

PRESENTATION TO THE 2025 HEALTH AND HUMAN SERVICES JOINT APPROPRIATIONS SUBCOMMITTEE

MEDICAID AND HEALTH SERVICES MANAGEMENT

Medicaid and Health
Services Management
Practice

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OVERVIEW

The Medicaid and Health Services Management Practice (MHSM) is the umbrella for divisions that provide physical health coverage, behavioral health and developmental disability services, and senior and long-term care services.

The MHSM provides oversight and executive leadership of three divisions and two complex care coordinators:

- Health Resources Division (HRD)
- Behavioral Health and Developmental Disabilities Division (BHDD)
- Senior and Long Term Care Division (SLTC)
- Complex care coordinators (CCCs)

In its entirety, the MHSM consists of 5.0 PB:

- Medicaid and Health Services executive director
- Medicaid chief financial manager
- Medicaid and CHIP State Plan Amendment & Waiver coordinator
- Two CCCs

MEDICAID CHIEF FINANCIAL MANAGER

The chief financial manager is responsible for overseeing the financial operations of Medicaid and other health services programs under the direction of the Medicaid and Health Services executive director and in partnership with the department's chief financial officer. This position exercises broad authority in planning, designing, organizing, developing, monitoring, implementing, and evaluating the financial condition of the programs administered by the MHSM. It provides quality control and the dissemination of information related to the Medicaid and Health Services Practice's budgeting processes, including construction, submission, and defense of the biennial budget requests and the management of appropriated funding, as well as the independent review of the budgetary work products of the practice's fiscal bureaus.

MEDICAID AND CHIP STATE PLAN AMENDMENT AND WAIVER COORDINATOR

The Medicaid & CHIP State Plan Amendment and Waiver coordinator oversees the Medicaid State Plan Amendment (SPA) and Waiver process. Key responsibilities include coordinating and completing multiple and simultaneously executed waivers and state plan submissions; negotiating and communicating with the Centers for Medicare and Medicaid Services (CMS) to ensure Montana obtains and maintains federally approved State Plans and Waivers; providing expert guidance to staff and interpreting federal rules and regulations to create viable approaches and options; and analyzing and making recommendations about whether the Medicaid and Health Services executive director should approve or request further changes to SPAs and waivers from state staff prior to submittal.

COMPLEX CARE COORDINATORS

The role of MHSM’s two CCCs is to assist with appropriate placement and services for children and adults with Medicaid who present a high level of complexity. Complexities may involve multiple comorbidities, a history of unsuccessful placements, or needs that are difficult to accommodate in existing settings. CCCs collaborate with MHSM divisions, including BHDD, SLTC, and HRD. In addition to working within the MHSM Practice, the CCCs collaborate with divisions across DPHHS, including the Child and Family Services Division (CFS) and the Healthcare Facilities Division (HFD). CCCs have created a positive network of relationships with providers and other agencies to promote goal-oriented collaboration, transparent communication, and trust within the various systems. A significant component of complex care coordination involves bringing Montana residents placed out-of-state back to in-state providers and working closely with providers to keep residents with complex, unmet needs in Montana. As of Nov. 2023, the CCCs have collaborated on nearly 300 high-needs individuals.

Cases for 11/2023-11/2024	Total Cases	Active Cases	Lower or Equal LOC Placement	Rate of Placement
LTC	109	35	51	46%
Adult BH	34 (5 CFS)	6	17	50%
CMHB	83 (28 CFS)	14	43	51%
DDP Adult	34 (6 CFS)	2	10	29%
DDP Children	17 (14 CFS)	8	5	29%
Medical	7	1	3	40%
Totals	284 (53 CFS)	66	126	40.9% average

SUMMARY OF MAJOR FUNCTIONS

POLICY AND PROGRAM MANAGEMENT

The MHSM is led by the Medicaid and Health Services executive director, who also serves as the state Medicaid director. The MHSM works with the division administrators, the Medicaid chief financial manager, the Medicaid and CHIP State Plan Amendment and Waiver coordinator, and two CCCs to provide oversight and guidance on managing the Medicaid programs. The MHSM is responsible for developing, implementing, and supporting health care policies that aim to:

- Improve health outcomes by promoting effective services and efficient service delivery.
- Provide a comprehensive continuum of care with an emphasis on community-based services as an alternative to institutional care.
- Ensure cost-effectiveness in the delivery of health care services.

