



Presentation to the 2017 Health and Human Services
Joint Appropriation Subcommittee

HEALTH RESOURCES DIVISION

Department of Public Health and Human Services (DPHHS)

DPHHS Mission: To improve and protect the health, well-being, and self-reliance of all Montanans.

Health Resources Division Mission: To protect the health and safety of all Montanans

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OVERVIEW

The mission of the Health Resources Division is to improve and protect the health and safety of all Montanans. The Division supports the well-being of Montanans by providing access to health care, so that all Montanans have the opportunity to reach their potential and fully contribute to our communities. HRD provides this to Montanans across the life span, serving children, adults with low incomes, seniors, and Montanans who are blind or disabled.

The Health Resources Division does this by administering several Medicaid plans and programs: Medicaid, Healthy Montana Kids (Medicaid and Children's Health Insurance Program for children in low-income families), the Montana Health and Economic Livelihood Partnership (HELP) Plan and Big Sky Rx.

Through these, the division pays for eligible Montanans to receive a wide range of preventive, primary and acute care services from private and public providers. The division develops the tools, measurements and reports necessary to allow division management to administer and control programs and expenditures in the division, and to report those results in an accurate and timely manner to others. The majority of services in the division are funded through Medicaid. Medicaid is a state/federal partnership that reimburses for medical services for the aged, blind, disabled, children and low-income families.

Health Resources Division manages over 60 separate medical services available.

Medicaid services include:

- Hospital: Inpatient, Outpatient, Critical Access Hospitals (CAHs)
- Physician Services, Mid-Level practitioner, Podiatry, Laboratory and X-Ray
- Pharmacy
- Dental and Denturist
- Ambulatory Surgical Centers, Dialysis Clinics, Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs), Community Health Centers (CHC)
- Tribal and Indian Health Services (100% federally funded)
- Member Healthcare Assistance Programs:
 - Passport to Health Program
 - Team Care
 - Health Improvement Program
 - Nurse First
- Durable Medical Equipment (DME)
- Audiology, Hearing Aids
- Optometry, Eyeglasses
- Therapies: Physical, Occupational, Speech
- Personal and Commercial Transportation, Ambulance, Specialized Non-Emergency
- Private Duty Nursing, Chiropractic, Nutrition
- School Based Services
- Early and Periodic Screening, Diagnosis and Treatment (EPSDT)

The Montana Health and Economic Livelihood Partnership (HELP) Plan, implemented in January 2016, provides Medicaid coverage to Montanans whose income is below 138% of the federal poverty level. Blue Cross Blue Shield of Montana is the third-party administrator for the program.

Big Sky Rx is a state funded program that helps Montanans, who are at or below 200% of poverty and who are eligible for the Medicare Part D prescription drug program, pay for their Medicare premium. A related program, PharmAssist, pays for prescription drug counseling by a pharmacist and provides drug information and technical assistance to all Montanans.

SUMMARY OF MAJOR SERVICES

Hospital Services

Hospital Services are provided in Montana through a network of 14 acute care facilities and 46 Critical Access Hospitals across the state. Medicaid reimburses for inpatient services, outpatient services and emergency care. Providing these services in Montana supports Montana's healthcare system and helps assure access to health services for all Montanans.

Medicaid will cover hospital care outside of the state only in special circumstances. Out of state coverage is limited to services that are: 1) not available in Montana (i.e. transplants); 2) for people who live on the border that may normally get their health care in Idaho, Wyoming, North Dakota or South Dakota; or 3) for Montanans who have traveled outside the state and are in need of services.

Physician and Mid-Level Providers Services

Medicaid reimburses for services including, but not limited to: office visits, lab tests, surgeries, childbirth, prenatal care and anesthesia. Approximately 73% of adults and 67% of children receiving Medicaid services during a year will receive services from a physician or mid-level provider. Medicaid's provider network includes over 3,731 physicians and mid-level practitioners in the State of Montana. Medicaid uses nationally developed payment structures, customized to Montana, to ensure equitable payments. The Resource Based Relative Value System (RBRVS) is described on page 33 of the 2017 Medicaid Report.

Pharmacy Services

The Medicaid Pharmacy program contracts with 275 Montana pharmacies that provide access to life-saving medications. The program provides cost effective services across Montana and promotes appropriate use through provider education and pharmacy case management.

Drug coverage criteria are developed by physicians and pharmacists through the Drug Use Review Board. Through a contract with Mountain Pacific Quality Health, the Drug Use Review Board is made up of physicians, mid-level providers, and pharmacists from around Montana, who develop drug coverage criteria to ensure medications prescribed are appropriate, medically necessary and cost effective. Coverage determinations balance cost effective alternatives while allowing flexibility based on professional medical decisions.

