416,388)	(3,037,001)	(19,985,659)	(32,439,048)		0.00	(8,680,310)	(3,037,001)	(18,693,566)	(30,410,877)
DP 22992 - FMAP Adjustment Medicaid Core - SLTC										
0.00	5,531,645	0	(5,531,645)	0		0.00	5,828,393	0	(5,828,393)	0
DP 22993 - Medicaid Federal Services - SLTC										
0.00	0	0	(45,847)	(45,847)		0.00	0	0	(45,847)	(45,847)
DP 22994 - Medicaid Other Services IGT - SLTC										
0.00	0	653,743	1,049,156	1,702,899		0.00	0	656,127	1,046,772	1,702,899
DP 22995 - FMAP Adjustment IGT - SLTC										
0.00	0	118,546	(118,546)	0		0.00	0	125,117	(125,117)	0
DP 22996 - Medicaid Waiver Services - SLTC										
0.00	(596,177)	0	(956,772)	(1,552,949)		0.00	463,909	0	740,110	1,204,019
DP 22997 - FMAP Adjustment Waiver - SLTC										
0.00	1,711,130	0	(1,711,130)	0		0.00	1,807,611	0	(1,807,611)	0
DP 22998 - FMAP Adjustment DCW-HCHCW - SLTC										
0.00	223,059	154,123	(377,182)	0		0.00	235,944	159,670	(395,614)	0
DP 22999 - FMAP Adjustment CFC DCW-HCHCW - SLTC										
0.00	271,623	0	(271,623)	0		0.00	284,475	0	(284,475)	0
<b>Grand Total All Present Law Adjustments</b>										
<b>0.00</b>	<b>(\$3,559,904)</b>	<b>(\$1,913,245)</b>	<b>(\$36,554,628)</b>	<b>(\$42,027,777)</b>		<b>0.00</b>	<b>(\$209,037)</b>	<b>(\$1,897,999)</b>	<b>(\$31,042,893)</b>	<b>(\$33,149,929)</b>

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

#### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

#### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

#### DP 22100 - Medicaid Core Services CFC - SLTC -

The legislature adopted funding for existing services for the Community First Choice (CFC) Program in the Senior and Long-Term Care Division. This adjustment does not include any changes in eligibility criteria or allowable plan services.

DP 22101 - FMAP Adjustment Medicaid Core CFC - SLTC -

The legislature adopted funding for existing services for the Community First Choice (CFC) Program in the Senior and Long-Term Care Division. The biennial funding increases general fund and includes an offsetting decrease in federal funds. The total cost for the program does not change.

DP 22204 - Contractual Adjustments - SLTC -

The legislature adopted funding for increased rates for contracted care review services in the Senior and Long-Term Care Division.

DP 22400 - Traditional Medicaid Caseload Update DPHHS - SLTC -

The legislature adopted updated funding for Medicaid caseload projections.

DP 22600 - Medicaid Expansion Caseload Update DPHHS - SLTC -

The legislature adopted updated funding for Medicaid expansion caseload projections.

DP 22850 - Medicaid Caseload Adjustment - LFD -

The legislature adopted Medicaid caseload adjustments in SLTC.

DP 22891 - Expansion Core Services - SLTC -

The legislature adopted funding for caseload growth in the Senior and Long-Term Care Division. This decision package covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Core Expansion. This adjustment does not include any changes in eligibility criteria or allowable plan services. Medicaid expansion continuing into the 2027 biennium is contingent upon legislative action.

DP 22892 - Expansion Core Services CFC - SLTC -

The legislature adopted funding for caseload changes in the Medicaid expansion Community First Choice Program (CFC) in the Senior and Long-Term Care Division. This decision package covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This adjustment does not include any changes in eligibility criteria or allowable plan services. Medicaid expansion continuing into the 2027 biennium is contingent upon legislative action.

DP 22991 - Medicaid Core Services - SLTC -

The legislature adopted funding changes for a caseload reduction in the Senior and Long-Term Care Division. This decision package covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Core Medicaid.

DP 22992 - FMAP Adjustment Medicaid Core - SLTC -

The legislature adopted funding changes for existing services in the Medicaid Core Program in SLTC. This decision package increases general fund and includes an offsetting decrease in federal funds. The total cost for the program does not change.

