

PRESENTATION TO THE 2025 HEALTH AND HUMAN SERVICES JOINT APPROPRIATIONS SUBCOMMITTEE

EARLY CHILDHOOD AND FAMILY SUPPORT DIVISION

Human Services Practice

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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 are focused on early care and education, food security and nutrition education, violence and neglect prevention, family support, and preventative health care. Since the implementation of ECFSD in January 2020, the division has continued to work to create consistency, efficiency, and better-coordinated services for children and families across the state of Montana.

The division is comprised of five bureaus, encompassing over 20 activities, spanning prenatal to adult, supported by over 30 funding streams. The Fiscal Operations Bureau and the Business Operations Bureau are the two support bureaus providing financial and operational support for the division. The Child Care Bureau, Early Childhood Services Bureau, and the Family and Community Health Bureau house the program staff responsible for the daily implementation of the programs and services discussed in this report.

SUMMARY OF MAJOR FUNCTIONS

ACCESSIBLE, SAFE, QUALITY CHILD CARE FOR MONTANA FAMILIES

Access to child care is vital to the infrastructure of Montana's communities by allowing parents of young children to engage in the workforce, supporting businesses and the overall economy. High-quality child care prepares the state's future workforce through positive child development and school readiness.

Montana recognizes the importance quality plays in a child care program to ensure health, safety, family well-being, and positive child outcomes. Montana promotes child care quality in several ways, including the Quality Rating and Improvement System (QRIS), pre-apprenticeship pilot project, apprenticeship programs, training and technical assistance through pay for performance contracts, and mentoring programs.

BEST BEGINNINGS CHILD CARE SCHOLARSHIP

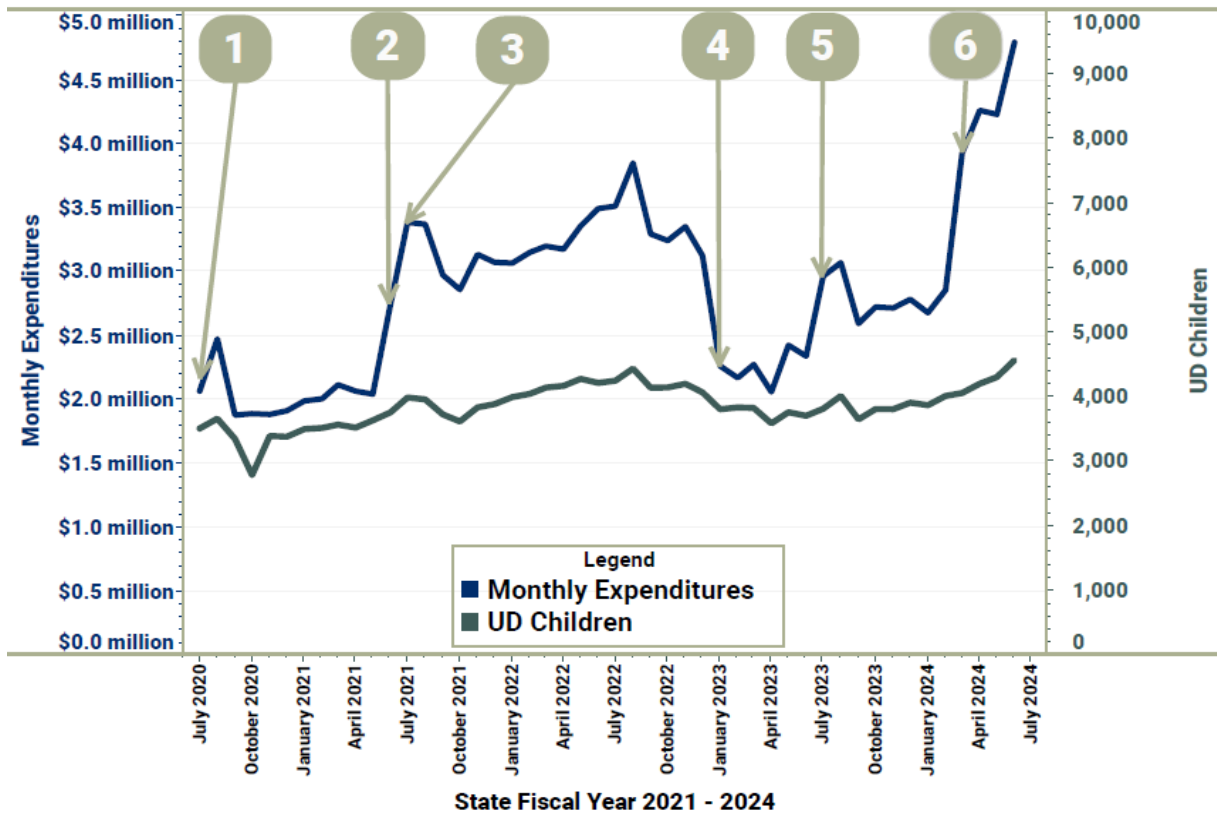
Safe and affordable child care is fundamental to recruiting and retaining a workforce and building a thriving economy. Child care can be expensive for families and can be a barrier to engaging in the workforce or pursuing educational opportunities. Montana's Best Beginnings Scholarship (BBS) program provides child care assistance to working families, students, children served through the Child and Family Services Division (CFSD), and families served through the Temporary Assistance for Needy Families (TANF) program.

Key Program Elements:

- Eligible families are working or attending school.

- BBS is a subsidy program. Parents pay a portion of their child care costs based on an income-based sliding fee scale.
- The 2023 Montana Legislature increased the initial eligibility threshold from 150% to 185% Federal Poverty Level (FPL), allowing an increase of 1,450 children to be determined eligible, of which 1,101 received child care assistance in SFY 2024.
- Sliding fee scale and graduated eligibility help families avoid a child care cliff as their income increases over 185% FPL. Copayments were limited to up to 8% of the family's income, offering an affordable child care contribution.
- Scholarship payments are made directly to the child care provider.
- Over 70% of the Child Care and Development Fund (CCDF) goes to direct service subsidy payments after quality initiatives targets are expended.
- 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

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



- 1-FPL threshold set at 150%, copay set at 13%, pay for attendance only
- 2-FPL threshold raised to 185%, copay reduced to \$10, full authorization paid regardless of attendance
- 3-New market rates implemented
- 4-FPL threshold set at 150%, copay raised to 13%, pay for attendance only
- 5-FPL threshold raised to 185%, copay reduced to 9%, full authorization paid regardless of attendance
- 6-Copay reduced to 8%, new market rates implemented

CHILD CARE LICENSING

The child care licensing program (CCL) is responsible for ensuring state and federal safety standards are maintained by Montana’s licensed and registered child care providers by conducting annual onsite inspections, performing comprehensive

background checks on caregivers and confirming required trainings are completed by child care staff, and supporting providers with support plans.

