

BHAM Montana Legislative Update – April 5, 2025

The Legislators work for the people of Montana. It's imperative that you stand up and make your voice heard!

To participate virtually in any of the committee hearings, click this link and sign up:

<https://www.legmt.gov/participate/>

You can review all of the bills BHAM is tracking [HERE](#)

Not all of the bills for next week have been scheduled. We will try and give you advance notice of bills as they are scheduled.

It's Déjà vu all over again! Create a new Health Facilities Department:

[HB851](#) (Fitzpatrick) would create a new department that would transfer administration of all state-owned health facilities plus the Medicaid and non-Medicaid services provided by private mental health, substance use disorder, and developmentally disabled community providers to a new department. This bill will be heard on second reading on Monday, April 7th at 1:00 p.m.

In 2017-2018, providers begged the state not to cut most of the community-based programs that serve Montanans at home close to family and friends. They didn't listen and the behavioral health and disability systems were devastated. We are just rebuilding from that debacle.

In 2021, providers begged the legislature not to move Comprehensive School and Community Treatment (CSCT) to Office of Public Instruction because only DPHHS has the knowledge to administer the extremely complicated Medicaid programs. They didn't listen and in 2023, providers got back an irreparably damaged program for Seriously Emotionally Disturbed Kids in schools. We are still trying to salvage the program.

In 2025, providers are saying **PLEASE DO NOT** create a new health department that carves state-owned facilities and private, community mental health, substance use disorder, and disability services out of DPHHS! Email your Representatives and make them listen!

Please email your representatives by Sunday evening to oppose this bill! (Rep Emails [HERE](#))

BHAM strongly opposes this bill.

- Healthcare is a continuum of care, and the creation of another silo would decrease the quality of care that patients receive.
- For decades, we have fought to have mental health, substance use disorders, and disability services as part of the full healthcare system. This bill sends us back to the silos and fractured care of the 1990s.
- Prior to DPHHS in the 1990s, there were numerous departments (fiefdoms) fighting for funding instead of coordinating a system of care across all healthcare.
- The cost of adding another department would be much higher than the \$2M in the fiscal note of HB851 and state funding would then go towards more administration rather than toward patient care.
- Behavioral Health and Disability providers would have to bill the new department, which would then bill DPHHS for Medicaid programs, which lengthens the entire process of receiving payment.

- Behavioral Health and Disability providers in the new department would have no ability to negotiate with DPHHS on rates and new rules that dramatically effect those rates.
- DPHHS is finally starting to see improvement at Montana State Hospital and other state-run facilities after decades of mismanagement. Moving the facilities into a new department will undo the gains the state has painstakingly made over the past three years.
- An institutional turnaround in healthcare takes much longer to achieve as the institution must continue to treat patients during the turnaround. It is unrealistic to expect MSH to recover from decades of neglect in just three years. They are not creating widgets!
- The Legislative Fiscal Division is currently completing an intensive audit of MSH. Legislators should wait on that report before creating a duplicative and costly department.

Medicaid Rate Reimbursement:

[HB419](#) (Bedey). This bill will allow DPHHS to review cost reports for Medicaid providers in senior and long-term care, mental health, substance use disorder and intellectual developmentally disabled programs every other year. Medicaid providers are already 5 years behind costs in reimbursement. This bill will be heard in the Senate Public Health, Welfare and Safety Hearing on Monday, April 7th at 3:00 p.m. **BHAM strongly supports this bill and encourages advocacy efforts to move it forward with the understanding that cost reporting adjustments need to occur every two years.**

Budget Bill:

[HB 2](#) is scheduled in Senate Finance and Claims on April 8th and 9th at 8:00 a.m. both days. Part B overseeing DPHHS has not yet been scheduled. **BHAM strongly supports HB2, Part B as it exists now and urges no removals.**