

# Presentation to the 2025 Health and Human Services Joint Appropriations Subcommittee

## Early Childhood & Family Support Division Human Services Practice



DEPARTMENT OF  
**PUBLIC HEALTH &  
HUMAN SERVICES**

Greg Gianforte, Governor | Charlie Brereton, Director

# Overview

*Tracy Moseman, Division Administrator*



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# Division Overview

The Early Childhood and Family Support Division (ECFSD) provides coordinated services and resources to promote the well-being, health, and development of children, individuals, families, and communities.

ECFSD's programs support early care and education, food security and nutrition education, violence and neglect prevention, family support, and preventative health care.

The division was created in January of 2020 and encompasses five bureaus, over 30 funding streams, and 20 major program activities.

# Summary of Major Functions

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# Accessible, Safe, Quality Child Care

**Best Beginnings Scholarship (BBS)** program provides child care assistance to those who are either working or going to school and have an initial income eligibility at or below 185% Federal Poverty Level (FPL).

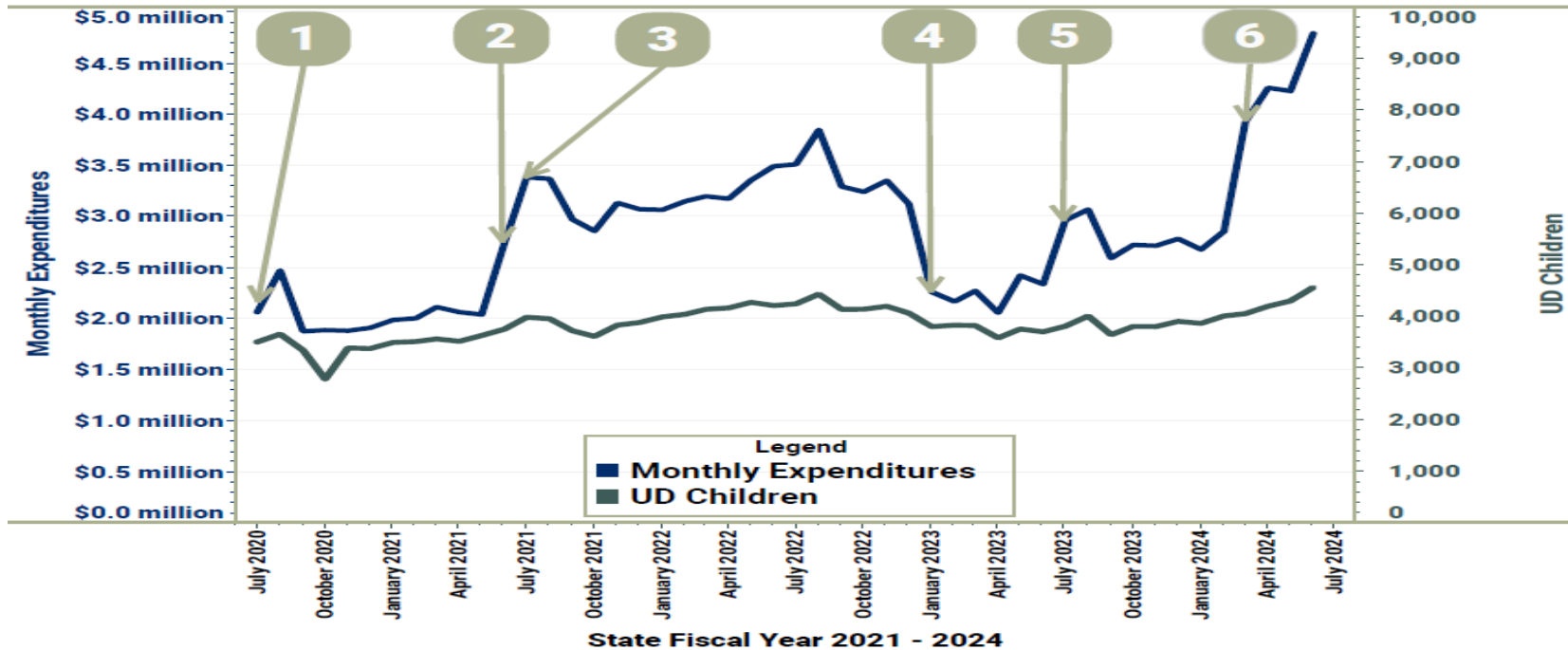
In SFY 2024:

- 843 providers accepted BBS families
- 4,594 families received child care assistance
- 6,598 children were cared for by BBS providers, including 1,381 foster children

# Accessible, Safe, Quality Child Care (cont.)

## Best Beginnings Child Care Scholarship

**BEST BEGINNINGS CHILD CARE SUBSIDY - EXPENDITURES AND CHILD COUNT  
UNDUPLICATED OVER SFY 2021 - 2024**



# Accessible, Safe, Quality Child Care (cont.)

**Child Care Licensing** ensures state and federal safety standards are maintained for licensed and registered child care providers through on-site inspections, comprehensive background checks, ensuring training requirements are met, and supporting providers with support plans.

## Child Care Capacity November 2024

Relative Care		Family, Friend & Neighbor		Family Home	
Licensed Capacity (all ages)		Licensed Capacity (all ages)		Licensed Capacity	Under 2 Capacity
168		150		1,436	491

Group Home		Center		Total	
Licensed Capacity	Under 2 Capacity	Licensed Capacity	Under 2 Capacity	Licensed Capacity	Under 2 Capacity
4,819	1,803	16,366	3,062	22,939	5,674

# Nutrition Education, Support and Food Security

## Child and Adult Care Food Program (CACFP)

Provides meal and snack reimbursement for eligible facilities

SFY 2024 there were approximately 660 sites

SFY 2024 ECFSD distributed \$10,030,000 in funds to providers

## Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

Provides services in 56 counties and 80 clinics to 9,200 households:

- Breastfeeding Support
- Education on Healthy Eating
- Referrals to Healthcare for Services
- Access to Nutritious Foods through EBT (SFY 2023 \$11 million benefits)



# Strengthening Families, Preventing Abuse and Neglect

**Children's Trust Fund (CTF)** is a board driven, state-led initiative to prevent child abuse and neglect in Montana.

- Funds communities to implement community driven solutions
- Funds evidence-based and evidence-informed programs

**Healthy Montana Families** provides voluntary family-centered services in the home to pregnant women and families with infants and children under six.

- 18 funded agencies in 16 counties
- FFY 2023 976 families were served

# Serving Families and Children with Special Health and Developmental Needs

## Children with Special Health Services Programs

- Financial Assistance
- MAPP-Net
- Newborn Screening
- Specialty Clinics

## Montana Milestones (Part C and Family Education Supports FES)

- Part C of IDEA serves birth up to 3
- FES serves children with developmental delays ages 3-16

# Preventative Health Care and Education

## Adolescent Health

## Maternal and Child Health

- Fetal, Infant, Child, Maternal Mortality Review and Prevention (FICMMR)
- Maternal and Child Health Block Grant
- Montana Maternal Mortality Review and Prevention
- Montana Obstetrics and Maternal Support

## Oral Health

## Primary Care Office

# Highlights and Accomplishments During the 2025 Biennium

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# Increased Efficiencies in Data Systems and Processes

Replaced Aging Data Systems:

- CACFP
- Child Care (In progress)
- WIC

System Consolidation for Children with Special Health Services

Created interface with Child Care Licensing and Dept. Of Justice for background check approvals

Conversion to electronic payment system for the Farmer's Market Program

# Streamlining Eligibility Determination

## WIC Accepts Best Beginnings Scholarship Financial Eligibility for WIC Eligibility

As of Oct. 1, 2024, families who are eligible for traditional BBS are also eligible for WIC without having to provide additional income paperwork, easing the WIC application and eligibility process.

# Increased Workforce Supports

## Child Care Subsidy for Child Care Worker Program

- Workers providing care in registered and licensed facilities making up to 250% of the FPL
- This program provides up to 12 months of financial assistance in child care subsidy
- Copays are capped at \$100 per month

## HMF Performance, Recruitment, and Experience Program

- Local employees can apply for an annual incentive payment based on defined criteria

## Workforce supports in the child care industry

- Providers receive free training and opportunities for apprenticeship and pre-apprenticeship programs
- New regulatory and business support contracts procured with pay for performance metrics identified