In SFY 2024, CCL received and processed 103 new applications for child care programs. CCL staff also processed 962 renewal applications for all provider types and facilities renewing their license or registration. Montana saw an increase in licensed child care slots from 22,697 in SFY 2023 to 23,099 slots in SFY 2024.

In SFY 2024, CCL processed 3,977 new hire applications for staff wanting to work in child care. CCL conducted annual background checks on each of the 6,670 child care staff and household members and reviewed required training requirements for 6,396 child care staff. CCL also received 5,323 fingerprint-based FBI check results. New staff must complete the FBI background check before being approved and existing staff must renew their background check every five years. CCL pays the fees for these background checks.

The following table illustrates the capacity of facilities licensed through ECFSD in Montana in November 2024.

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

To reduce the instances of deficiencies cited, the child care licensing program implemented a new system of support plans in conjunction with provider support contractors. These support plans pair a provider that has a health and safety issue with a knowledgeable staff within ECFSD’s contractors to provide ongoing technical assistance around the issue and avoid negative licensing action. In SFY 2024, 32 support plans were implemented.

HEAD START COLLABORATION OFFICE (HSCO)

The federal Office of Head Start funds the Montana Head Start Collaboration Office (HSCO) to facilitate partnerships between the Head Start system and statewide agencies and organizations, both governmental and nonprofit. The HSCO is focused on serving low-income children and their families. The mission of the HSCO is to impact

the lives of low-income children and families by influencing state policy and the effective delivery of services while linking Head Start programs and communities through collaborative relationships. The HSCO works with all 22 Early Head Start, Head Start, and tribal programs in the state, building linkages with state early childhood system partners.

NUTRITION EDUCATION, SUPPORT AND FOOD SECURITY

Food and nutrition are essential factors in supporting healthy Montana children and families. ECFSD houses the Child and Adult Care Food Program (CACFP) and Women, Infants and Children (WIC), both of which offer healthy meals and crucial nutrition education provided to families across the state.

CHILD AND ADULT CARE FOOD PROGRAM (CACFP)

The federally funded Child and Adult Care Food Program (CACFP) provides reimbursements for nutritious meals and snacks to eligible children and adults who are enrolled in care at participating child care centers, day care homes, and adult day care centers. CACFP also provides reimbursements for meals served to children and youth in participating afterschool care programs, children residing in emergency shelters, and adults who are over 60 or living with a disability and enrolled in day care facilities. In SFY 2024, CACFP had approximately 660 sites in Montana distributing approximately \$10,030,000 in funding to providers.

"The CACFP staff is always so kind and helpful whenever we have questions at our center. Thanks to their support, we're able to provide meals that are both nutritious and enjoyable for the kids. It means a lot to have a team like them backing us up and making it easier to serve healthy food that really helps the kids grow. Their guidance and patience make a real difference in our day-to-day work." Deidra, Young Parents

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

The Special Supplemental Nutrition Program for Women, Infants, and children (WIC), a federally funded program, strives to ensure healthy pregnancies, healthy birth outcomes, and healthy growth and development for women, infants, and children up to

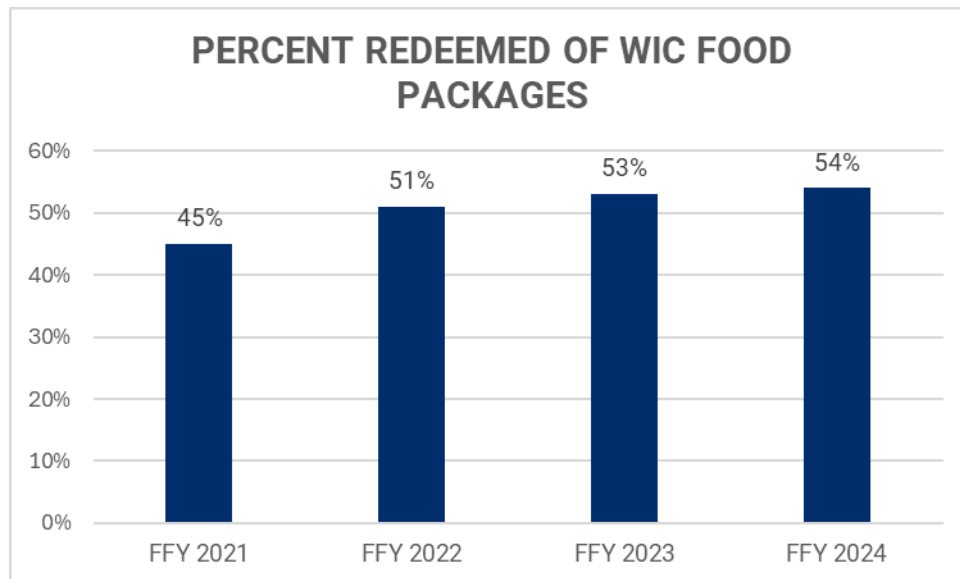
"I am so thankful for the WIC program. I utilize and get everything offered with my WIC benefits and I am eating healthier and making healthier choices." WIC Participant

age five who are at nutritional risk. WIC provides breastfeeding promotion and support, education on healthy eating, referrals to healthcare and critical social services, and