Another way the program ensures cost effectiveness is by collecting rebates from drug manufacturers for Medicaid, Mental Health Services Program and Healthy Montana Kids prescriptions. The rebates reduce the cost of the program to Montana.

The Big Sky Rx program is a state funded program designed to complement the Medicare Part D drug benefit by providing premium assistance to eligible Montanans. Big Sky Rx staff determines eligibility for the program and individuals must have family income at or below 200% of the FPL and be enrolled in Medicare Part D. Big Sky Rx makes a payment of the Part D premium up to \$34 per month.

Dental and Denture Services

The Medicaid Dental program provides services up to \$1125 per year to Medicaid members (above the age of 20 and not enrolled as Aged, Blind and Disabled). Diagnostic, preventative, dentures and anesthesia services are not counted in the treatment cap. Members who are age 20 and under or eligible under Aged, Blind and Disable have no dental benefit limit. Services are provided by dentists, denturists, hygienist and oral surgeons.

Rural Health Clinics and Federally Qualified Health Centers

Rural Health Clinics (RHC) and Federally Qualified Health Centers (FQHC) primarily provide primary care and preventive services. RHCs and FQHCs must be located in a region designated as a health care professional shortage area or as having a medically underserved population. RHCs must be in rural areas. These facilities are reimbursed for their costs of providing care using a prospective payment system (PPS), based on the cost of providing care.

Tribal and Indian Health Services

Montana Medicaid works in coordination with Tribal Governments to support healthcare delivery in Indian country with the goal of building greater health care capacity to serve Native Americans. This allows for better access and culturally appropriate care.

Montana Medicaid provides funding for medical services to Medicaid-eligible Native Americans through an Indian Health Service (IHS) facility and other approved tribal providers. The Medicaid program acts as the “pass-through” agency for IHS reimbursement, which is funded with 100% federal funds in accordance with federal laws and regulations.

Since 2014, Medicaid has paid IHS and tribal facilities for the following services in addition to primary care: durable medical equipment, laboratory, x-ray, radiology, eyeglasses, and eyeglass dispensing/fitting fee, Substance Use Disorder (SUD), nursing homes, and outpatient surgeries.

HEALTHY MONTANA KIDS PLAN OVERVIEW

Montanans created Healthy Montana Kids (HMK) in 2008 through I-155, the citizen ballot initiative. The program provides health care coverage for children with family incomes under 261% FPL and makes children’s health coverage affordable for over 21,000 Montana children.

Services available under HMK include: physician office visits; well-child checkups; routine physicals; hospital in-patient and out-patient services; emergency visits; hearing and vision screenings; dental services; prescription drugs; behavioral health and transportation services.

HEALTH RESOURCE DIVISION WAIVERS

State Medicaid programs may request from CMS a waiver(s) of certain federal Medicaid requirements that are found in the Social Security Act. Only certain requirements such as state wideness, freedom of choice, and comparability of eligibility and/or benefits can be waived. Waivers are also limited in that they must always be cost neutral to the federal government.

Passport to Health Section 1915(b) Care Management Waiver Programs

The Passport to Health waiver helps Montanans access and utilize services appropriately. The four components of the waiver promote smart, effective, and efficient use of healthcare to improve outcomes for our members while reducing costs. Members and providers report satisfaction with these care management programs that reduce costs to Medicaid every year.

- **Passport to Health**, is the primary care case management program in which about 70% of Medicaid and HMK *Plus* eligible individuals are enrolled. A member chooses or is assigned a primary care provider who delivers all medical services or furnishes referrals for other medically-necessary care. Care management offered under the waiver enhances care, while reducing costs by minimizing ineffective or inappropriate medical care. The waiver is operated in all 56 counties.

- **Nurse First**, is a 24/7 nurse advice line that all Medicaid and HMK *Plus* members can call for healthcare questions. The advice line is operated by a vendor and through clinically-based algorithms directs callers to the most appropriate level of care: self-care, provider visit, or emergency department visit. Quality, access to care, and health outcomes are continuously monitored, tracked, and reported.
- **Team Care**, is a program for individuals identified with inappropriate or excessive utilization of health care services. Members are identified for Team Care through claim reviews, provider referrals, and Drug Utilization Review Board referrals. Individuals are enrolled in Team Care for at least 12 months and are assigned to one pharmacy and one medical provider. Approximately 600 Medicaid and HMK *Plus* members are currently enrolled in the Team Care program.
- **Health Improvement Program**, is an enhanced primary care case management program that helps members meet their health needs in the most effective, efficient way possible, administered in partnership with 13 Community Health Centers and the Fort Peck Tribes. The top five percent of high-cost, high-risk Medicaid and HMK *Plus* members are identified by Medicaid through the use of predictive modeling software and provider referrals. Care managers and health coaches employed by Community Health Centers provide in-person and telephonic health care management services to improve health outcomes, increase the ability of members to self-manage their health conditions and reduce costs.