DP 22993 - Medicaid Federal Services - SLTC -

The legislature adopted funding changes for a caseload reduction in the Senior and Long-Term Care Division. This decision package covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for federal Medicaid. This adjustment does not include any changes in eligibility criteria or allowable plan services.

DP 22994 - Medicaid Other Services IGT - SLTC -

The legislature adopted funding to align county fiscal participation for the Intergovernmental Transfer (IGT) Program in the Senior and Long-Term Care Division.

DP 22995 - FMAP Adjustment IGT - SLTC -

The legislature adopted funding changes for existing services in the Medicaid Intergovernmental Transfer (IGT) Program in SLTC.

DP 22996 - Medicaid Waiver Services - SLTC -

The legislature adopted funding changes for a caseload reduction in the Senior and Long-Term Care Division. This decision package covers the projected change in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care for Medicaid Waiver Services. This adjustment does not include any changes in eligibility criteria or allowable plan services.

DP 22997 - FMAP Adjustment Waiver - SLTC -

The legislature adopted funding changes for existing Medicaid waiver services in the Senior and Long-Term Care Division. The biennial funding increases general fund and includes an offsetting decrease in federal funds. The total cost for the program does not change.

DP 22998 - FMAP Adjustment DCW-HCHCW - SLTC -

The legislature adopted funding changes for existing services in the Direct Care Wage and Healthcare for Healthcare Workers Program in SLTC. The biennial funding increases general fund, increases state special revenue and includes an offsetting decrease in federal funds. The total cost for the program does not change.

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

The legislature adopted funding changes for existing services in the CFC Direct Care Wage and Health Care for Health Care Workers program in SLTC. The biennial funding increases the general fund and includes an offsetting decrease in federal funds. The total cost for the program does not change.

**New Proposals -**

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

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 22002 - Realign Appropriation with Revenue I-149 BigSky Rx - SLTC										
0.00	0	(1,400,000)	0	(1,400,000)		0.00	0	(1,400,000)	0	(1,400,000)
DP 22003 - Adult Protective Services Guardianship PB										
3.00	258,195	0	0	258,195		3.00	250,096	0	0	250,096
DP 22004 - Realign Appropriation for MED Nursing Home										
0.00	3,013,969	(3,013,969)	0	0		0.00	3,013,969	(3,013,969)	0	0
DP 22704 - Funding for Area Agencies on Aging Grants										
0.00	2,000,000	0	0	2,000,000		0.00	2,000,000	0	0	2,000,000
DP 22705 - 3% Provider Rate Adjustment - SLTC Non-Medicaid										
0.00	435,357	0	0	435,357		0.00	870,714	0	0	870,714
DP 22706 - 3% Provider Rate Adjustment - SLTC Traditional Medicaid										
0.00	3,590,945	0	6,130,088	9,721,033		0.00	7,390,146	0	12,559,026	19,949,172
DP 22707 - 3% Provider Rate Adjustment - SLTC Medicaid Expansion										
0.00	37,699	0	79,340	117,039		0.00	388,758	0	821,232	1,209,990
<b>Total</b>	<b>3.00</b>	<b>\$9,336,165</b>	<b>(\$4,413,969)</b>	<b>\$6,209,428</b>	<b>\$11,131,624</b>	<b>3.00</b>	<b>\$13,913,683</b>	<b>(\$4,413,969)</b>	<b>\$13,380,258</b>	<b>\$22,879,972</b>

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

#### DP 22002 - Realign Appropriation with Revenue I-149 BigSky Rx - SLTC -

The legislature adopted a reduction of Tobacco Health and Medicaid Initiative (I-149) state special revenue to the Big Sky Rx program to align appropriations with anticipated expenditures. This is a reduction of \$1.4 million in state special revenue in each year of the biennium.

#### DP 22003 - Adult Protective Services Guardianship PB -

The legislature adopted the addition of 3.00 PB and associated funding for the Adult Protective Services (APS) Guardianship Program. The position type is Social Services Worker II (SSW). These positions will be responsible for monitoring APS guardianship cases.

#### DP 22004 - Realign Appropriation for MED Nursing Home -

The legislature adopted a reduction in the appropriation of state special revenue to the Medicaid Nursing Home program to align appropriation with anticipated expenditures. This is a reduction of \$3.0 million in Tobacco Health and Medicaid Initiative (I-149) state special revenue in each year of the biennium with an offsetting increase in general fund.