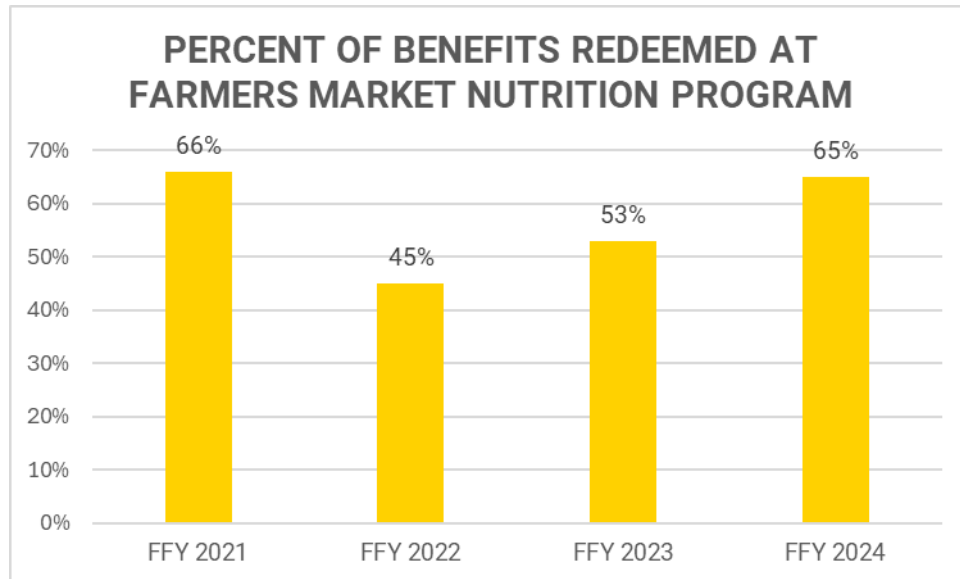
access to nutritious foods benefits through an electronic benefit transfer (EBT) card. WIC food packages provide specific nutrients that are lacking in the diets of women,

infants, and children and may include milk, cheese, yogurt, peanut butter, whole grains, infant foods, and fruits and vegetables.

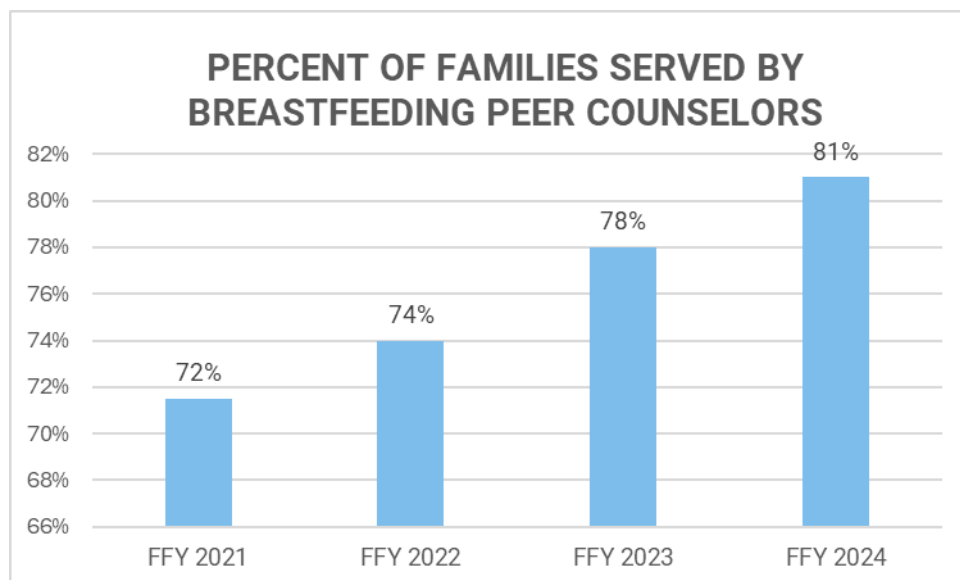
Montana WIC provides services through 80 clinics, which cover all 56 counties and seven tribal reservations and serves about 9,200 households per month. Congress recently increased the value of the average monthly WIC food package from \$45 to \$71, with new funds to buy more fruits and vegetables. In FFY 2023, Montana WIC's food benefits totaled over \$11 million, which are spent in approximately 200 grocery stores across the state. This is an increase of \$1 million spent with our local grocery stores. Most of those stores are independent main street grocers. The WIC program has seen a year-over-year increase in the redemption of food benefits.



In addition, WIC's Farmers Market Nutrition Program (FMNP) helped 2,800 families purchase fresh fruits and vegetables from approximately 100 local farmers in FFY 2024. There has been a steady increase in redeemed benefits with these local farmers since FFY 2022.



Montana WIC has 15 Breastfeeding Peer Counselor (BFPC) programs that provide support and services to 21 of the 34 WIC agencies. Over 35,000 families have had access to the BFPC since 2021, and the percentage of families who have been served by the BFPC continues to increase each year.



STRENGTHENING FAMILIES, PREVENTING ABUSE AND NEGLECT

Many programs in ECFSD work throughout the department and with stakeholders across the state to strengthen families and prevent abuse, injury, and neglect of children. A primary guiding principle for ECFSD is that families are honored and recognized as their child's first and most influential teacher.

CHILDREN'S TRUST FUND (CTF)

The Montana CTF is a board-driven, state-lead initiative that strives to prevent child abuse and neglect. CTF has continued to support primary and secondary prevention efforts in Montana primarily through:

- Directly funding evidence-based and evidence-informed programs designed to address risk factors and build protective factors in families
- Awarding multi-year grants that served 526 families, 959 children, and 57 children with known special needs in SFY 2023-24