# Implementation of 2021 and 2023 Legislation

## HB 619- Language Development in Deaf and Hard of Hearing Children

- Created an advisory committee to create recommendations
- Language added to Part C contracts for vendors to comply with law
- Applied for funds to offer training to MSDB in these assessment tools

## Child Care Licensing Legislation

- HB 336, HB 556, and HB 422

## Newborn Screening Advisory Committee

- Initiated the committee to make recommendations to the agency for addition of conditions to Montana's Newborn Screening Panel



# Increased Rates for Direct Service Programs

## Best Beginnings Child Care Subsidy Rate Increase

- March 2024 implemented new rates based on CCDF's requirement to conduct a market rate survey (MRS) every three years and set at 75th percentile of MRS
- Implemented an additional 15% payment for high growth counties

## Part C/FES Rate Increase

- Completion of a provider rate study informed new rates in two procurements that resulted in new service contracts effective 7/1/2024. New proposal to address this increased rate for Part C will be discussed later.

## WIC Food Benefit Increase

- Increase in cash benefit for WIC clients
- Increased redemption of cash value benefit

# Procurement of New Contracts and Services

Name of Service Procured	Vendor(s) Awarded
Replacement System for CCUBS	MTX
Part C Services	Early Childhood Intervention, Family Outreach, AW Holdings (Benchmark), DEAP
Family Education Support (FES)	DEAP, Family Outreach, STEP
Universally Offered Home Visiting	Gallatin, Butte 4C's, Lewis and Clark, Yellowstone, Cascade, Florence Crittenton, Big Horn Valley
Facilitation Services	Yarrow
CCDF Family Services-Best Beginnings	Child Care Resources, Inc., Family Connections, Inc.
CCDF Business Supports	Zero to Five Montana
CCDF Regulatory and Quality-Provider Services	Shine Early Learning, Inc
Peer Support Services	Canvas Early Learning, UM Family to Family Center
WIC EBT	Pending
Children's Trust Fund	Evergreen Kids Corner, Mountain Home Montana, Toby's House Crisis Nursery

# Funding and PB Information

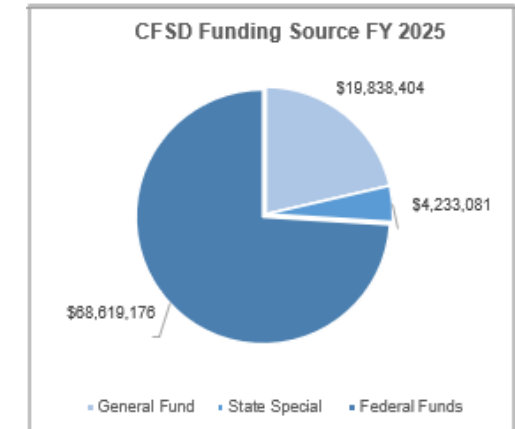
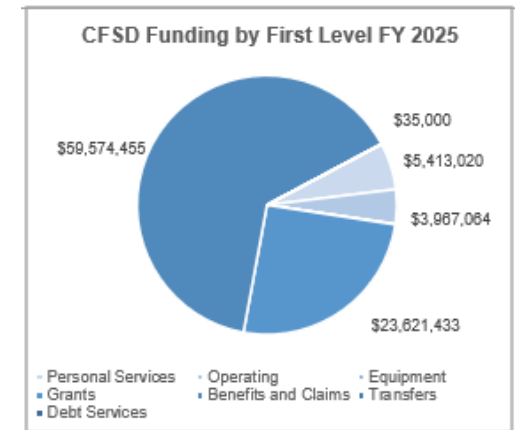
*Kim Aiken, Chief Financial and Operations Officer*



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# Budget Summary

EARLY CHILDHOOD & FAMILY SUPPORT	FY 2025 BUDGET	FY 2026 REQUEST	FY 2027 REQUEST
PB	60.24	60.24	60.24
Personal Services	\$5,413,020	\$5,629,851	\$5,646,317
Operating	\$3,967,064	\$5,979,960	\$6,293,954
Equipment	\$75,000	\$75,000	\$75,000
Local Assistance	\$0	\$0	\$0
Grants	\$23,621,433	\$24,470,259	\$24,505,869
Benefits and Claims	\$59,574,455	\$59,574,455	\$59,574,455
Transfers	\$35,000	\$35,000	\$35,000
Debt Services	\$4,689	\$4,689	\$4,689
<b>TOTAL COSTS</b>	<b>\$92,690,661</b>	<b>\$95,769,214</b>	<b>\$96,135,284</b>
	FY 2025 BUDGET	FY 2026 REQUEST	FY 2027 REQUEST
General Fund	\$19,838,404	\$20,800,892	\$21,037,975
State Special Fund	\$4,233,081	\$3,847,507	\$3,847,660
Federal Fund	\$68,619,176	\$71,120,815	\$71,249,649
<b>TOTAL FUNDS</b>	<b>\$92,690,661</b>	<b>\$95,769,214</b>	<b>\$96,135,284</b>