#### DP 22704 - Funding for Area Agencies on Aging Grants -

The legislature adopted funding for Area Agencies on Aging Grants.

#### DP 22705 - 3% Provider Rate Adjustment - SLTC Non-Medicaid -

The legislature adopted funding for provider rate increases.

#### DP 22706 - 3% Provider Rate Adjustment - SLTC Traditional Medicaid -

The legislature adopted funding for provider rate increases.

#### DP 22707 - 3% Provider Rate Adjustment - SLTC Medicaid Expansion -

The legislature adopted funding for provider rate increases.

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

### Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	FY 2027	Biennium Change from Base Amount	Percent
PB	60.24	67.24	67.24	7.00	5.8%
General Fund	19,838,404	21,244,229	21,924,647	3,492,068	8.8%
State/Other Special Rev. Funds	4,233,081	3,847,507	3,847,660	(770,995)	(9.1%)
Federal Spec. Rev. Funds	68,619,176	78,446,815	78,575,649	19,784,112	14.4%
<b>Total Funds</b>	<b>92,690,661</b>	<b>103,538,551</b>	<b>104,347,956</b>	<b>22,505,185</b>	<b>12.1%</b>
Personal Services	5,413,020	6,194,659	6,211,125	1,579,744	14.6%
Operating Expenses	3,967,064	6,324,960	6,638,954	5,029,786	63.4%
Equipment & Intangible Assets	75,000	75,000	75,000		0.0%
Grants	23,621,433	31,166,424	31,482,006	15,405,564	32.6%
Benefits & Claims	59,574,455	59,737,819	59,901,182	490,091	0.4%
Transfers	35,000	35,000	35,000		0.0%
Debt Service	4,689	4,689	4,689		0.0%
<b>Total Expenditures</b>	<b>92,690,661</b>	<b>103,538,551</b>	<b>104,347,956</b>	<b>22,505,185</b>	<b>12.1%</b>
<b>Total Ongoing</b>	<b>92,690,661</b>	<b>103,538,551</b>	<b>104,347,956</b>	<b>22,505,185</b>	<b>12.1%</b>
<b>Total One-Time-Only</b>					<b>0.0%</b>

### Page Reference

LFD Budget Analysis, B-122

### Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	6,903,879	5,609,818	5,413,020	6,194,659	6,211,125
Operating Expenses	6,295,583	6,584,048	3,967,064	6,324,960	6,638,954
Equipment & Intangible Assets	0	75,000	75,000	75,000	75,000
Grants	25,658,663	28,003,639	23,621,433	31,166,424	31,482,006
Benefits & Claims	48,069,806	48,539,495	59,574,455	59,737,819	59,901,182
Transfers	21,125	29,900	35,000	35,000	35,000
Debt Service	200,860	110,689	4,689	4,689	4,689
<b>Total Expenditures</b>	<b>\$87,149,916</b>	<b>\$88,952,589</b>	<b>\$92,690,661</b>	<b>\$103,538,551</b>	<b>\$104,347,956</b>
General Fund	8,293,860	8,407,897	19,838,404	21,244,229	21,924,647
State/Other Special Rev. Funds	2,864,560	4,211,556	4,233,081	3,847,507	3,847,660
Federal Spec. Rev. Funds	75,991,496	76,333,136	68,619,176	78,446,815	78,575,649
<b>Total Funds</b>	<b>\$87,149,916</b>	<b>\$88,952,589</b>	<b>\$92,690,661</b>	<b>\$103,538,551</b>	<b>\$104,347,956</b>
<b>Total Ongoing</b>	<b>\$87,149,916</b>	<b>\$88,952,589</b>	<b>\$92,690,661</b>	<b>\$103,538,551</b>	<b>\$104,347,956</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

### Page Reference

LFD Budget Analysis, B-125

### Funding

Early Childhood and Family Support Division (ECSFD) receives general fund, state special revenue fund, and federal special revenue fund authority. The major sources of state special revenue are:

- Tobacco settlement funds and tobacco settlement trust fund interest - For additional information see the state special revenue fund balance table in the DPHHS Agency Summary LFD Budget Analysis B-131\*\* 2025 Biennium
- Insurance policies fees - \$1.00 annually for each Montana resident insured under any individual or group disability or health insurance policy

The major sources of federal funding include the discretionary childcare fund, the child nutrition fund, and WIC (Women, Infants and Children) fund.

### Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

Early Childhood and Family Support 2027 Biennium HB 2 Base Budget and Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>19,838,404</b>	<b>4,233,081</b>	<b>68,619,176</b>	<b>92,690,661</b>	<b>89.5%</b>	<b>19,838,404</b>	<b>4,233,081</b>	<b>68,619,176</b>	<b>92,690,661</b>	<b>88.8%</b>
Statewide PL										
Personal Services	(424,053)	(52,409)	693,293	216,831	0.2%	(420,507)	(52,406)	706,210	233,297	0.2%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	(1,526)	(1,526)	(0.0%)	0	0	(1,030)	(1,030)	(0.0%)
Total Statewide PL	(424,053)	(52,409)	691,767	215,305	0.2%	(420,507)	(52,406)	705,180	232,267	0.2%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	1,829,878	(333,165)	9,135,872	10,632,585	10.3%	2,506,750	(333,015)	9,251,293	11,425,028	10.9%
<b>Total HB 2 Adjustments</b>	<b>1,405,825</b>	<b>(385,574)</b>	<b>9,827,639</b>	<b>10,847,890</b>	<b>10.5%</b>	<b>2,086,243</b>	<b>(385,421)</b>	<b>9,956,473</b>	<b>11,657,295</b>	<b>11.2%</b>
<b>Total Budget</b>	<b>21,244,229</b>	<b>3,847,507</b>	<b>78,446,815</b>	<b>103,538,551</b>		<b>21,924,647</b>	<b>3,847,660</b>	<b>78,575,649</b>	<b>104,347,956</b>	

### Present Law Adjustments -

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

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

Present Law Adjustments										
Fiscal 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 1 - Personal Services	0.00	(424,053)	(52,409)	693,293	216,831	0.00	(420,507)	(52,406)	706,210	233,297
DP 3 - Inflation Deflation	0.00	0	0	(1,526)	(1,526)	0.00	0	0	(1,030)	(1,030)
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$424,053)</b>	<b>(\$52,409)</b>	<b>\$691,767</b>	<b>\$215,305</b>	<b>0.00</b>	<b>(\$420,507)</b>	<b>(\$52,406)</b>	<b>\$705,180</b>	<b>\$232,267</b>

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

### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

### DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

### **New Proposals -**

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

New Proposals										
Fiscal 2026					Fiscal 2027					
PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds	
DP 25001 - Provider Rate Adjustment - Part C Services - ECFSD	0.00	1,386,541	0	627,881	2,014,422	0.00	1,620,078	0	707,842	2,327,920
DP 25003 - Adjust Federal Authority to Match Grant Award Level - ECFSD	0.00	0	0	1,181,991	1,181,991	0.00	0	0	1,217,451	1,217,451
DP 25007 - Realign Approp. for Child.s Special Serv. SSR	0.00	0	(333,165)	0	(333,165)	0.00	0	(333,015)	0	(333,015)
DP 25014 - 3% Provider Rate Adjustment - ECFSD Non-Medicaid	0.00	443,337	0	0	443,337	0.00	886,672	0	0	886,672
DP 25020 - Budget Amendment Authority - MIECHV	4.00	0	0	5,000,000	5,000,000	4.00	0	0	5,000,000	5,000,000
DP 25021 - Budget Amendment Authority - Ped. MH Care Access Prog.	1.00	0	0	850,000	850,000	1.00	0	0	850,000	850,000
DP 25022 - Budget Amendment Authority - Maternal Health	1.50	0	0	1,316,000	1,316,000	1.50	0	0	1,316,000	1,316,000
DP 25023 - Budget Amendment Authority - Sexual Risk Avoidance	0.50	0	0	160,000	160,000	0.50	0	0	160,000	160,000
<b>Total</b>	<b>7.00</b>	<b>\$1,829,878</b>	<b>(\$333,165)</b>	<b>\$9,135,872</b>	<b>\$10,632,585</b>	<b>7.00</b>	<b>\$2,506,750</b>	<b>(\$333,015)</b>	<b>\$9,251,293</b>	<b>\$11,425,028</b>

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

### DP 25001 - Provider Rate Adjustment - Part C Services - ECFSD -

The legislature adopted adjustments of authority to support a provider rate increase for Part C of the Individuals with Disabilities Education Act (IDEA). The increase is intended to meet the provider rate increases specified by the Guidehouse Provider Rate Study completed in October 2023. The state has entered new contracts at a rate equal to that recommended by Guidehouse. This change package adjusts the budget to the level supported by the current provider rate.