Section 1115 Plan First Family Planning Waiver

Plan First improves access to family planning, reduces unplanned pregnancies, and improves birth outcomes by providing a limited set of family planning benefits to eligible Montana women. For women age 14-44 whose income is below 211 % FPL, the plan covers office visits, contraceptive supplies, laboratory services, and treatment of STIs.

Section 1115 Waiver for Additional Services and Populations (WASP)

The 1115 Waiver for Additional Services and Populations (formerly the Basic Medicaid Waiver) is a statewide section 1115 demonstration that was first approved in 1996. This waiver covers up to 3,000 individuals age 18 or older, with Severe Disabling Mental Illness (SDMI) who qualify for or are enrolled in the State-financed Mental Health Service Plan (MHSP) but otherwise ineligible for Medicaid benefits and either: 1) have income 0-138% of the federal poverty (FPL) and are eligible for or enrolled in Medicare; or 2) have income 139-150% of the FPL regardless of Medicare status (they can be covered or not covered by Medicare and be eligible). The waiver also covers comprehensive dental treatment services for elderly and disabled individuals in Medicaid. This would allow these individuals to receive treatment beyond the Medicaid State Plan cap of \$1,125.

Section 1115 and Section 1915(b) HELP Waiver

Implemented in January 2016, the Montana Health and Economic Livelihood Partnership (HELP) Plan is administered by the Health Resources Division to provide Medicaid coverage to Montanans whose income is below 138% of the federal poverty level. The 1115 waiver authorizes several components of the program: twelve month continuous eligibility for certain populations, the charging of a 2% premium, and cost sharing consistent with federal regulations. The 1915(b) (4) waiver allows the use of a TPA (Blue Cross and Blue Shield of Montana) and their provider network.

MEDICAID REFORM INITIATIVES

Montana Medicaid is a state and national leader in pursuing reforms and payment models that improve health care delivery in our state, improve patient outcomes, and reduce cost. Medicaid has pursued these reforms in order to better prevent future health problems and reduce costs down the road. This benefits all Montanans who receive health care in our state, not just Medicaid patients.

Additionally, Medicaid has been a leading partner of the Governor's Council on Health Care Innovation and Reform, a Council of public and private payers, providers, and other health care stakeholders which has been pursuing innovative multi-payer delivery and payment transformation models that look at ways to improve health care quality, cost, and outcomes. This includes exploring opportunities to coordinate between public and private sectors to control cost and improve health system performance, as well as moving the state from a fee-for-service model of healthcare toward a model that pays for value. Two multipayer, public-private reform initiatives that have emerged from the work of the Council are CPC+ and Project ECHO-Enhanced Collaborative Care.

Comprehensive Primary Care Plus (CPC+):

Montana Medicaid (along with Blue Cross Blue Shield and Pacific Source) was chosen as one of 14 regions nationally to participate in the CPC+ Program in coordination with Medicare. CPC+, the largest-ever initiative of its kind, is a five-year, multi-payer initiative to improve primary care, which is critical to promoting health and reducing overall health care costs. It is a national advanced primary care medical home model that aims to strengthen primary care through a regionally-based multi-payer payment reform and care delivery transformation. CPC+ will include two primary care practice tracks with incrementally advanced care delivery requirements and payment options to meet the diverse needs of primary care practices in the United States. The care delivery redesign ensures practices in each track have the infrastructure to deliver better care to result in a healthier patient population. The multi-payer payment redesign will give practices greater financial resources and flexibility to make appropriate investments to improve the quality and efficiency of care, and reduce unnecessary health care utilization. Effective January 1, 2017, CPC+ will provide practices with a robust learning system, as well as actionable patient-level cost and utilization data feedback, to guide their decision making.

Integrated Behavioral Health Project ECHO:

A priority for Montana is improving our people's access to high quality behavioral health treatment, which includes treatment for mental health needs and substance use disorders. Evidence shows that integrated behavioral health treatment - when primary care providers team up with behavioral health providers to seamlessly deliver integrated care that meets the whole person's needs - is effective at treating mental health conditions such as depression and anxiety in a cost- and resource-effective way. In a large, rural state like Montana with significant behavioral health workforce shortages, however, it can be challenging to meet the needs of the population.

