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State/Territory Name: Montana

State Plan Amendment (SPA) #: 25-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
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- 3) Companion Letter
- 4) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

October 31, 2025

Rebecca De Camara
State Medicaid Director
Montana Department of Public Health & Human Services
P.O. Box 4210
Helena, MT 59604
Attention: Carla Rime

Re: Montana State Plan Amendment (SPA) – 25-0002

Dear Director De Camara:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 25-0002. This amendment adds coverage for youth reentry services, as required under Section 5121 of the Consolidated Appropriations Act.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations 1902(a)(84)(D). This letter informs you that Montana's Medicaid SPA TN 25-0002 was approved on October 31, 2025, with an effective date of January 1, 2025.

Enclosed are copies of Companion Letter, Form CMS-179 and approved SPA pages to be incorporated into the Montana State Plan.

If you have any questions, please contact Dana Brown at (410) 786-0421 or via email at Dana.Brown@cms.hhs.gov.

Sincerely,

Mandy L. Strom
On Behalf of Courtney Miller, MCOG Director

Enclosures

cc: Carla Rime

DEPARTMENT OF HEALTH & HUMAN SERVICES

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October 31, 2025

Rebecca De Camara
State Medicaid Director
Montana Department of Public Health & Human Services
P.O. Box 4210
Helena, MT 59604
Attention: Carla Rime

Re: Montana State Plan Amendment (SPA) – 25-0002 Companion Letter

Dear Director De Camara:

The Centers for Medicare & Medicaid Services (CMS) is sending this companion letter to MT-25-0002, approved on October 31, 2025. This SPA amends the Medicaid state plan to provide for mandatory coverage in accordance with section 1902(a)(84)(D) of the Social Security Act (the Act) for eligible juveniles that are incarcerated in a public institution post-adjudication of charges. As noted in the approval letter and state plan, this SPA is effective January 1, 2025, and will sunset on December 31, 2026. The state must complete the actions identified in this letter by the sunset date. Once these actions are completed, the state should submit a SPA to remove the sunset date from the state plan.

Effective January 1, 2025, section 1902(a)(84)(D) of the Act requires states to have an internal operational plan and, in accordance with such plan, provide for the following for eligible juveniles as defined in section 1902(nn) of the Act (individuals who are under 21 years of age and determined eligible for any Medicaid eligibility group, or individuals determined eligible for the mandatory eligibility group for former foster care children under 42 C.F.R. § 435.150 who are at least age 18 but under age 26) who are within 30 days of their scheduled date of release from a public institution following adjudication:

- In the 30 days prior to release (or not later than one week, or as soon as practicable, after release from the public institution), and in coordination with the public institution, the state must provide any screenings and diagnostic services which meet reasonable standards of medical and dental practice, as determined by the state, or as otherwise indicated as medically necessary, in accordance with the Early and Periodic Screening, Diagnostic, and Treatment requirements, including a behavioral health screening or diagnostic service.
- In the 30 days prior to release and for at least 30 days following release, the state must provide targeted case management (TCM) services, including referrals to appropriate care and services available in the geographic region of the home or residence of the eligible juvenile, where feasible, under the Medicaid state plan (or waiver of such plan).

We appreciate the state's efforts to implement this mandatory coverage and recognize the progress that has been made as well as the complexities associated with full implementation. However, during the review of MT-25-0002, CMS identified actions that must be completed to fully implement mandatory coverage in accordance with section 1902(a)(84)(D) of the Act. CMS is issuing this companion letter to document these actions and establish a timeframe for their completion.

The state must complete the following actions by December 31, 2026, to fully implement section 1902(a)(84)(D) of the Act. Once these actions are completed the state should submit a SPA to remove the sunset date from the state plan.