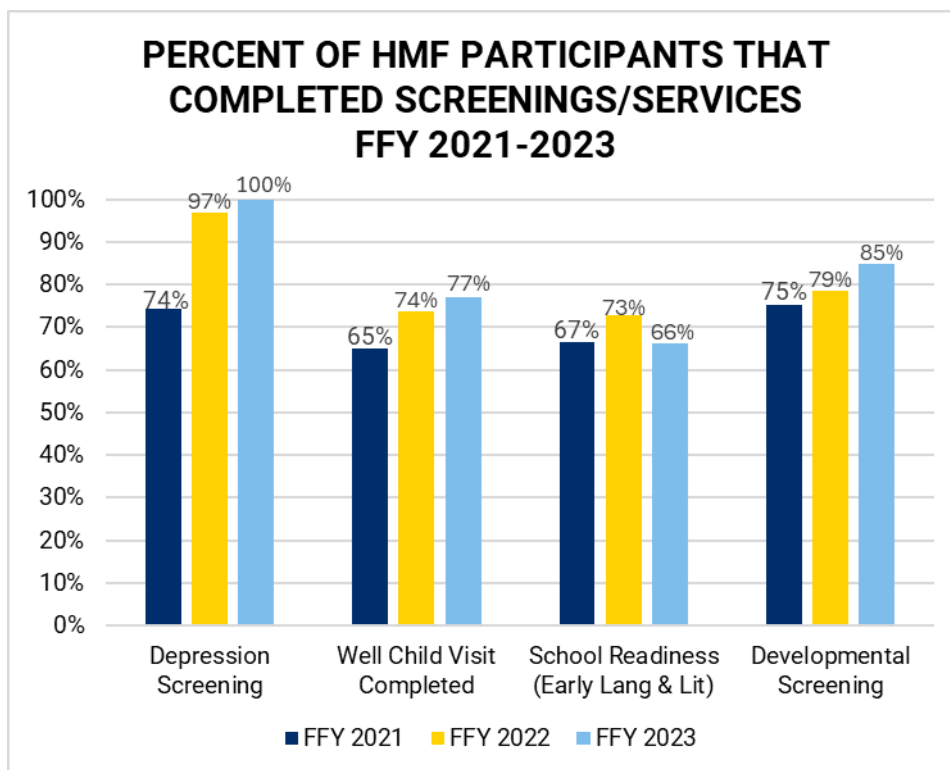
HEALTHY MONTANA FAMILIES

The Healthy Montana Families Home Visiting Program (HMF) provides voluntary, family-centered services in the home to pregnant women and families with infants and children under the age of six. Home visiting focuses services to families at risk of poor health or life outcomes and support the following:

- Healthy pregnancy outcomes
- Parent education
- Positive child health and development
- Strengthening parent-child relationships
- Referrals to community resources

HMF supports 18 home visiting local implementing agencies in 16 counties, including three tribal reservations. In FFY 2022, 931 family households received one or two home visits per month, with 976 family households served in FFY 2023. HMF is funded primarily through the Maternal Infant and Early Childhood Home Visiting (MIECHV) federal funding in combination with state special revenue and general funds.

As a result of home visiting programs, families are receiving important screenings and services including depression screenings, well child visits, school readiness assessments, and developmental screenings.



SERVING FAMILIES AND CHILDREN WITH SPECIAL HEALTH AND DEVELOPMENTAL NEEDS

ECFSD works with families, health care providers, and community-based providers to offer specialized support for children and youth with special health and developmental needs.

CHILDREN WITH SPECIAL HEALTH SERVICES PROGRAMS FINANCIAL ASSISTANCE

The Children's Special Health Services (CSHS) financial assistance program is a payor of last resort for children and youth with special health care needs in the state of Montana. This program can be accessed when families don't meet eligibility criteria for other assistance programs (like Medicaid or CHIP), or when the specific service or equipment is not covered by insurance. CSHS can approve up to \$2,000 per eligible child. Families must meet income qualifications of being at or below 300% of Federal Poverty Level. The financial assistance program has approved payment for items such as medical supplies, ear tube replacements, hearing aids, and sensory necessities such as therapy benches and applications for electronics.

MONTANA ACCESS TO PEDIATRIC PSYCHIATRY PROGRAM

The Montana Access to Pediatric Psychiatry Program (MAPP-Net) increases primary care providers' capacity to treat children and adolescents with behavioral health needs. MAPP-Net integrates behavioral health into pediatric primary care by supporting

providers through teleconsultation and education to diagnose, treat, and refer children with behavioral health conditions in Montana.

NEWBORN SCREENING

The goal of the newborn screening program is to ensure every baby born in Montana will receive three essential newborn screenings. The program includes metabolic screening, newborn hearing and screening intervention, and critical congenital heart disease screening. Most babies are born healthy, but for those babies with a detected condition, the program allows doctors to start treatment before some of the harmful effects happen. Ninety-eight percent of infants born in Montana were screened in FFY 2024.

SPECIALTY CLINICS

The genetic and metabolic programs provide clinical genetic and metabolic services to individuals or family members who are affected by or are at risk of developing a genetic or metabolic disorder. These services are provided in partnership with Shodair Children's Hospital. In FFY 2024, 721 individual patients were served through the genetics and metabolic programs, with 473 pediatric patients and 248 adult (18+) patients.

MONTANA MILESTONES EARLY INTERVENTION SERVICES (Part C and Family Education Supports)

The Montana Milestones Part C of the Individuals with Disabilities Act program is a statewide, comprehensive system that provides early intervention services for eligible infants and toddlers ages birth to age three with disabilities, and their families. Montana Milestones focuses on:

- Coaching the family to meet the developmental needs of their child, such as learning to sit up, walk, or talk.
- Providing services in natural environments, such as the child's home or child-care setting.
- Coordinating services and developing outcomes for the child and family.
- Working with families to develop an Individualized Family Service plan.
- Supporting families through transitions, both at birth and at age three.

Montana Milestones increased the number of infants and toddlers served in the recent SFY:

- In SFY 2022, (July 1, 2021-June 30, 2022) 1,221 infants and toddlers and their families were served by Montana Milestones statewide.
- In SFY 2023, (July 1, 2022-June 30, 2023) 1,371 infants and toddlers and their families were served by Montana Milestones statewide.

"I think that Early Intervention Services are vital to any kiddo who is just struggling. It's so important to have those services and to just get them the help they need so that they can meet those milestones and not struggle." Ashley, Butte, MT

Montana Milestones Family Education and Support (FES) program provides intervention services to families whose children ages three through 16 have developmental delays. FES is an additional intervention service program that helps families access services that will:

- Enhance the child's development.
- Minimize the likelihood of institutionalization and maximize independent living.
- Enhance the capacity of families to meet the needs of their child.

Services may also be provided to address the needs and priorities of the child's family. Family-directed services are meant to help family members understand the special needs of their child and how to enhance his or her development. FES worked with the Developmental Disabilities program to develop a guidance document to ensure a smooth transition for children and families out of FES services to targeted case management at age 16. The program served 659 families and their children in SFY 2024.

PREVENTATIVE HEALTH CARE AND EDUCATION

Preventive health care and education provide a strong foundation for an individual's well-being. Through various programs, ECFSD supports health education and preventative healthcare for Montanans.

ADOLESCENT HEALTH

The Optimal Health for Montana Youth (OHMY) program provides curriculum and training opportunities, educating teens on a variety of health topics and teaching valuable skills that will help them in adulthood. OHMY houses Personal Responsibility Education Program (PREP) and Sexual Risk Avoidance Education (SRAE). Both programs strive to prevent teen pregnancy and emphasize healthy relationships and life skills. OHMY served approximately 1,400 youth during the 2023-2024 school year.