## **69010 - Department Of Public Health & Human Services25-Early Childhood and Family Support**

### DP 25003 - Adjust Federal Authority to Match Grant Award Level - ECFSD -

The legislature adopted adjustments to increase the federal appropriations of various grants in the Early Childhood and Family Services Division.

### DP 25007 - Realign Approp. for Child.s Special Serv. SSR -

The legislature adopted an adjustment of state special revenue funds for children's special health services to align appropriation with anticipated expenditures.

### DP 25014 - 3% Provider Rate Adjustment - ECFSD Non-Medicaid -

The legislature adopted funding for provider rate increases.

### DP 25020 - Budget Amendment Authority - MIECHV -

The legislature adopted funding for budget amendment authority into House Bill 2.

### DP 25021 - Budget Amendment Authority - Ped. MH Care Access Prog. -

The legislature adopted funding for budget amendment authority into House Bill 2.

### DP 25022 - Budget Amendment Authority - Maternal Health -

The legislature adopted funding for budget amendment authority into House Bill 2.

### DP 25023 - Budget Amendment Authority - Sexual Risk Avoidance -

The legislature adopted funding for budget amendment authority into House Bill 2.

### Program Base Budget Comparison

The following table compares the base budget with the expenditures adopted for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget FY 2025	Budget FY 2026	Budget FY 2027	Biennium Change from Base Amount	Percent
PB	871.36	773.06	773.06	(98.30)	(5.6%)
General Fund	72,112,922	115,518,757	119,107,424	90,400,337	62.7%
State/Other Special Rev. Funds	21,948,180	37,032,374	34,898,574	28,034,588	63.9%
Federal Spec. Rev. Funds	17,682,499	15,314,581	16,039,692	(4,010,725)	(11.3%)
<b>Total Funds</b>	<b>111,743,601</b>	<b>167,865,712</b>	<b>170,045,690</b>	<b>114,424,200</b>	<b>51.2%</b>
Personal Services	72,591,248	70,291,693	71,751,706	(3,139,097)	(2.2%)
Operating Expenses	38,254,428	96,676,094	97,396,059	117,563,297	153.7%
Equipment & Intangible Assets	77,093	77,093	77,093		0.0%
Debt Service	820,832	820,832	820,832		0.0%
<b>Total Expenditures</b>	<b>111,743,601</b>	<b>167,865,712</b>	<b>170,045,690</b>	<b>114,424,200</b>	<b>51.2%</b>
<b>Total Ongoing</b>	<b>111,743,601</b>	<b>106,427,529</b>	<b>108,214,161</b>	<b>(8,845,512)</b>	<b>(4.0%)</b>
<b>Total One-Time-Only</b>		<b>61,438,183</b>	<b>61,831,529</b>	<b>123,269,712</b>	<b>0.0%</b>

### Page Reference

LFD Budget Analysis, B-131

### Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the adopted budget for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Legislative Fiscal 2026	Legislative Fiscal 2027
Personal Services	52,234,218	67,862,856	72,591,248	70,291,693	71,751,706
Operating Expenses	52,215,530	46,199,550	38,254,428	96,676,094	97,396,059
Equipment & Intangible Assets	187,067	173,553	77,093	77,093	77,093
Benefits & Claims	1,000	0	0	0	0
Transfers	0	50,001	0	0	0
Debt Service	2,132,724	787,231	820,832	820,832	820,832
<b>Total Expenditures</b>	<b>\$106,770,539</b>	<b>\$115,073,191</b>	<b>\$111,743,601</b>	<b>\$167,865,712</b>	<b>\$170,045,690</b>
General Fund	77,617,495	77,680,511	72,112,922	115,518,757	119,107,424
State/Other Special Rev. Funds	17,322,812	20,499,460	21,948,180	37,032,374	34,898,574
Federal Spec. Rev. Funds	11,830,232	16,893,220	17,682,499	15,314,581	16,039,692
<b>Total Funds</b>	<b>\$106,770,539</b>	<b>\$115,073,191</b>	<b>\$111,743,601</b>	<b>\$167,865,712</b>	<b>\$170,045,690</b>
<b>Total Ongoing</b>	<b>\$106,770,539</b>	<b>\$115,073,191</b>	<b>\$111,743,601</b>	<b>\$106,427,529</b>	<b>\$108,214,161</b>
<b>Total OTO</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$61,438,183</b>	<b>\$61,831,529</b>

### Page Reference

LFD Budget Analysis, B-133

## Funding

The 2027 biennium Healthcare Facilities Division (HFD) HB 2 budget request is funded by general fund, state special revenue, and federal funds. General fund pays for administration and facility costs, including personal services and operating expenses.

