HOUSE BILL NO. 936

INTRODUCED BY J. GILLETTE

A BILL FOR AN ACT ENTITLED: “AN ACT IMPLEMENTING THE PROVISIONS OF THE GENERAL APPROPRIATIONS ACT; REQUIRING THAT A PORTION OF THE HOSPITAL UTILIZATION FEE BE USED FOR HOSPITAL QUALITY AND EFFICIENCY INCENTIVE PAYMENTS; REQUIRING THAT A PORTION OF THE HOSPITAL UTILIZATION FEE BE USED FOR PAYMENTS TO INDEPENDENT NONAFFILIATED CRITICAL ACCESS HOSPITALS; ALLOWING LOAN REPAYMENT AND FUNDING FOR ADDITIONAL BEDS AT THE MONTANA STATE HOSPITAL TO BE ELIGIBLE USES OF THE BEHAVIORAL HEALTH SYSTEM FOR FUTURE GENERATIONS FUND ON A ONE-TIME BASIS; ESTABLISHING REPORTING REQUIREMENTS; AMENDING SECTIONS 50-1-119 AND 53-6-149, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.”

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 50-1-119, MCA, is amended to read:

"**50-1-119. Behavioral health system for future generations fund.** (1) There is an account in the state special revenue fund established in 17-2-102 to be known as the behavioral health system for future generations fund.

(2) There must be deposited in the account money received from legislative general fund transfers.

(3) Eligible uses of the fund include:

(a) medicaid and CHIP matching funds for payments made to behavioral health settings;

(b) medicaid and CHIP matching funds for payments made to intermediate care facilities for individuals with intellectual disabilities;

(c) statewide community-based investments to stabilize behavioral health and developmental disabilities service providers and delivery, increase and strengthen the behavioral health and developmental disabilities workforce, increase service capacity to meet identified behavioral health and developmental disabilities services demands, and increase opportunities for Montanans to receive integrated physical and

behavioral health care;

(d) acquisition of new or remodeling of existing infrastructure or property to support the establishment of behavioral health settings and intermediate care facilities for individuals with intellectual disabilities;

(e) planning, operation, or other contract expenses associated with intermediate care facilities for individuals with intellectual disabilities;

(f) planning, operation, or other contract expenses associated with behavioral health settings; ~~and~~

(g) studying and planning of the development of a comprehensive behavioral health system;

(h) offering student loan repayment programs for nurses, licensed practical nurses, and psychiatrists at state health facilities and prioritizing employees at the Montana state hospital for the programs; and

(i) providing additional licensed beds at the Montana state hospital.

(4) (a) Funds in this account may not be used to operate existing state facilities.

(b) Student loan repayments and the addition of licensed beds are not considered operating expenses for the purposes of this section."

NEW SECTION. **Section 2. Near-term initiatives.** The department of public health and human services shall continue using its approved funding for behavioral health system for future generations near-term initiative number one to support community-based court-ordered evaluations and clinical stabilization services in local detention facilities.

NEW SECTION. **Section 3. Reporting -- comprehensive school and community treatment services to children.** The department of public health and human services shall develop and report patient-centered health outcome measures and total costs for each program and for each child for comprehensive school and community treatment services to children. The report shall be provided on a quarterly basis to the health and human services interim budget committee and the children, families, health, and human services interim committee.

NEW SECTION. **Section 4. Montana state hospital reporting.** (1) Starting July 1, 2025, and each month thereafter, the department of public health and human services shall submit a written report on the Montana state hospital. The report must outline the department's hiring efforts and following data:

(a) the number of applications received;

(b) the number of qualified applicants;

(c) the number of interviews conducted; and

(d) the number of new employees hired.

(2) The monthly reports must be submitted to the legislative finance committee, the interim budget committee section B, and the interim budget committee section F.

Section 5. Section 53-6-149, MCA, is amended to read:

"**53-6-149. State special revenue fund account -- administration.** (1) There is a hospital medicaid reimbursement account in the state special revenue fund provided for in 17-2-102.

(2) All money collected under 15-66-102[, except for the money deposited pursuant to 15-66-102(3)(b) into the Montana HELP Act special revenue account provided for in 53-6-1315,] must be deposited in the account.

(3) (a) Money in the account must be used by the department of public health and human services to provide funding [no later than May 5 of each year] for increases in medicaid payments to hospitals and for the costs of collection of the fee and other administrative activities associated with the implementation of increases in the medicaid payments to hospitals.

(b) The department shall use 2% of the total revenue generated by the inpatient hospital utilization fee in 15-66-102 as a match:

(i) for payments to independent nonaffiliated hospitals for the purposes of maintaining access and quality in the most rural and frontier areas in Montana; and

(ii) for incentive payments to hospitals that demonstrate exceptional patient-centered and efficiency outcomes. The department may retain a portion of the funds for implementation of the program in this subsection (3)(b)(ii). (Bracketed language terminates June 30, 2025, on occurrence of contingency--sec. 48, Ch. 415, L. 2019.)"

COORDINATION SECTION. **Section 6. Coordination instruction.** The appropriation in House Bill No. 2 for certified community behavioral health centers is contingent on the passage and approval of House Bill No. 574. If House Bill No. 574 is not passed and approved, the appropriation in House Bill No. 2 is void.

NEW SECTION. **Section 7. Effective date.** [This act] is effective July 1, 2025.

NEW SECTION. **Section 8. Termination.** [This act] terminates June 30, 2027.

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