One model that emerged from the work of the Council to address this priority is an Integrated Behavioral Health Project ECHO pilot. Project ECHO® is an innovation that dramatically improves both capacity and access to specialty care for rural and underserved population. This low-cost, high-impact intervention is accomplished by linking expert multidisciplinary care teams with primary care clinicians through teleECHO® clinics. In these distance-based clinics, experts co-manage patient cases and share their expertise via mentoring, guidance, feedback and didactic education. Primary care clinicians are able to develop the skills and knowledge to treat patients with complex diseases in their own communities which reduces travel costs, wait times and avoidable complications. This results in a higher percentage of patients being managed by the primary care clinician and referrals to specialists reserved for complex, high-risk patients. The ECHO model is not "telemedicine" where the specialist team assumes the care of the patient; rather, it is a collaborative practice model where the primary

care clinician retains responsibility for patient care, operating with increasing independence as their skills and confidence grow.

Medicaid has joined with private payers to support the launching of a Montana Integrated Behavioral Health Project ECHO Pilot, run by Billings Clinic. The pilot launches in early 2017, and is expected to contract with twenty providers.

Maternal and Child Reforms:

In order to build health, resilience and well-being, it is important to construct a strong foundation. Just as a shaky foundation later causes structural problems for the building, a rough start in a baby's life can cause problems down the road. Montana Medicaid pays for 48% of births in Montana, which provides Medicaid with both a tremendous responsibility and opportunity to help Montana families lay the most solid foundation possible for their new baby.

- **Promising Pregnancy Care (PPC):**

Preterm birth increases risks for both the mother and baby, and can be very expensive. The Promising Pregnancy Care program is an initiative that specifically works to reduce the number of preterm births among our members. Medicaid covers all pregnant women to participate in this group program. Research has found to reduce the likelihood of preterm delivery among high-risk women by 33%. The women also reported improvements in pregnancy knowledge, readiness for labor, satisfaction with care, and breastfeeding initiation rates. PPC consists of 10 group driven sessions done at the time of the prenatal visit and each woman is provided with educational materials and ways to keep track of their pregnancy information. Specific information is required to be presented during the classes including healthy lifestyle choices, family planning, postpartum care, and ways to prevent sudden infant death syndrome and shaken baby syndrome.

- **Early Induction Policy:**

Elective inductions, cesarean sections, and early deliveries all increase the risk to both mother and infant, and there is no evidence that they confer any health benefits in the absence of medical indications. Reimbursement is reduced for non-medically necessary inductions prior to 39 weeks or non-medically necessary cesarean deliveries at any gestational age.

- **Long Acting Reversible Contraceptives (LARC):**

LARCs are a popular and effective method of contraception that reduce unplanned pregnancies. Medicaid now pays for LARCs inserted at the time of delivery, so that women can immediately have contraception and do not need to make a separate appointment.

- **Lactation Services:**

An abundance of research has proven the wide ranging, long term benefits of breast feeding for both mothers and babies. In 2011, the Surgeon General released a report indicating a 32% higher risk of childhood obesity and 64% higher risk of type 2 diabetes for children who were not breastfed. It also reports a 56% higher risk of sudden infant death syndrome in children who were not breastfed. Additionally, the report found a 4% higher risk of breast cancer and a 27% higher risk of ovarian cancer in women who have never breastfed. Medicaid covers prenatal lactation group classes, lactation services in outpatient hospitals, and postnatal one-on-one lactation consultations. Montana Medicaid is also in the process of submitting a Request for Proposal to obtain a sole-source contract for bulk purchasing of breast pumps for all eligible pregnant women. This process is slated to be completed in mid-2017.

- **Newborn Caregiver Depression Screening:**

When the caregiver for a newborn is experiencing depression, it has negative consequences for both the health of the caregiver and the newborn. If the caregiver's depression persists, it can negatively affect bonding, which is critical to healthy development. Postpartum depression can also lead to lower rates of breastfeeding, and caregivers untreated for depression are less likely to consistently provide safety to their children, for example, using car seats. For these reasons, Montana Medicaid encourages and pays for providers to screen all newborn caregivers for depression during the well child visit at week 1 and month 1, 2, 4, 6 and 9 months of age. This screening will allow for the provider to screen the child's caretaker for depression and make a referral for follow up treatment. Consistent screening is an effective means of identifying women and other direct caregivers, with or at risk for postpartum depression.