State special revenue includes several sources of revenue:

- Cigarette Tax Revenue: By statute, 8.3% of cigarette taxes collected are deposited into a state special revenue account for support of veterans' nursing home costs at state operated veterans' homes. Statute requires that funds in excess of \$2.0 million in the veterans' portion of the cigarette tax revenue be transferred to the general fund at the end of the fiscal year. Cigarette taxes are a declining revenue source
- Earmarked Alcohol funds support the Montana Chemical Dependency Center (MCDC) in Butte

Federal funds in the proposed budget are associated with the three veterans' homes.

## Legislative Budget

The following table shows the base budget and the statewide present law adjustments, present law adjustments, and new proposals adopted by the legislature by source of funding.

	Health Care Facilities 2027 Biennium HB 2 Base Budget and Adjustments									
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
<b>Base Budget</b>	<b>72,112,922</b>	<b>21,948,180</b>	<b>17,682,499</b>	<b>111,743,601</b>	<b>66.6%</b>	<b>72,112,922</b>	<b>21,948,180</b>	<b>17,682,499</b>	<b>111,743,601</b>	<b>65.7%</b>
Statewide PL										
Personal Services	1,614,645	(432,199)	(108,155)	1,074,291	0.6%	1,693,617	(404,365)	(103,709)	1,185,543	0.7%
Fixed Costs	(426,141)	(119,816)	(24,559)	(570,516)	(0.3%)	(435,628)	(122,485)	(25,106)	(583,219)	(0.3%)
Inflation Deflation	(6,212)	(1,126)	0	(7,338)	(0.0%)	(4,199)	(760)	0	(4,959)	(0.0%)
Total Statewide PL	1,182,292	(553,141)	(132,714)	496,437	0.3%	1,253,790	(527,610)	(128,815)	597,365	0.4%
Present Law (PL)	1,632,024	234,218	894,091	2,760,333	1.6%	1,746,323	247,012	1,615,303	3,608,638	2.1%
New Proposals	40,591,519	15,403,117	(3,129,295)	52,865,341	31.5%	43,994,389	13,230,992	(3,129,295)	54,096,086	31.8%
<b>Total HB 2 Adjustments</b>	<b>43,405,835</b>	<b>15,084,194</b>	<b>(2,367,918)</b>	<b>56,122,111</b>	<b>33.4%</b>	<b>46,994,502</b>	<b>12,950,394</b>	<b>(1,642,807)</b>	<b>58,302,089</b>	<b>34.3%</b>
<b>Total Budget</b>	<b>115,518,757</b>	<b>37,032,374</b>	<b>15,314,581</b>	<b>167,865,712</b>		<b>119,107,424</b>	<b>34,898,574</b>	<b>16,039,692</b>	<b>170,045,690</b>	

