

OFFICE OF THE GOVERNOR
STATE OF MONTANA

GREG GIANFORTE
GOVERNOR



KRISTEN JURAS
LT. GOVERNOR

June 28, 2021

Senator Ryan Osmundson, Chair, Legislative Finance Committee
Representative Mary Caferro, Vice-Chair, Legislative Finance Committee
Representative Frank Garner, Chair, Health Advisory Commission
DPHHS Director Adam Meier, Vice-Chair, Health Advisory Commission

Dear Committee and Commission Members,

Thank you for the commission's recommendations contained in your June 24, 2021 letter regarding American Rescue Plan Act (ARPA) funds allocated to the Montana Department of Public Health and Human Services (DPHHS).

Presently, the recommendations comply with ARPA and all applicable guidance. I approve the following recommendations for these recent programs and funds with no changes.

1. Low-Income Home Energy Assistance Program Supplemental Funds for Federal Fiscal Years 2021-2022

Allocate \$27,134,445 in Low-Income Home Energy Assistance Program (LIHEAP) funds. These funds will be used to reduce the energy costs for low-income persons and improve the health and safety of vulnerable populations by increasing the number of weatherized homes, providing a temporary increase in benefit payments, providing a temporary benefit to cover arrearages and emergency payments, and to improve the integration and coordination of LIHEAP with DPHHS's other public assistance programs. There shall be a \$3 million cap on spending for IT system upgrades. The department shall pursue, as needed, a waiver to spend up to 25% of the allocation on weatherization assistance.

2. Low-Income Home Water Assistance Program

Allocate \$1,684,482 in Low-Income Home Water Assistance Program funds. These funds will enable the state to temporarily reduce the home drinking water and wastewater costs for eligible low-income households through September 30, 2023.

3. American Rescue Plan Act of 2021: Grants to Enhance Adult Protective Services (APS)

Allocate \$645,450 to establish three Elder Justice Councils and to establish a forensic investigator, prosecutor, and training team to improve the identification, investigation, and prosecution of adult maltreatment.

4. Older Americans Act ARPA Funding

Allocate \$7,304,925 to fund supportive services, congregate meals, home delivered meals, preventative health services, family caregiver support, and the long-term care ombudsman.

5. Child Care Stabilization Grants, American Rescue Plan Act Section 2202

Recommendation #1:

Allocate \$6,807,574 (ten percent) for administration and operations within the stabilization funding, with half (\$3.4 million) dedicated to providing application assistance, capacity building, technical assistance, and business professional development. If actual expenses exceed \$3.4 million, DPHHS shall report to the Interim Budget Committee at the next scheduled meeting.

Recommendation #2:

Allocate \$31,246,766, which is 51% of the direct subgrant funds to be administered by DPHHS for purposes outlined by federal regulations, and reserve recommendations for the remaining funding following an assessment of application uptake and obligation rate.

*To the extent allowable by federal guidance,

- Prioritize subgrant funds to serve as enhanced payments for child care businesses that expand hours or capacity to serve more children.
- Prioritize subgrant funds as enhanced payments for child care businesses, including Family, Friend, and Neighbor caregivers in child care deserts.
- Prioritize subgrant funds as enhanced payments for child care businesses that serve unique populations such as children with disabilities, infants and toddlers, and low-income families.
- Require applications to be accepted from those provider types that are not licensed under the state but can assure that all federal health and safety requirements, including background checks, are met. This might include Family, Friend, and Neighbor caregivers and faith and community-based child care programs.
- Require child care businesses to dedicate a higher percentage of their subgrant to personnel to support recruitment and retention bonuses.
- Assess opportunities for the State of Montana to contract with child care provider(s) to serve state employees, their families, and others depending on capacity, and utilize stabilization and recovery funding accordingly, and report back to the commission.

I look forward to future recommendations from the commission as we work to make critical and lasting investments in Montana's health and human services.

Sincerely,


GREG GIANFORTE
GOVERNOR