



MEDICAID EXPANSION IMPACT ON BEHAVIORAL HEALTH SYSTEM FOR FUTURE GENERATIONS

Background:

This document outlines Medicaid expansion’s impact on the Behavioral Health System for Future Generations (BHSFG) recommendations.

Analysis:

Per House Bill 872, the BHSFG final report detailed recommendations for reforming Montana’s behavioral health (BH) and developmental disabilities (DD) service systems. Twenty-two recommendations and 11 near-term initiatives (NTIs) included in the report spanned the entire continuum of care and aimed to improve the state’s long-term capacity to meet the needs of individuals with BH and DD challenges.¹

Seventeen of those recommendations (six to 22) expand the number and kinds of BH services offered and incentivize providers to join and remain in the BH workforce. Seven of these include direct BH benefits for adults, including Medicaid expansion enrollees.

If fully implemented, these seven recommendations are expected to have long-term, annual operational costs—attributed to Medicaid expansion—of \$24.86 million. This represents approximately 18 percent of projected annual ongoing costs for all BHSFG recommendations. With 90% Federal Medical Assistance Percentage (FMAP), the annual funding would be \$2.486 million in state funds and \$22.374 million in federal funds. Total funds by recommendations are below. Of the 10 recommendations in the Governor’s budget, only recommendation #22 is projected to have Medicaid expansion expenditures in the upcoming biennium. Recommendation #22 is expected to have the most Medicaid expansion expenditures of any BHSFG recommendation.

Recommendation	Annual Expansion Expenditures
06. Enhance the Targeted Case Management Program**	\$1,047,666
08. Implement a Care Transitions Program**	\$366,915
10. Expand Mobile Crisis Response to Additional Regions	\$509,120
11. Introduce New Crisis Stabilization and Receiving Center Services	\$2,685,815
12. Expand Scope of the Certified Adult Peer Support Program	\$492,366
15. Reduce Transportation-Related Barriers to Care	\$258,000
22. Expand and Sustain Certified Community Behavioral Health Clinics*	\$19,500,355
Grand Total	\$24,860,236
*Recommendation 22 is included in the Governor's budget with expansion expenditures beginning in FY27	
**Recommendations 6 and 8 are included in the Governor's budget with expansion expenditures beginning in FY28	
Recommendations 10, 11, 12, and 15 are not included in the 2027 biennium Governor's budget request	

¹ Five recommendations are specific to the DD continuum of care (1-5), where the population is eligible for traditional Medicaid and therefore do not assume any cost or impacts related to Medicaid Expansion.