## Present Law Adjustments -

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

Present Law Adjustments										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	1,614,645	(432,199)	(108,155)	1,074,291	0.00	1,693,617	(404,365)	(103,709)	1,185,543
DP 2 - Fixed Costs	0.00	(426,141)	(119,816)	(24,559)	(570,516)	0.00	(435,628)	(122,485)	(25,106)	(583,219)
DP 3 - Inflation Deflation	0.00	(6,212)	(1,126)	0	(7,338)	0.00	(4,199)	(760)	0	(4,959)
DP 33001 - Overtime/Holiday/Differential MSH (RST/BIEN)	0.00	495,473	0	0	495,473	0.00	495,473	0	0	495,473
DP 33002 - Overtime/Holiday/Differential MVH (RST/BIEN)	0.00	0	137,190	69,459	206,649	0.00	0	137,190	69,459	206,649
DP 33003 - Overtime/Holiday/Differential IBC (RST/BIEN)	0.00	135,203	0	0	135,203	0.00	135,203	0	0	135,203
DP 33004 - Overtime/Holiday/Differential MHNCC (RST/BIEN)	0.00	177,041	0	0	177,041	0.00	177,041	0	0	177,041
DP 33005 - Overtime/Holiday/Differential MCDC (RST/BIEN)	0.00	0	65,964	0	65,964	0.00	0	65,964	0	65,964
DP 33006 - Per Diem Request - EMVH	0.00	0	0	590,263	590,263	0.00	0	0	892,372	892,372
DP 33007 - Per Diem Request - SWMVH	0.00	0	0	222,718	222,718	0.00	0	0	637,023	637,023
DP 33009 - Facilities Contracted Services Rate Increase	0.00	824,307	31,064	11,651	867,022	0.00	938,606	43,858	16,449	998,913
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$2,814,316</b>	<b>(\$318,923)</b>	<b>\$761,377</b>	<b>\$3,256,770</b>	<b>0.00</b>	<b>\$3,000,113</b>	<b>(\$280,598)</b>	<b>\$1,486,488</b>	<b>\$4,206,003</b>

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

#### DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

#### DP 2 - Fixed Costs -

The legislature adopted funding for fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

#### DP 3 - Inflation Deflation -

The legislature adopted funding for budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

#### DP 33001 - Overtime/Holiday/Differential MSH (RST/BIEN) -

The legislature adopted funding for overtime, holiday, and differential pay.

#### DP 33002 - Overtime/Holiday/Differential MVH (RST/BIEN) -

The legislature adopted funding for overtime, holiday, and differential pay.

#### DP 33003 - Overtime/Holiday/Differential IBC (RST/BIEN) -

The legislature adopted funding for overtime, holiday, and differential pay.

DP 33004 - Overtime/Holiday/Differential MHNCC (RST/BIEN) -

The legislature adopted funding for overtime, holiday, and differential pay.

DP 33005 - Overtime/Holiday/Differential MCDC (RST/BIEN) -

The legislature adopted funding for overtime, holiday, and differential pay.

DP 33006 - Per Diem Request - EMVH -

The legislature adopted an increase in federal authority for the federal Veterans Administration (VA) per diem rates that will be reimbursed for the nursing facility days of care at the Eastern Montana Veterans Home (EMVH) in the Healthcare Facility Division in the 2027 Biennium. The VA per diem rate increases effective October 1st of each year.

DP 33007 - Per Diem Request - SWMVH -

The legislature adopted an increase in federal authority for the federal Veterans Affairs (VA) per diem rates that will be reimbursed for the nursing facility days of care at the Southwest Montana Veterans Home in the Healthcare Facilities Division in the 2027 biennium. The VA per diem rate increases on October 1st of each year.

DP 33009 - Facilities Contracted Services Rate Increase -

The legislature adopted funding to maintain operational contracted services at the state-run facilities within the Healthcare Facilities Division. Examples of this include food services and laundry services.

**New Proposals -**

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

New Proposals										
-----Fiscal 2026-----						-----Fiscal 2027-----				
PB	General Fund	State Special	Federal Special	Total Funds		PB	General Fund	State Special	Federal Special	Total Funds
DP 12055 - Add PB for Complex Care Coordinator	(1.00)	0	(73,343)	0	(73,343)	(1.00)	0	(73,343)	0	(73,343)
DP 33107 - State Special Revenue Funding Switch - MCDC	0.00	0	0	0	0	0.00	0	0	0	0
DP 33108 - State Special Revenue Fund Switch - MSH	0.00	0	0	0	0	0.00	0	0	0	0
DP 33109 - Realign Appropriation for SWMVH VA Reimbursement	0.00	0	0	(2,067,833)	(2,067,833)	0.00	0	0	(2,067,833)	(2,067,833)
DP 33201 - Fund Switch and Realignment for Montana Veterans Home	0.00	2,542,938	(2,928,718)	(1,061,462)	(1,447,242)	0.00	2,542,938	(2,928,718)	(1,061,462)	(1,447,242)
DP 33701 - Student Loan Repayment Program (RST/BIEN/OTO)	0.00	0	1,500,000	0	1,500,000	0.00	0	1,500,000	0	1,500,000
DP 33801 - MHNCC D-Wing - Repurposing and Lic. (RST/BIEN/OTO)	0.00	3,157,864	0	0	3,157,864	0.00	6,424,001	0	0	6,424,001
DP 33802 - MSH Grasslands - Subacute Step-Down (RST/BIEN/OTO)	0.00	0	6,229,092	0	6,229,092	0.00	0	3,966,125	0	3,966,125
DP 33803 - Montana State Hospital Beds (OTO)	0.00	0	10,516,567	0	10,516,567	0.00	0	10,516,567	0	10,516,567
DP 33901 - Facility Operations (RST/OTO)	0.00	40,034,660	0	0	40,034,660	0.00	39,424,836	0	0	39,424,836
DP 33902 - Facility Wage Standardization (RST)	0.00	721,044	0	0	721,044	0.00	721,044	0	0	721,044
DP 33903 - Facility Wage Increases (RST)	0.00	883,932	159,519	0	1,043,451	0.00	1,630,489	250,361	0	1,880,850
DP 33904 - Remove Vacant PB	(97.30)	(6,748,919)	0	0	(6,748,919)	(97.30)	(6,748,919)	0	0	(6,748,919)
<b>Total</b>	<b>(98.30)</b>	<b>\$40,591,519</b>	<b>\$15,403,117</b>	<b>(\$3,129,295)</b>	<b>\$52,865,341</b>	<b>(98.30)</b>	<b>\$43,994,389</b>	<b>\$13,230,992</b>	<b>(\$3,129,295)</b>	<b>\$54,096,086</b>