The Sexual Violence Prevention and Victim Services (SVPVS) program implements violence prevention activities on four college campuses reaching approximately 5,575 students. These activities include bystander intervention, affirmative consent, and men as allies strategies. SVPVS also implements a statewide healthy relationship social norms campaign, and it partners with local and statewide agencies to offer a leadership summit with 33 youth attending in FFY 2023.

MATERNAL AND CHILD HEALTH

FETAL, INFANT, CHILD, MATERNAL MORTALITY REVIEW AND PREVENTION

Montana's Fetal, Infant, Child, Maternal Mortality Review and Prevention (FICMMR) program is implemented by county teams in local public health departments across the state that conduct confidential death reviews to better understand the circumstances leading to a death, determine preventability, and implement best practices and prevention recommendations. Through collaboration with the Office of Vital Records and the Public Health and Safety Division, data is collected and used to inform focused and strategic interventions and supports.

Local & county level prevention activities in FFY 2024 included:

- Suicide prevention activities: 10
- Bicycle safety rodeos: 3
- Car seat safety checks and drives: 13
- Teen safe driving activities: 5
- Water safety events and activities: 4

MATERNAL AND CHILD HEALTH BLOCK GRANT

Created as a part of the Social Security Act of 1935, the Title V Maternal and Child Health Block Grant (MCHBG) is focused on improving the health of all women, children, and families. MCHBG supports many programs used by the state and county public health departments to address health issues such as:

- Access to public health services
- Bullying prevention
- Family support and health education
- Infant safe sleep
- Medical home establishment
- Children's oral health
- Women's preventive healthcare

In FFY 2024, 51 county public health departments accepted funding for implementing MCHBG activities at the local level. The program served 80,770 Montana residents in the following categories:

- Pregnant women
- Infants <1 year of age
- Children 1 – 21 years of age
- Children with special healthcare needs
- Non-pregnant women through age 44

MONTANA MATERNAL MORTALITY REVIEW AND PREVENTION

Maternal mortality is a sentinel indicator of population health. Maternal mortality rates reflect the health of women, children, and families in Montana; rates also reflect the capacity of our systems that support the health and well-being of this population.

The Maternal Mortality Review and Prevention Program (MMRP), funded through the CDC Enhancing Review and Surveillance to Eliminate Maternal Mortality (ERASE MM) grant, provides structural support for the Maternal Mortality Review Committee (MMRC). The MMRC process is “Review, Reveal, Recommend.” The MMRC reviews all maternal deaths that occur during or within a year of pregnancy, regardless of pregnancy outcome.

Contributing factors to maternal death are revealed and actionable recommendations are developed to prevent future maternal deaths. These recommendations are designed to increase the capacity of Montana’s medical, public health, legal, and socioeconomic systems to improve maternal and family health outcomes. The MMRP works closely with communities and partners to disseminate these recommendations. The Montana Obstetrics and Maternal Support Program (MOMS) Program and the MMRP work in collaboration to develop recommendations into actionable strategies. Additionally, the MMRP analyzes maternal deaths to provide epidemiology surveillance reports to inform the public and other stakeholders about the state of maternal mortality in Montana.

To date, 10 MMRC case review meetings have been held with a multidisciplinary team of 18-24 committee members contributing their specialized knowledge to each case review. Committee members represent a wide range of agencies, communities, and stakeholders that support the health of women, children, and families in Montana.

MONTANA OBSTETRICS AND MATERNAL SUPPORT

In 2019, Montana was awarded the HRSA Maternal Health Innovation (MHI) grant, a five-year funding opportunity to create the MOMS. MOMS aims to respond to Montana’s unique rural healthcare challenges by regularly convening a multi-disciplinary workgroup consisting of 16-20 members, known as the Maternal Health Leadership Council (MHLIC), to share information, guide grant decision-making, and coordinate public health initiatives.

The extremely rural nature of Montana’s geography impacts maternal health outcomes. In 2021, MOMS conducted an Emergency Obstetric Services survey of rural hospitals. Thirty-two hospitals without an obstetric unit participated in the survey assessment. Half of the hospitals had experienced an emergency room birth within the last two years, and 34% had experienced a close call or other unanticipated adverse birth outcome. As a result, MOMS funded 71 in-person simulation trainings through Simulation in Motion-MT (SIM-MT) over the five-year grant, reaching 570 healthcare professionals across the state. In addition, MOMS developed the Simulation Leadership Academy (SLA), an online training opportunity to teach clinical educators how to design, implement, and evaluate simulations within their facilities using clinical best practice standards.

To address inequities in maternal health amongst AI/AN populations, MOMS partnered with tribal organizations and individuals to develop several programs to increase

capacity for maternal health resources within indigenous communities. From 2022-2024, MOMS hosted four Full-Spectrum Indigenous Doula Trainings to deliver education and skills to over 100 individuals working in tribal communities across Montana.

In September 2024, MOMS was awarded the next iteration of the HRSA MHI five-year funding opportunity. Within the upcoming grant period, MOMS will expand the SLA to equip medical facilities to address obstetric emergencies and provide support to the doula workforce to improve patient experiences and reduce adverse birthing outcomes.

ORAL HEALTH PROGRAM

The Montana Oral Health Program (OHP) promotes activities designed to improve the oral health of Montanans through prevention and education. In SFY 2023, the OHP supported workforce development through the following activities:

- Dental student rotations in dental Health Professional Shortage Areas (HPSAs) to support recruitment of dentist providers
- Oral health training to 332 healthcare students in Montana universities
- Outreach to Montana high school students to promote oral health careers, reaching 86 students with career planning materials
- Release of a report on the oral health workforce in Montana
- Community-based preventative oral health services in tribal and high-need communities:
 - 813 dental screenings with fluoride varnish applications
 - 158 dental cleanings
 - 31 dental sealant applications
 - 237 silver diamine fluoride applications

With stakeholder input and support, OHP secured an additional federal grant award for four years (July 1, 2024, to June 30, 2028) to support the integration of primary care and oral health services in community-based and medical settings for early prevention and oral health education for Montana families.

PRIMARY CARE OFFICE

The goal of the Montana Primary Care Office (PCO) is to improve access to primary care services for medically underserved and vulnerable populations across Montana. Through the work of the PCO, Health Professional Shortage Area designations are determined by collecting data from annual statewide health care provider surveys and the number of Medicaid and Medicare patients who received services. The HPSA score serves as a key factor for the National Health Service Corps (NHSC), State Loan Repayment Program (SLRP), and J-1 Visa Waiver programs. Each of these programs requires that the healthcare professional practice is an approved facility located in a designated HPSA.