- **Educational/Group Services at set rate in FQHC, RHC, CAHs, Tribal Health and IHS:**

The payment of education services outside of all-inclusive rate for Federally Qualified Health Center, Rural Health Clinics, and Indian Health Services was completed to improve the health outcomes of members. These services are being provided to prevent the onset of cardiovascular disease, obesity, diabetes, and to improve the birth outcomes for our Montana mothers and infants.

Tele-Health:

Originating site locations were added to allow more providers to provide telehealth services. The rural nature of Montana requires members to travel long distances to receive medical care. The use of telemedicine allows members to stay within their own community to receive care by their distant provider. The Department worked with providers within the telehealth community to create billing guidelines that assist providers in navigating the telehealth system.

Long Term Acute Care Hospitals (LTACs):

Patients that are cared for in a LTAC hospital have needs that cannot be met in other facilities, due to their high level of care. There are very few LTAC hospitals, including only one in Montana. The availability of these services in Montana is critical to not only Medicaid members, but all Montanans and their families. Many LTAC facilities had stopped accepting MT Medicaid because of its low rates. Medicaid increased its payment rates to LTACs in order to cover facilities' costs and to ensure hospitals continue to accept Montana Medicaid patients.

Hospital Readmission and Emergency Room Utilization (Missoula County):

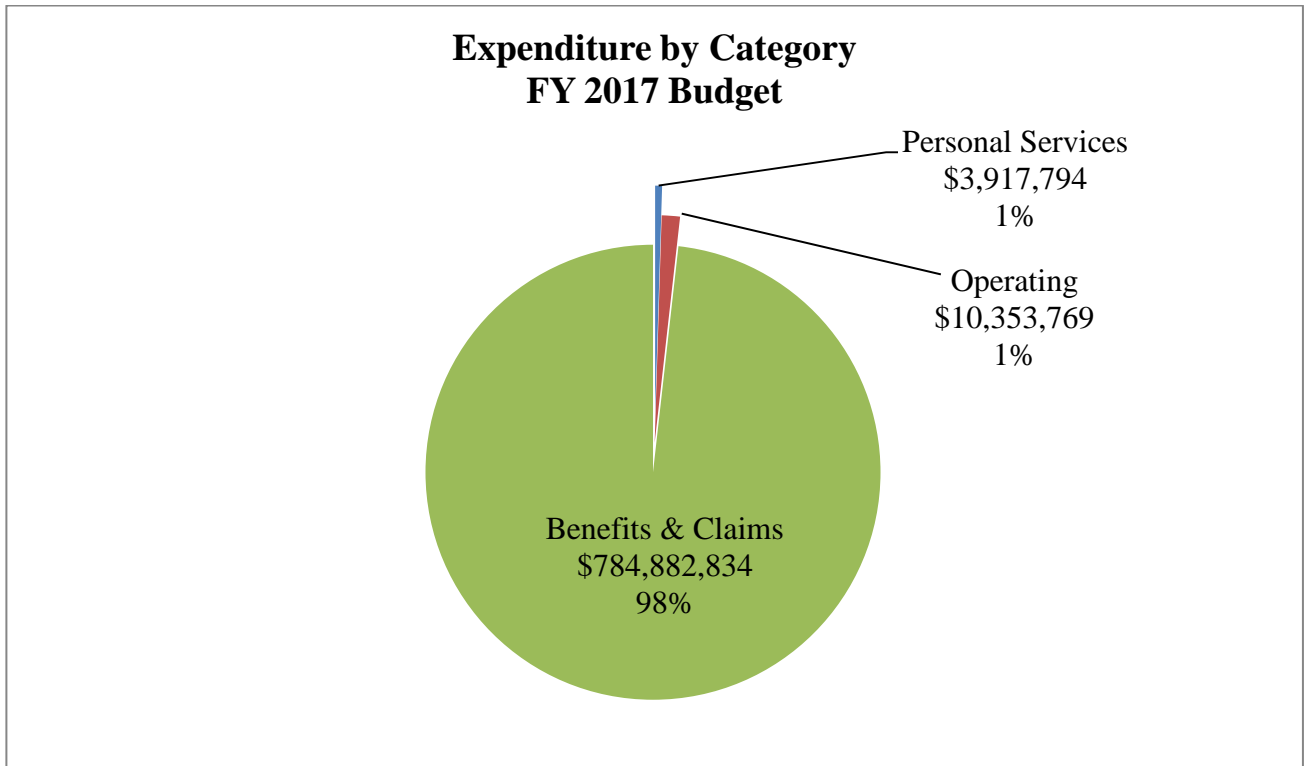
Medicaid is partnering with Missoula Aging Services to provide services to members with certain conditions to improve health; lower the number of hospital readmissions and the utilization of unnecessary emergency department visits; and provide information and access through community resources. Beginning February 1, 2017, Missoula Aging Services will provide patients and family caregivers with the skills, confidence and tools they need to take a more active role in their care and ensure that their needs are met. Missoula Aging Services is reaching out to members who have been admitted to the hospital to provide additional support to reduce hospital readmissions.

