

Wyoming Department of Health - Budget Roadmap

December 18th, 2023

Summary

For its 2025-26 biennial budget, the Department of Health is requesting \$121,405,254 in State General Funds, \$63,367,158 in Federal Funds, \$1,360,420 in Other Funds, and a net 3 positions. The Governor has recommended approval of \$100,994,471 in State General Funds.

Exception requests overview

Table 1, below, shows these requests broken out by division. The lion's share comes from two divisions: Health Care Financing (HCF) and the Behavioral Health Division (BHD). Note that the Aging Division (AGD), Public Health Division (PHD), and Director's Office (DO) have combined requests making up ~ 6% of the total.

Table 1: Exception requests by division

Division	Request (millions)				Gov. Rec.	Net Positions
	SGF	FF	OF	Total	SGF	
HCF	\$64.3	\$58.4	\$0.0	\$122.7	\$54.0	0
BHD	\$47.3	\$4.0	\$1.1	\$52.5	\$39.4	1
AGD	\$5.5	\$0.0	\$0.0	\$5.5	\$5.5	0
PHD	\$2.9	\$1.0	\$0.2	\$4.1	\$0.8	2
DO	\$1.4	\$0.0	\$0.0	\$1.4	\$1.4	0
Department	\$121.4	\$63.4	\$1.4	\$186.1	\$101.0	3

For the purposes of this roadmap, we organize our requests into four major categories, listed in Table 2, below.

Table 2: Exception requests by category

Category	Request (millions)				Gov. Rec.	Net Positions
	SGF	FF	OF	Total	SGF	
Stayed cuts	\$43.7	\$23.0	\$0.0	\$66.8	\$42.8	0
Mandatory requests	\$46.9	\$4.2	\$0.2	\$51.3	\$29.6	-4
Maintaining funding	\$23.3	\$16.5	\$0.0	\$39.8	\$23.3	0
Additional requests	\$7.4	\$19.6	\$1.1	\$28.2	\$5.3	7
Total	\$121.4	\$63.4	\$1.4	\$186.1	\$101.0	3

Generally speaking, these categories include:

- **Stayed cuts** are requests that seek to restore standard budget funding to those programs whose previous (2020) cuts have been temporarily delayed through the use of reversions and other one-time funding opportunities like federal American Rescue Plan Act (ARPA) appropriations.
- The **Mandatory requests** category includes those items that the Department is compelled to ask for by State or federal law or policy.
- The **Maintaining funding** category includes standard budget requests for Legislatively-directed increases beyond previous baselines that were paid for using similar one-time funding sources.

- The **Additional requests** category represents all new requests that seek to improve programs and operations in the Department.

Exception requests by category

Restoring standard budget for stayed cuts

The programs listed in Table 3, below, were all slated to be cut in either the Step 2 or Step 3 reductions made by the Department in 2020. Those cuts have been stayed since that time by the Legislature through the use of one-time funding sources, like reversions to the State General Fund.

Those reversions, however, were made possible through the significant infusion of federal funds during the COVID-19 pandemic, to include enhanced Medicaid Federal Match for the Public Health Emergency (PHE), the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act, and the subsequent American Rescue Plan Act (ARPA).

At this point, one-time funding is dwindling. If funding to these programs is not restored, the Department will ultimately need to execute these previously planned cuts.

Table 3: Stayed budget cuts

Description	Division	Request (millions)				Gov. Rec.
		SGF	FF	OF	Total	SGF
Stayed cuts to Medicaid home-based services (pg. 146)	HCF	\$10.2	\$10.2	\$0.0	\$20.4	\$10.2
Stayed 2.5% Medicaid rate cuts (pg. 114)	HCF	\$8.2	\$8.2	\$0.0	\$16.3	\$8.2
Stayed cuts to outpatient mental health (pg. 260)	BHD	\$7.2	\$0.0	\$0.0	\$7.2	\$7.2
Stayed cut to Wyoming Home Services (pg. 294)	AGD	\$5.5	\$0.0	\$0.0	\$5.5	\$5.5
Stayed cuts to residential substance abuse (pg. 271)	BHD	\$4.0	\$0.0	\$0.0	\$4.0	\$4.0
Stayed cuts to Children's Mental Health Waiver (pg. 121)	HCF	\$3.0	\$3.0	\$0.0	\$5.9	\$3.0
Stayed cuts to residential mental health (pg. 267)	BHD	\$2.7	\$0.0	\$0.0	\$2.7	\$2.7
Stayed cuts to outpatient substance abuse (pg. 264)	BHD	\$1.3	\$0.0	\$0.0	\$1.3	\$1.3
Stayed cuts to Medicaid Comprehensive Waiver (pg. 147)	HCF	\$1.0	\$1.0	\$0.0	\$1.9	\$0.0
Stayed cuts to Medicaid adult dental (pg. 132)	HCF	\$0.6	\$0.6	\$0.0	\$1.3	\$0.6
Stayed cuts to Medicaid vision (pg. 132)	HCF	\$0.1	\$0.1	\$0.0	\$0.2	\$0.1
Total stayed cuts		\$43.7	\$23.0	\$0.0	\$66.8	\$42.8

Mandatory requests

This category includes requests for programs like Early Intervention and Education, where State statute compels the Department to ask for things like inflationary increases (i.e., the External Cost Adjustment) and any changes to the child count.

Similarly, federal law requires payment from the State for items like Medicare buy-in premiums and Part D clawback. If these units are not funded, the federal government will just take its cut from somewhere else (e.g., Medicaid match).