In Montana, there are:

- 27 counties with a mental health HPSA

- 52 counties with a primary care HPSA
- 38 counties with a dental health HPSA

Last year, the Montana PCO provided 11 Montana SLRP awards, recommended 11 J-1 Visa Waivers, and reviewed 30 NHSC Site applications.

HIGHLIGHTS AND ACCOMPLISHMENTS DURING THE 2025 BIENNIUM

INCREASED EFFICIENCIES IN DATA SYSTEMS AND PROCESSES

CHILD AND ADULT CARE FOOD PROGRAM UPGRADES

CACFP replaced their aging data system by signing a memorandum of understanding (MOU) with the Office of Public Instruction (OPI) to use their school nutrition data system for CACFP. The new data system allows CACFP to reduce the time needed to process participant applications and facilitates better adherence to federal program monitoring requirements.

CHILD CARE UNDER THE BIG SKY (CCUBS) SYSTEM REPLACEMENT

ECFSD completed the procurement process to replace Child Care Under the Big Sky (CCUBS), the data system used to manage the child care licensing and subsidy programs with a new system called the Montana Access to Quality Child Care System (MAQCS). The legacy system has been used for a quarter of a century and is a segmented, modular system that is built on antiquated architecture. Further, there was an information systems audit conducted by Legislative Audit Division in January 2021 which recommended the agency develop a modernization strategy to address this obsolete technology.

MAQCS will consolidate antiquated systems, processes, and interfaces into a single integrated solution with an advanced business rules engine designed to automate business processes and optimize workflow and decision-making. This system will directly improve access to high-quality child care to thousands of Montana children. This will be achieved by streamlining business process, providing self-service interactions, reducing application cycle times, and implementing low/no paper functionality.

Replacing outdated and obsolete technical infrastructure will improve customer service in a meaningful and positive way. The modernization of data and technical capability will support system longevity, sustainability, and flexibility by easily adapting to changing administrative rules, legislative requirements, and federal regulations. Accurate and real-time data analytics will promote data-driven decisions, improving the quality of services and care for Montanans while simultaneously guiding policy

decisions. MAQCS will promote family and provider self-service options with digital communication interaction on a solution that provides citizen one-stop shop anywhere, anytime, on any device. Further, MAQCS will allow ECFSD to eliminate two other system applications that are currently used to support the CCUBS system.

CONSOLIDATION OF DATA SYSTEMS FOR CHILDREN'S SPECIAL HEALTH SERVICES

Children's Special Health Services (CSHS) used Hitrack to record newborn screening completion, results, referrals, and follow-up/diagnostic information for all newborns in Montana, and the CHRIS System to record staff contact with clients, client diagnoses, health coverage, audiology test results, cleft clinic scheduling and cleft clinic records. CSHS was able to eliminate the CHRIS data system by adding additional functionality into two existing data systems, Hitrack and REDCap. This consolidation reduces the staff time needed to maintain the data systems and eliminated the cost of an additional system, which allowed CSHS to divert more funding to support the needs of Montana citizens.

INTERFACE BETWEEN DEPARTMENT OF JUSTICE (DOJ) AND CCUBS SYSTEMS TO INCREASE EFFICIENCIES AND DECREASE TIME FOR BACKGROUND CHECK APPROVALS

In SFY 2024, CCL has taken steps to decrease the overall time that it takes to complete FBI fingerprint-based checks through the implementation of an interface between the DOJ fingerprint system and (CCUBS). This interface allowed for "no record found" results to automatically be associated with a caregiver rather than results being manually entered by CCL staff, reducing the wait time for caregivers with satisfactory results. This interface has not only reduced the approval timeframe but has also allowed for the reallocation of staff time to other tasks.

WIC DATA SYSTEM UPGRADES

WIC has transitioned clinic functionality from Spirit, a desktop-based application, to Spirit Web, a web-based application. The new Spirit Web improved system efficiency, which reduced system lag and processing time. Additionally, the user interface was modernized to use collapsible sidebars and dropdowns, significantly reducing the steps required to access system functions. The same terminology and workflows were maintained to simplify the transition for staff. Spirit Web introduced the use of two-factor authentication, significantly increasing the security of WIC data. WIC is currently working with the system vendor to transition WIC vendor functionality to the web-based application.

The EFMNP solution will streamline the participant application process and reduce the time needed to process the applications. Participants will be able to maximize their farmer's markets benefits through the ability to digitally pay exact amounts for goods purchased. Currently, benefits are issued in \$5 coupons and cash back is not allowed. Families must get as close to the \$5 increment as possible, or a loss of benefits could occur. Vendors will benefit from an online application process and daily processing of

payment for goods sold. The EFMNP solution will not require internet connectivity to use, benefiting Montana’s many rural communities with farmer’s markets.

The WIC Participant Portal solution will include the:

- Participant portal
- Participant shopping application
- Local agency staff portal
- State Office portal
- Vendor portal

The WIC Participant Portal solution will also support in-app messaging and notifications and allow for the secure upload of sensitive documents.

WIC currently only accepts paper applications; the new solution will allow participants and vendors to complete applications online thereby, streamlining the process from application to processing. The included functionality of the new solution will facilitate stakeholder self-service and allow WIC to eliminate the use of two software applications currently in use.

STREAMLINING ELIGIBILITY DETERMINATION BETWEEN WIC AND CCDF

The Montana Department of Health and Human Services (DPHHS) recently released new rules/regulations/guidelines that will improve access to the WIC program for families who receive the traditional BBS. 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.

WIC eligibility requires participants to be pregnant, postpartum, breastfeeding, or have a child younger than five. The household’s income must be at or below 185% of the FPL or qualify for Medicaid, SNAP, TANF, or a free/reduced school meal program. This new program change now adds traditional BBS to that list.