MEMBER EDUCATION INITIATIVES

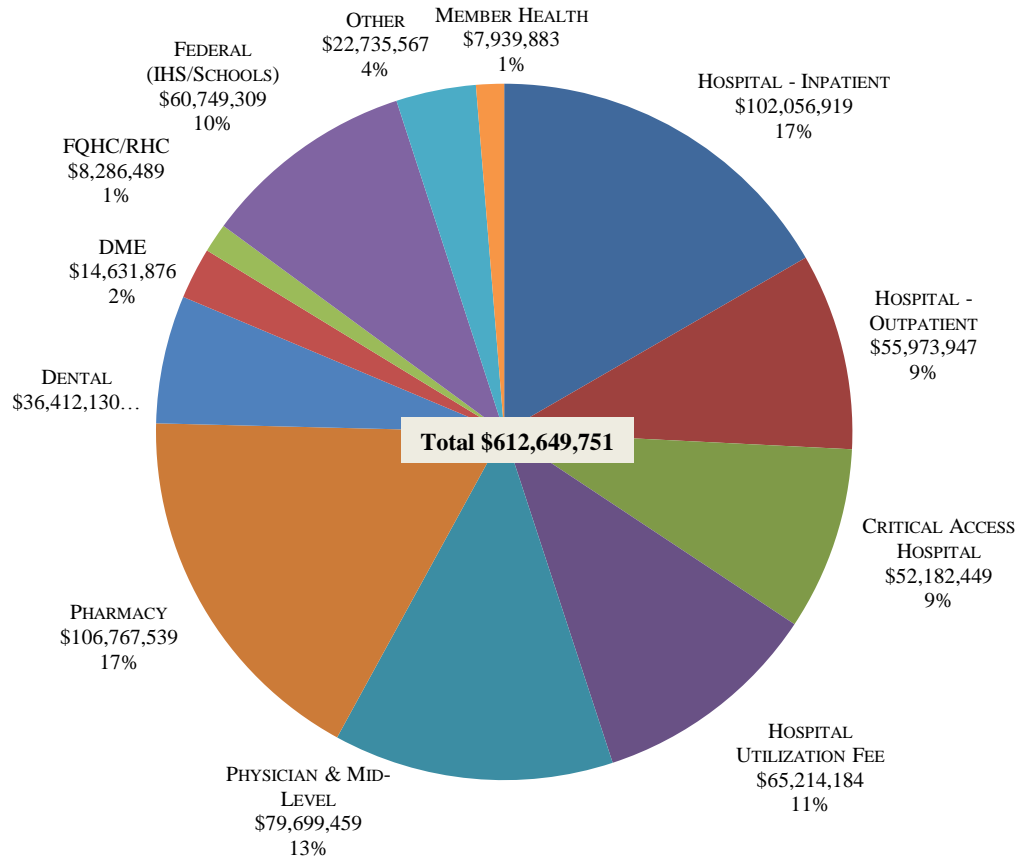
- Established a quarterly member newsletter to provide members with information on using their benefits;
- Established quarterly member WebEx presentations to provide members with available benefits, changes to benefits, and education regarding accessing their benefits at the appropriate time and place;
- Implement member notices and post card mailings to notify members of significant benefit changes and where they can find member information (member guide, newsletters, notices, presentations, etc.);
- Send child wellness schedule magnets and annual mailings on the members birthday as a reminder to get their annual wellness visit.