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

#### DP 12055 - Add PB for Complex Care Coordinator -

The legislature adopted the reduction of 1.00 vacant PB from HFD and added 1.00 PB to MHSM for a complex care coordinator.

#### DP 33107 - State Special Revenue Funding Switch - MCDC -

The legislature adopted funding changes to align Medicaid cost recovery funds for the Montana Chemical Dependency Center in the Healthcare Facilities Division. This fund switch increases state special revenue funds for alcohol tax by \$500,000 and decreases state special revenue funds for Medicaid cost recovery revenue by \$500,000 in each year of the biennium. The total cost for the program is not impacted by this package.

#### DP 33108 - State Special Revenue Fund Switch - MSH -

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

#### DP 33109 - Realign Appropriation for SWMVH VA Reimbursement -

The legislature adopted a reduction in the appropriation of federal funds to the Southwest Montana Veterans Home to align appropriations with anticipated expenditures.

DP 33201 - Fund Switch and Realignment for Montana Veterans Home -

The legislature adopted the realignment of funding for the Montana Veterans' Home programs. Included in the realignment is a fund switch reducing the use of state special revenue cigarette taxes and federal funds, while increasing general funds.

DP 33701 - Student Loan Repayment Program (RST/BIEN/OTO) -

The legislature adopted restricted, biennial, and one-time-only funding for a student loan repayment program in HFD, with associated language in HB2. The funding is restricted to a student loan repayment program for nurses, licensed practical nurses, and psychiatrists at the Montana State Hospital or other state-run facilities. It is legislative intent that these funds be prioritized for positions at the Montana State Hospital.

DP 33801 - MHNCC D-Wing - Repurposing and Lic. (RST/BIEN/OTO) -

The legislature adopted restricted, biennial, and one-time-only funding for operating costs for additional bed capacity at the Montana Mental Health Nursing Care Center.

DP 33802 - MSH Grasslands - Subacute Step-Down (RST/BIEN/OTO) -

The legislature adopted funding for continuing the operation of MSH Grasslands as a subacute step-down facility. This appropriation is restricted, biennial, and one-time-only. The funding is Behavioral Health Systems for Future Generations state special revenue.

DP 33803 - Montana State Hospital Beds (OTO) -

The legislature added authority from the Behavioral Health Systems for Future Generations state special revenue fund to increase bed capacity at the state hospital by 26 beds. Use of these funds for this purpose requires passage and approval of statute change in LC 4164.

DP 33901 - Facility Operations (RST/OTO) -

The legislature adopted funding for operating of state-owned facilities. This appropriation is restricted and one-time-only.

DP 33902 - Facility Wage Standardization (RST) -

The legislature adopted restricted funding to standardize wages across state facilities.

DP 33903 - Facility Wage Increases (RST) -

The legislature adopted restricted funding to increase wages at state facilities.

DP 33904 - Remove Vacant PB -

The legislature adopted the removal of 97.30 PB and associated funding in HFD.