# Change Packages



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# Change Packages – Present Law (PL) Adjustments

## SWPL 1 – PERSONAL SERVICES

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

	General Fund	State Special	Federal Funds	Total Request
<b>FY 2026</b>	(\$424,053)	(\$52,409)	\$701,200	\$224,738
<b>FY 2027</b>	(\$420,507)	(\$52,406)	\$714,117	\$241,204
<b>Biennium Total</b>	(\$844,560)	(\$104,815)	\$1,415,317	\$465,942

## SWPL 3 – INFLATION DEFLATION

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

	General Fund	State Special	Federal Funds	Total Request
<b>FY 2026</b>	\$0	\$0	(\$1,526)	(\$1,526)
<b>FY 2027</b>	\$0	\$0	(\$1,030)	(\$1,030)
<b>Biennium Total</b>	\$0	\$0	(\$2,556)	(\$2,556)

# Change Packages – PL Continued

## PL 25006 – REMOVE STATUTORY APPROP FROM FAMILY PLANNING - ECFSD

This present law adjustment removes the appropriation for Family Planning from the ECFSD. The state-led program activities and grant were terminated on September 30, 2022, with the federal awarding agency working directly with a new grantee. Federal authority was not reduced during the 2023 legislative session and the base budget is, therefore, overstated. No expenses have been posted to the Family Planning Grant in the 2025 Biennium. This package reduces federal authority by \$2,117,108 in each year of the biennium. Not reflected in this change package is an increase in SWPL 1 of \$7,907 in federal funds per year, which brings the total appropriation for Family Planning to \$0.

	<b>General Fund</b>	<b>State Special</b>	<b>Federal Funds</b>	<b>Total Request</b>
<b>FY 2026</b>	\$0	\$0	(\$2,117,108)	(\$2,117,108)
<b>FY 2027</b>	\$0	\$0	(\$2,117,108)	(\$2,117,108)
<b>Biennium Total</b>	\$0	\$0	(\$4,234,216)	(\$4,234,216)

# Change Packages – New Proposals (NP) Adjustments

## NP 25001 – PROVIDER RATE ADJUSTMENT - PART C SERVICES – ECFCD

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

	General Fund	State Special	Federal Funds	Total Request
<b>FY 2026</b>	\$1,386,541	\$0	\$627,881	\$2,014,422
<b>FY 2027</b>	\$1,620,078	\$0	\$707,842	\$2,327,920
<b>Biennium Total</b>	\$3,006,619	\$0	\$1,335,723	\$4,342,342





# Change Packages – NP Continued

## NP 25003 – ADJUST FEDERAL AUTHORITY TO MATCH GRANT AWARD LEVEL – ECFSD

This new proposal is necessary to increase the federal appropriations of various grants in the ECFSD. This package requests \$2,399,442 of federal funds for the biennium.

	General Fund	State Special	Federal Funds	Total Request
<b>FY 2026</b>	\$0	\$0	\$1,181,991	\$1,181,991
<b>FY 2027</b>	\$0	\$0	\$1,217,451	\$1,217,451
<b>Biennium Total</b>	\$0	\$0	\$2,399,442	\$2,399,442

## NP 25007 – REALIGN APPROPRIATION FOR CHILDREN'S SPECIAL SERVICES SSR - ECFSD

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

	General Fund	State Special	Federal Funds	Total Request
<b>FY 2026</b>	\$0	(\$333,165)	\$0	(\$333,165)
<b>FY 2027</b>	\$0	(\$333,015)	\$0	(\$333,015)
<b>Biennium Total</b>	\$0	(\$666,180)	\$0	(\$666,180)

# Conclusion