Funding & FTE Information

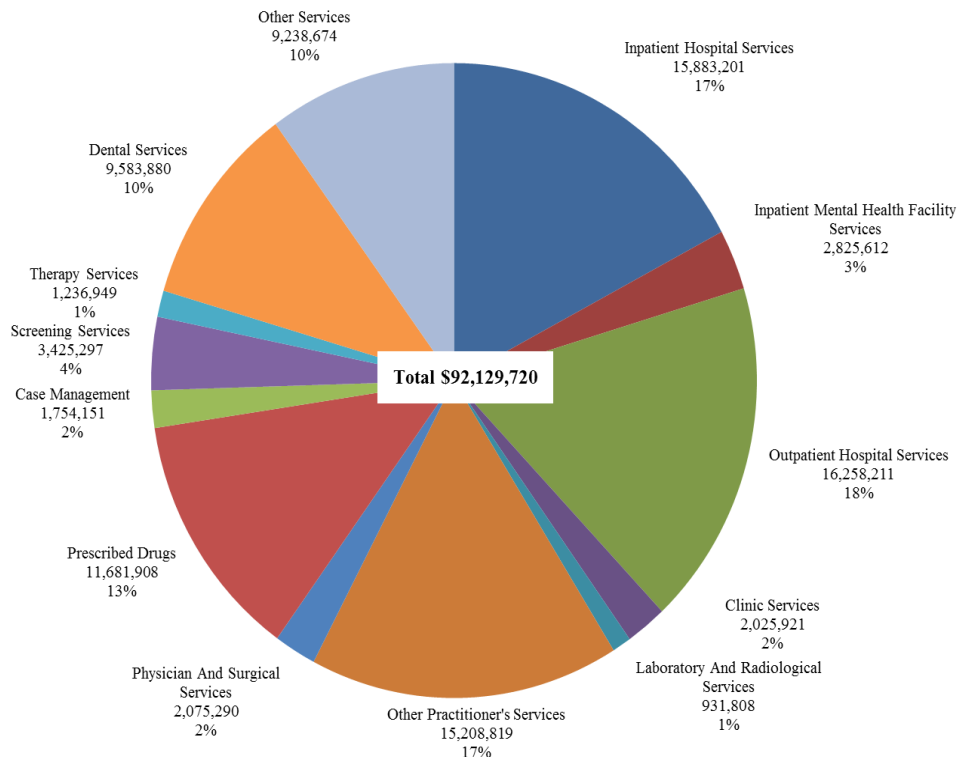
	FY 2017 Budget	FY 2018 Request	FY 2019 Request
Health Resources Division			
FTE	51.62	51.62	51.62
Personal Services	\$3,917,794	\$3,914,739	\$3,927,454
Operating	\$10,353,769	\$10,770,884	\$10,994,732
Equipment	\$0	\$0	\$0
Grants	\$0	\$0	\$0
Benefits & Claims	\$784,882,834	\$787,737,315	\$837,618,873
Debt Services	\$0	\$0	\$0
Total Request	\$799,154,397	\$802,422,938	\$852,541,059
General Fund	\$153,716,922	\$147,780,588	\$158,294,235
State Special Fund	\$77,444,144	\$82,519,660	\$82,646,454
Federal Fund	\$567,993,331	\$572,122,690	\$611,600,370
Total Request	\$799,154,397	\$802,422,938	\$852,541,059



SFY 2016 Medicaid Expenditures



SFY 2016 Healthy Montana Kids (CHIP-Funded) Expenditures



Goals and Objectives for the 2017 Biennium

- **Goal:** Ensure medically necessary healthcare is available to all eligible Montanans

Health Resources Objectives	Measures
<ul style="list-style-type: none"> • Reduce the number of uninsured Montanans 	The number of low to moderate income Montanans uninsured is decreasing
<ul style="list-style-type: none"> • Maintain systems to accurately and adequately pay for healthcare services 	Modifications that maintain access and prevent adverse findings from program reviews are implemented.
<ul style="list-style-type: none"> • Maintain adequate access to medical services for Medicaid members 	Provider networks are monitored and maintained at current levels with priorities for primary care providers
<ul style="list-style-type: none"> • Finance healthcare for low income Montanans in accordance with state and federal directives 	Favorable outcomes in program and financial reviews and audits are maintained.
<ul style="list-style-type: none"> • Implement Medicaid Reform and Value Based Payment Initiatives 	Monitor member health outcomes based on claims and provider reporting data

CHANGE PACKAGES (SEE LFD BUDGET ANALYSIS, PAGES B-86 TO B-99)

SWPL - 1 - Personnel Services -

The budget includes a reduction of \$3,055 in FY 2018 and an increase of \$9,660 in FY 2019 to annualize various personnel services costs including FY 2017 statewide pay plan adjustments and increases to state share costs for health insurance passed by the 2015 Legislature, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	73,335	(65,029)	(11,361)	(3,055)
FY 2019	78,570	(64,643)	(4,267)	9,660
Biennium Total	151,905	(129,672)	(15,628)	6,605

SWPL - 2 - Fixed Costs -

The request includes \$1,414 in FY 2018 and \$5,622 in FY 2019 to provide the funding required in the budget to pay increases in 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.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	562	170	682	1,414
FY 2019	2,236	675	2,711	5,622
Biennium Total	2,798	845	3,393	7,036