Table 4: Mandatory requests

Description	Division	Request (millions)				Gov. Rec.
		SGF	FF	OF	Total	SGF
EIEP - External Cost Adjustment (pg. 276)	BHD	\$16.3	\$0.0	\$0.0	\$16.3	\$12.3
Medicare buy-in premiums (pg. 108)	HCF	\$9.7	\$9.7	\$0.0	\$19.4	\$9.7
Medicare Part D Clawback (pg. 99)	HCF	\$9.3	\$0.0	\$0.0	\$9.3	\$0.0
WSH - Title 25 (pg. 249)	BHD	\$7.0	\$0.0	\$0.0	\$7.0	\$3.0
Medicaid - CHIP match rate reduction (pg. 96)	HCF	\$3.6	\$-5.5	\$0.0	\$-1.9	\$3.6
EIEP - Child count placeholder (pg. 275)	BHD	\$0.7	\$0.0	\$0.0	\$0.7	\$0.7
Technology Replacement Program (pg. 69)	DO	\$0.4	\$0.0	\$0.0	\$0.4	\$0.4
Public Health Nursing - Teton County model change (pg. 192)	PHD	\$0.0	\$0.0	\$-0.4	\$-0.4	\$0.0
Prevention - Gaming Commission funds (pg. 156)	PHD	\$0.0	\$0.0	\$0.6	\$0.6	\$0.0
Total mandatory		\$46.9	\$4.2	\$0.2	\$51.3	\$29.6

Restoring standard budget for one-time funding

In the previous Session, the Legislature elected to fund increases to Department programs through the use of the same one-time dollars. As with the previous category, if these increases are not sustained, we will need to return the programs listed in Table 4 to previous levels.

Table 5: Maintaining funding

Description	Division	Request (millions)				Gov. Rec.
		SGF	FF	OF	Total	SGF
Cont'd. of Medicaid nursing home rate increase (pg. 125)	HCF	\$16.5	\$16.5	\$0.0	\$33.0	\$16.5
WSH - 18 unfunded positions (pg. 248)	BHD	\$5.9	\$0.0	\$0.0	\$5.9	\$5.9
988 Lifeline - operational funding for FY26 (pg. 259)	BHD	\$1.0	\$0.0	\$0.0	\$1.0	\$1.0
Total to maintain		\$23.3	\$16.5	\$0.0	\$39.8	\$23.3

Additional exception requests

The previous three categories, making up 85% of our total request, are all necessary just to keep our budget at current levels. This category, making up the remaining 15% —and only 6% of our SGF ask —represents those items above and beyond our ‘baseline’ funding that seek to improve the Department’s ability to serve its clients.

Examples include chat and text support for the 988 suicide prevention lifeline, enhancements to the Wyoming Public Health laboratory, investments in Medicaid eligibility, claims processing, and benefit management modules, and improvements to equipment and staffing at Department safety net facilities.

Table 6: Additional requests

Description	Division	Request (millions)				Gov. Rec.
		SGF	FF	OF	Total	SGF
Public Health Laboratory - laboratory operations funding (pg. 203)	PHD	\$2.9	\$0.0	\$0.0	\$2.9	\$0.8
988 Lifeline - text and chat support (pg. 259)	BHD	\$0.8	\$0.0	\$0.0	\$0.8	\$0.8
Medicaid - Wyoming Eligibility System enhancements (pg. 83)	HCF	\$0.6	\$5.8	\$0.0	\$6.5	\$0.6
Vital Statistics Services funding (pg. 75)	DO	\$0.5	\$0.0	\$0.0	\$0.5	\$0.5
Medicaid - Pharmacy Benefit Administration module (pg. 87)	HCF	\$0.5	\$4.5	\$0.0	\$5.0	\$0.5
Tuition reimbursement for retention/recruitment (pg. 70)	DO	\$0.5	\$0.0	\$0.0	\$0.5	\$0.5
Medicaid - Additional provider call center staffing (pg. 90)	HCF	\$0.4	\$1.1	\$0.0	\$1.5	\$0.4
WSH - Electronic Medical Record upgrade (pg. 248)	BHD	\$0.3	\$0.0	\$0.0	\$0.3	\$0.3
Medicaid - Wyoming Eligibility System ongoing expenses (pg. 84)	HCF	\$0.2	\$0.3	\$0.0	\$0.6	\$0.2
988 Lifeline - position 30440 (ARPA dollars to SGF) (pg. 235)	BHD	\$0.2	\$0.0	\$0.0	\$0.2	\$0.2
Medicaid - WINGS ongoing expenses (pg. 86)	HCF	\$0.2	\$0.8	\$0.0	\$1.0	\$0.2
Medicaid - Fraud Waste and Abuse module (pg. 88)	HCF	\$0.1	\$1.4	\$0.0	\$1.5	\$0.1
Medicaid - Data Warehouse integration costs (pg. 89)	HCF	\$0.0	\$0.4	\$0.0	\$0.5	\$0.0
Medicaid - WINGS integration costs (pg. 85)	HCF	\$0.0	\$0.2	\$0.0	\$0.2	\$0.0
Public Health Laboratory - 7 AWEC Positions (pg. 222)	PHD	\$0.0	\$1.2	\$0.0	\$1.2	\$0.0
WLRC - Equipment (pg. 282)	BHD	\$0.0	\$0.0	\$0.7	\$0.7	\$0.0
WSH - Equipment (pg. 250)	BHD	\$0.0	\$0.0	\$0.4	\$0.4	\$0.0
Wyoming State Opioid Response Project (pg. 264)	BHD	\$0.0	\$4.0	\$0.0	\$4.0	\$0.0
988 Lifeline - position 30440 to 2501 (pg. 160)	PHD	\$0.0	\$-0.2	\$0.0	\$-0.2	\$0.0
Total additional		\$7.4	\$19.6	\$1.1	\$28.2	\$5.3