INCREASED WORKFORCE SUPPORTS

CHILD CARE SUBSIDY FOR CHILD CARE WORKER PROGRAM

This one-time opportunity for financial assistance is being offered to workers providing direct care to children in registered and licensed facilities in the state of Montana through the Preschool Development Birth to Five grant beginning October 1, 2023. Workers and families making up to 250% of the FPL are eligible to participate in this program. This program provides up to 12 months of financial assistance to defray the cost of care. Under the program, child care copays are capped at \$100 per month. Program data captured during the last nine months of SFY 2024 (October 1, 2023 – June 30, 2024) indicates:

- 0% - 185% FPL
 - 228 families

- 393 children
- Net Payment: \$1,807,917
- 186% up to 250% FPL
 - 75 families
 - 123 children
 - Net Payment \$ 785,826
- 184 providers participated

HEALTHY MONTANA FAMILIES PERFORMANCE, RECRUITMENT, AND EXPERIENCE PROGRAM

HMF has invested in the home visiting workforce through the creation and implementation of workforce incentive payments and training. The Performance, Recruitment, and Experience Pay program provides an opportunity for individuals employed in MIECHV-funded local agencies to apply to receive an annual payment based on the following criteria:

- Years of service with MIECHV since 2011 (first year of MIECHV funding in MT)
- Level of education achieved
- License or certification (RN, LSW, LCPC, etc.)
- 85% or more of caseload capacity achieved and maintained for previous performance year

To date, 129 direct payments to individuals totaling \$148,550 with an average payment of \$1,250 have been distributed. In addition to the Performance, Recruitment, and Experience Pay program, HMF is supporting reflective supervision training through the Erikson Institute's Facilitating Attuned Interactions (FAN) for all supervisors and home visitors. Reflective supervision helps improve service quality, staff retention, and family outcomes by allowing the home visitors a framework to examine their caseload and practices to support families.

WORKFORCE SUPPORTS IN THE CHILD CARE INDUSTRY

Stability in the child care workforce is critical for several reasons. One benchmark of quality child care is when a child's caregiver(s) remain stable, allowing for relationship building and continuity of care. Further, when the child care workforce is supported in knowledge growth through professional development, the industry sees higher rates of worker retention within the industry. Several initiatives were led by ECFSD and contractors to support the workforce, including:

- Providers received 49,725 hours of free training in SFY 2023 and 44,083 hours in SFY 2024.
- Relationship-Based Care Train the Trainer (12 hours) offered to 44 professional development specialists in Montana to support infant and toddler educators to provide high-quality interactions.
- Higher Education Professional Development Awards given to providers to take early childhood courses through Montana's institutes of higher education.

- Investment in provider career advancement as the Early Childhood Project launched a revised career path in June 2024 based on child care provider feedback, which resulted in 1,190 individuals qualified to increase one level.
- Procurement of new provider technical assistance pay for performance contracts, including CCDF contractor, Zero to Five to provide child care business technical assistance, Shine Early Learning to support regulatory and quality technical assistance.
- Pre-apprenticeship pilot in which 15 individuals began the pre-apprenticeship pilot program, with 13 achieving their Child Development Associate (CDA) credential

IMPLEMENTATION OF 2021 AND 2023 LEGISLATION

HB 619 GENERALLY REVISE LANGUAGE ASSESSMENT LAWS FOR DEAF AND HARD OF HEARING CHILDREN

In 2023 HB 619 was passed, requiring the department to create the Montana Language Development Advisory Committee to advise the department and Montana OPI on a selection of language developmental milestones, to make recommendations on the selection and administration of provider or educator tools and assessments, to advise DPHHS and OPI on correlations between the assessment instruments and language development, and to provide recommendations and parent resources. In June 2024, the final report was submitted to the department. The department has provided these recommendations to contracted early intervention providers. The department has trained early intervention providers to review the evaluation instrument categories and procedures for working with multidisciplinary teams to provide for additional evaluations from the list of identified instruments. Further, ECFSD wrote and secured a grant to fund training for staff at the Montana School for the Deaf and Blind to be trained in assessments identified by the committee to ensure there is capacity within the state to administer the assessments. Contract amendments have been secured with Part C providers to ensure their compliance with this legislation.

CHILD CARE LICENSING LEGISLATION

ECFSD implemented several new laws from the 2023 legislative session in SFY 2024 including:

- HB 336 provides DPHHS recognition for child care providers that are licensed by a branch of the United States Armed Forces. A child care program can submit its Department of Defense, US Military branch issued license to the State of Montana and be recognized as licensed or registered with the State of Montana.
- HB 556 increases the number of children a person may provide care for without a registration certificate. A person who provides child care in a private residence for six or fewer children is not required to obtain a family day-care registration.
- HB 422 updates ratios for child care centers to allow for higher child-to-staff ratios across all age groups.

NEWBORN SCREENING ADVISORY COMMITTEE

In FFY 2022, a director-appointed Newborn Screening Advisory Committee began convening on a bi-annual basis (at a minimum). It was created by legislation in the 2021 legislative session and is supported by a partnership between CSHS and the Public Health & Safety Division's (PHSD) Metabolic Newborn Screening (NBS) Program. The committee provides a consistent and streamlined process to add conditions to Montana's Newborn Screening Panel. The committee has reviewed four conditions nominated for consideration by members of the public. Adrenoleukodystrophy (X-ALD) and Pompe have been passed unanimously by the committee and X-ALD has been added to the Newborn Screening Panel. The meetings are public and advertised on the DPHHS calendar.

INCREASED RATES FOR DIRECT SERVICE PROGRAMS

BEST BEGINNINGS CHILD CARE SUBSIDY RATE INCREASE

The Child Care Development Fund (CCDF) block grant requires states to establish their base child care payment rates based on a valid and reliable market rate survey (MRS). Base payment rates are the provider reimbursement rates for Montana's child care subsidy program, the BBS. CCDF rule requires a MRS to be conducted every three years. This activity must be completed before a new state plan is submitted (658E(c)(4)(B)(i) (98.45 (c))). The FFY 2025-2027 CCDF State Plan was submitted to the Federal Office of Child Care in July 2024.

CCDF rule indicates that a benchmark for adequate base payment rates is set at the 75th percentile of the most recent MRS (81 FR, p. 67512). The intent of this guidance is to make participation in the subsidy program attractive to child care providers and to help ensure low-income families have equal access and have a choice in selecting a program that best fits their family's needs.

In 2023, ECFSD contracted with Montana State University (MSU) to conduct an MRS that was reliable and statistically valid (81 FR, p. 67509). Data from the 2023 MRS indicate base payment rates must increase at about 26% to meet the 75th percentile of the current observed market rate.

The following table illustrates changes to rates after the market rate adjustment 3/1/2024.