SWPL - 3 - Inflation Deflation -

This change package includes a reduction of \$2,838 in FY 2018 and \$2,809 in FY 2019 to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, natural gas, electricity, gasoline, and others.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	21	(2,885)	26	(2,838)
FY 2019	34	(2,885)	42	(2,809)
Biennium Total	55	(5,770)	68	(5,647)

PL - 11004 - HMK Caseload HRD -

This present law adjustment for Healthy Montana Kids caseload growth in the Health Resources Division covers the increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This change package requests \$7,225,284 in total funds. The biennial funding is a reduction of \$70,000 in general fund, \$7,138,385 in state special revenue, as well as an increase of \$14,433,669 in federal funds.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	(35,000)	(3,395,782)	3,278,818	(151,964)
FY 2019	(35,000)	(3,742,603)	11,154,851	7,377,248
Biennium Total	(70,000)	(7,138,385)	14,433,669	7,225,284

PL - 11991 - Medicaid Services HRD -

This present law adjustment for caseload growth in the Health Resources Division covers the increase in the number of eligible individuals, utilization, acuity levels, and cost per service for medical care. This change package requests \$36,192,054 in total funds. The biennial funding is an increase of \$16,461,323 in general fund, a reduction in state special revenue funds of \$3,809,092, and an increase of \$23,539,823 in federal funds.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	3,518,330	(1,904,545)	(2,153,214)	(539,429)
FY 2019	12,942,992	(1,904,545)	25,693,037	36,731,484
Biennium Total	16,461,322	(3,809,090)	23,539,823	36,192,055

PL - 11993 - Medicaid Federal Services HRD -

This present law adjustment requests federal funds of \$8,987,774 in FY 2018 and \$13,577,731 in FY 2019 to fund growth for federally funded Medicaid services within the Health Resources Division. Funding is 100% federal funds.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	0	0	8,987,774	8,987,774
FY 2019	0	0	13,577,731	13,577,731
Biennium Total	0	0	22,565,505	22,565,505

PL - 11994 - Medicaid Other Services HRD -

This present law adjustment is necessary to maintain existing services for the Medicaid Phased-down State Contribution program in the Health Resources Division. The change package requests \$10,031,189 in general fund for the biennium with \$3,976,262 in FY 2018 and \$6,054,926 in FY 2019.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	3,976,262	0	0	3,976,262
FY 2019	6,054,926	0	0	6,054,926
Biennium Total	10,031,188	0	0	10,031,188

PL - 11995 - Medicaid Administration HRD -

This present law adjustment is necessary to maintain existing services for Medicaid administration in the Health Resources Division. The change package requests total funds of \$674,686 for the biennium, with a general fund amount of \$91,325 in FY 2018 and \$146,823 in FY 2019.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	91,325	4,587	155,144	251,056
FY 2019	146,823	9,311	267,496	423,630
Biennium Total	238,148	13,898	422,640	674,686

NP - 11996 - Medicaid Caseload Refinance -

This budget request proposes a refinance for Medicaid caseload in the Health Resources Division. This fund switch will increase state special revenue funds (I-149) and decrease general fund by \$10,439,000 in FY 2018 and \$10,907,000 in FY 2019. The total cost for the program does not change.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	(10,439,000)	10,439,000	0	0
FY 2019	(10,907,000)	10,907,000	0	0
Biennium Total	(21,346,000)	21,346,000	0	0

NP - 11997 - Physician CPI Adjustment – Medicaid -

This new proposal requests a reduction of \$5,033,975 total funds over the biennium for physicians and other practitioners in the Medicaid program, whose current reimbursement rates are tied to the consumer price index for medical care for the previous year as calculated by the bureau of labor statistics of the United States department of labor.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	(447,877)	0	(1,048,984)	(1,496,861)
FY 2019	(1,031,976)	0	(2,005,036)	(3,037,012)
Biennium Total	(1,479,853)	0	(3,054,020)	(4,533,873)

NP - 555 - Appropriation Rebase -

The Executive Budget includes targeted budget reductions across most agencies. The Executive proposes Health Resources Division Appropriation Rebase totaling \$7,753,818 each year and was included in the agency reduction plan submitted in compliance with 17-7-111, MCA.

Fiscal Year	General Fund	State Special	Federal	Total Request
FY 2018	(2,674,292)	0	(5,079,526)	(7,753,818)
FY 2019	(2,674,292)	0	(5,079,526)	(7,753,818)
Biennium Total	(5,348,584)	0	(10,159,052)	(15,507,636)