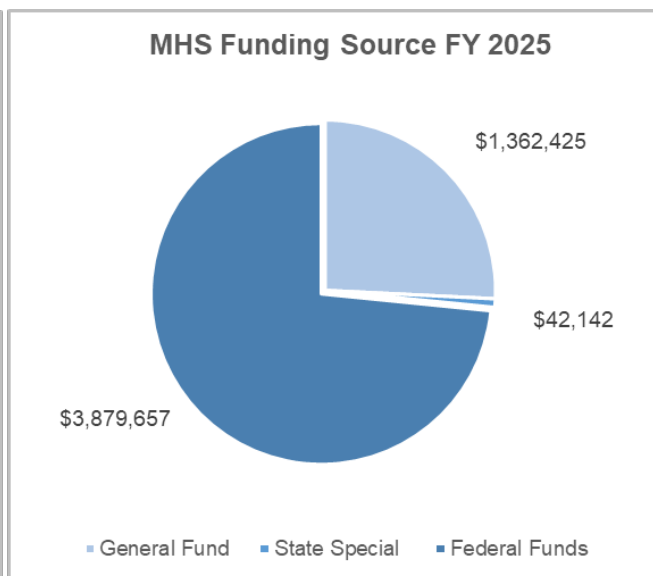
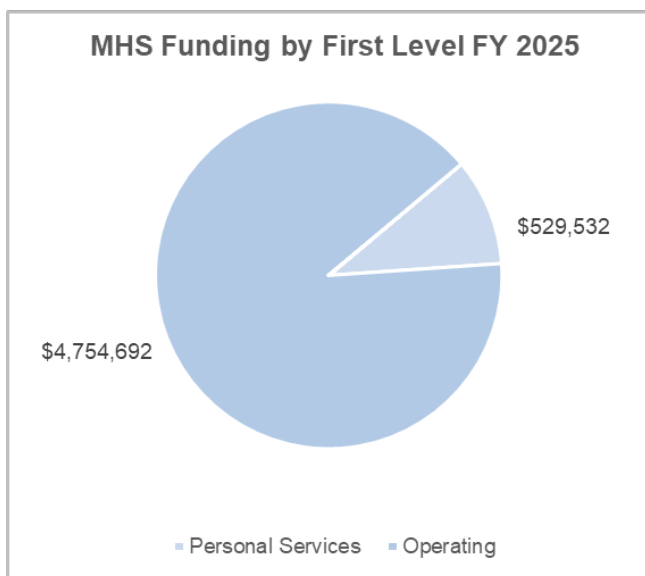
- Assure the integrity and accountability of the Medicaid health care delivery system.

The state Medicaid director and staff set policy direction, align funding sources for maximum impact, and monitor program and initiative progress and results. The MHSM is actively engaged in the following strategic initiatives:

- Increasing the availability and access to behavioral health and developmental disability services statewide.
- Increasing and incentivizing the delivery of community-based services as an alternative to institutional care.
- Developing a unified value-based primary care program.
- Improving access to services for underserved and vulnerable populations.

FUNDING AND POSITIONS BUDGETED (PB) INFORMATION

MEDICAID & HEALTH SERVICES MANAGEMENT	FY 2025 BUDGET	FY 2026 REQUEST	FY 2027 REQUEST
PB	4	4	4
Personal Services	\$529,532	\$508,041	\$508,366
Operating	\$4,754,692	\$4,754,671	\$4,754,678
Equipment	\$0	\$0	\$0
Local Assistance	\$0	\$0	\$0
Grants	\$0	\$0	\$0
Benefits and Claims	\$0	\$0	\$0
Transfers	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0
TOTAL COSTS	\$5,284,224	\$5,262,712	\$5,263,044
	FY 2025 BUDGET	FY 2026 REQUEST	FY 2027 REQUEST
General Fund	\$1,362,425	\$1,353,506	\$1,353,648
State Special Fund	\$42,142	\$41,460	\$41,470
Federal Fund	\$3,879,657	\$3,867,746	\$3,867,926
TOTAL FUNDS	\$5,284,224	\$5,262,712	\$5,263,044



CHANGE PACKAGES

PRESENT LAW ADJUSTMENTS

SWPL 1 – PERSONAL SERVICES

The budget includes a reduction of \$21,491 in FY 2026 and \$21,166 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	(\$8,898)	(\$682)	(\$11,911)	(\$21,491)
FY 2027	(\$8,763)	(\$672)	(\$11,731)	(\$21,166)
Biennium Total	(\$17,661)	(\$1,354)	(\$23,642)	(\$42,657)

SWPL 3 – INFLATION DEFLATION

This change package includes a reduction of \$21 in FY 2026 and \$14 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	(\$21)	\$0	\$0	(\$21)
FY 2027	(\$14)	\$0	\$0	(\$14)
Biennium Total	(\$35)	\$0	\$0	(\$35)