		Center	
		Infant/Toddler	\$45
		Preschool	\$40
		School Age	\$40
		Group	
Prior to 3/1/2024	Infant/Toddler	\$35	
	Preschool	\$35	
	School Age	\$33	
		Family	
		Infant/Toddler	\$35
		Preschool	\$35
		School Age	\$30

		Center	
		Infant/Toddler	\$58
		Preschool	\$55
		School Age	\$50
		Group	
3/1/2024	Infant/Toddler	\$48	
	Preschool	\$45	
	School Age	\$45	
		Family	
		Infant/Toddler	\$45
		Preschool	\$40
		School Age	\$40

PART C AND FAMILY EDUCATION SUPPORT (FES) RATE INCREASE

In anticipation of the need to re-procure services for the 2027 biennium, the department engaged Guidehouse to complete a [provider rate study](#) in March 2023. The rate study was published on Aug. 3, 2023. A rate study was determined to provide the best information with which to inform not only new rates in an RFP, but also a budget request for the 2025 legislative session. Through this process, it was determined the rates needed to be increased and services separated into two distinct contracts to more accurately reflect the cost of providing each unique service.

Through two procurements, new Part C and FES contracts were executed to begin services July 1, 2024. Adjusted rates for Part C went from \$476.62 to \$555.83 per child per month. FES rates increased from \$476.62 to \$532.46. A legislative request has been submitted to address this increased cost for the Part C program to ensure every child who is eligible for services can receive the services per federal requirements. The FES program addressed the increased rate adjustment through the creation and management of a statewide wait list.

WIC FOOD BENEFIT INCREASE

Prior to the pandemic, the WIC cash value benefit (CVB) was \$9 for children and \$11 for pregnant, breastfeeding, or postpartum persons. Historically, the WIC program has had more than enough food funds to cover redeemed benefits. Between Oct. 1, 2019 and Sept. 30, 2020, the WIC program averaged 71% redeemed of CVB, which is about \$6 for children and \$8 for pregnant, breastfeeding, or postpartum persons.

In March of 2024, Congress released new food rules which has led to continued increased amounts in CVB. This has adjusted through the years but is currently \$26 for children, \$47 for pregnant and postpartum people, and \$52 breastfeeding people. The WIC program has worked hard to work with families to increase redemption of CVB dollars. This is achieved by allowing fresh, frozen, and canned fruits and vegetables. Between Oct. 1, 2023 and Sept. 30, 2024, redemption of CVB averaged 74%. This means more fruits and vegetables are being consumed by WIC families.

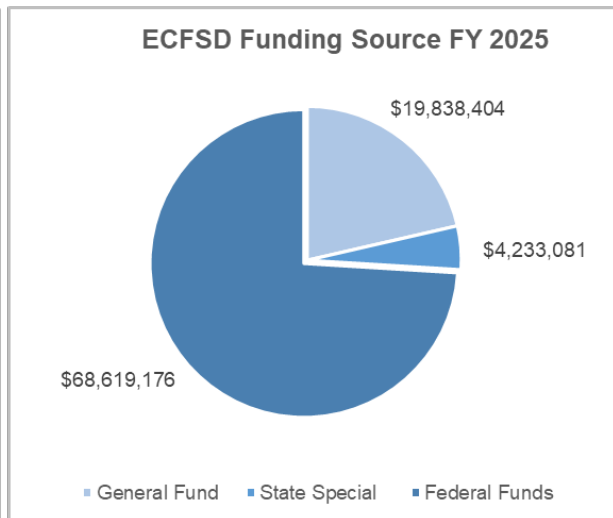
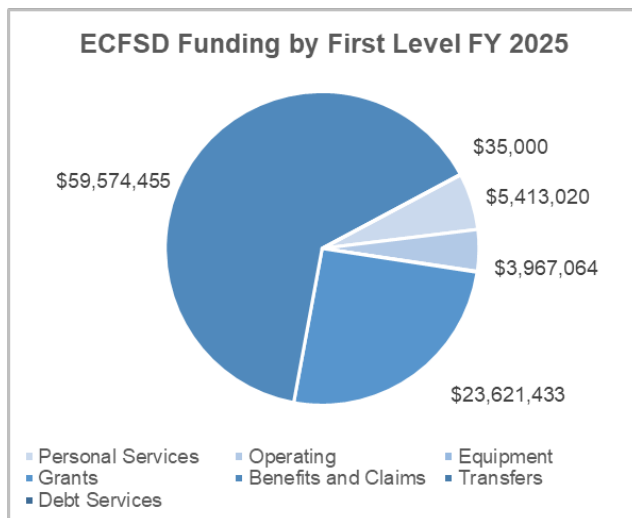
PROCUREMENT OF NEW CONTRACTS AND SERVICES

During calendar year 2024, ECFSD has reprocured contract and subrecipient agreements for a variety of reasons including previous agreements had expired, rates needed to be adjusted, pay for performance metrics to drive outcomes were put into place, and the need to separate services into separate agreements for monitoring and funding purposes. Below is a table that outlines the 11 procurements for services within the division in 2024.

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 POSITIONS BUDGETED (PB) INFORMATION

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
TOTAL COSTS	\$92,690,661	\$95,769,214	\$96,135,284
	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
TOTAL FUNDS	\$92,690,661	\$95,769,214	\$96,135,284



CHANGE PACKAGES

PRESENT LAW 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
FY 2026	(\$424,053)	(\$52,409)	\$701,200	\$224,738
FY 2027	(\$420,507)	(\$52,406)	\$714,117	\$241,204
Biennium Total	(\$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
FY 2026	\$0	\$0	(\$1,526)	(\$1,526)
FY 2027	\$0	\$0	(\$1,030)	(\$1,030)
Biennium Total	\$0	\$0	(\$2,556)	(\$2,556)

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.

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

NEW PROPOSALS

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
FY 2026	\$1,386,541	\$0	\$627,881	\$2,014,422
FY 2027	\$1,620,078	\$0	\$707,842	\$2,327,920
Biennium Total	\$3,006,619	\$0	\$1,335,723	\$4,342,342

**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
FY 2026	\$0	\$0	\$1,181,991	\$1,181,991
FY 2027	\$0	\$0	\$1,217,451	\$1,217,451
Biennium Total	\$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
FY 2026	\$0	(\$333,165)	\$0	(\$333,165)
FY 2027	\$0	(\$333,015)	\$0	(\$333,015)
Biennium Total	\$0	(\$666,180)	\$0	(\$666,180)