1. **Finalize Operational Protocols:** Montana will finalize the Reentry Demonstration Implementation Plan, which will serve as the state's internal operational plan for section 5121 compliance.
2. **Standardize Medicaid Eligibility and Enrollment Processes:** The state will ensure there is standardized bi-directional information sharing between the Montana Department of Public Health and Human Services (DPHHS) and correctional facilities for Medicaid enrollment and suspension processes. These processes will include developing data sharing processes for identifying uninsured individuals who require Medicaid application assistance or Medicaid beneficiaries for whom data sharing is required for suspension and release processes. DPHHS will review the eligibility and enrollment operational process with correctional facilities, starting with state-run adult and youth facilities, and then phasing into county and local facilities. DPHHS will provide targeted technical assistance to ensure consistent implementation processes.
3. **Standardize Processes for Provision of TCM Services:** DPHHS will work with correctional facilities to identify providers and processes for eligible youth to receive TCM services in the 30-days prior to release and 30 days post-release. DPHHS will release provider bulletins clearly outlining service requirements and billing guidance. DPHHS will facilitate connections between providers and correctional facilities, starting with state-run adult and youth facilities, and then phasing into county and local facilities. DPHHS will provide targeted technical assistance to ensure consistent implementation processes.
4. **Support Medicaid Provider Enrollment:** Montana will prepare and implement necessary system and process changes to support correctional facility providers to enroll in Medicaid. The State will work with operational teams to identify eligible provider types and establish provider enrollment pathways within the state's Medicaid provider system. DPHHS will ensure that facility-based providers are able to enroll as Medicaid providers and will offer technical assistance to correctional facilities as they navigate the enrollment process.
5. **Conduct System Configuration and Testing to Support Medicaid Eligibility, Billing, and Claiming Processes in Correctional Facilities:** This will include updating DPHHS' MMIS and eligibility systems to support new coverage group and services; implementing systems changes in Montana's MMIS to support Medicaid billing and claiming; and building out system updates as detailed above and perform comprehensive testing to validate the functionality of system updates and ensure operational readiness ahead of go-live.
6. **Provider and Stakeholder Communications:** The state will finalize and distribute a provider

bulletin detailing Medicaid enrollment and coverage suspension processes, provider enrollment requirements and qualifications, covered services, and billing guidelines. The provider bulletin will be posted to the DPHHS website and distributed through mailing lists and stakeholder channels. DPHHS will also conduct informational webinars to present the provider bulletin, gather provider feedback, and offer targeted technical assistance. The State will continue to leverage its regular DOC workgroups to disseminate updates and facilitate stakeholder engagement. In addition, DPHHS will develop a communication pathway with the county/local facilities to provide further insight into the state's reentry strategies and serve as another avenue for stakeholder engagement and feedback.

7. **Training and Capacity Building:** The state will complete internal staff training to support the new program with new Medicaid provider types, including training support and system staff on policy expectations, system processing, and data identification for reporting. Provide technical assistance support, as needed. The state will also develop tailored training modules, support comprehensive training sessions, and establish ongoing training support mechanisms.
8. **Oversight and Monitoring Processes:** Montana will establish internal monitoring and oversight infrastructure. This will include defining performance metrics, data sources, and reporting timelines.

As always, CMS is available to provide technical assistance on any of these actions. If you have any questions, please contact Dana Brown at (410) 786-0421 or via email at Dana.Brown@cms.hhs.gov.

Sincerely,

Mandy L. Strom
On Behalf of Courtney Miller, MCOG Director

Enclosures

cc: Carla Rime

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 5 — 0 0 0 2

2. STATE

MT3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

~~42 CFR 441.18(a)(8)(i) and 441.18(a)(9))~~ 1902(a)(84)(D)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 25 \$ 0b. FFY 26 \$ 178,857

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

~~New section~~ 5121 25-0002 Attestation attachment 3.1-M pages 1 and 28. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)~~5121 25-0002 Attestation attachment 3.1M pages 1 and 2~~

New page

9. SUBJECT OF AMENDMENT

Section 5121 of the Consolidated Appropriations Act (CAA) mandatory youth reentry services.

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME
Rebecca de Camara

13. TITLE

Medicaid and Health Services Executive Director/State Medicaid

14. DATE SUBMITTED

March 31, 2025

15. RETURN TO

Montana Department of Public Health and Human Services

Rebecca de Camara

Attn: Carla Rime

PO Box 4210

Helena MT 59601

FOR CMS USE ONLY

16. DATE RECEIVED

March 31, 2025

17. DATE APPROVED

October 31, 2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Mandy L. Strom

21. TITLE OF APPROVING OFFICIAL

On Behalf of Courtney Miller, MCOG Director

22. REMARKS

The state has authorized pen & ink changes as follows:

Box 5: Should be changed to 1902(a)(84)(D)

Box 7 & 8 should be reversed since Box 8 is asking for the superseding plan section and this is a new page

**Mandatory Coverage for
Eligible Juveniles who are
Inmates of a Public Institution
Post Adjudication of Charges**

State/Territory: Montana

General assurances. State must indicate compliance with all four items below with a check.

☒ In accordance with section 1902(a)(84)(D) of the Social Security Act, the state has an internal operational plan and, in accordance with such plan, provides for the following for eligible juveniles as defined in 1902(m) (individuals who are under 21 years of age and determined eligible for any Medicaid eligibility group, or individuals determined eligible for the mandatory eligibility group for former foster care children age 18 up to age 26, immediately before becoming an inmate of a public institution or while an inmate of a public institution) who are within 30 days of their scheduled date of release from a public institution following adjudication:

☒ In the 30 days prior to release (or not later than one week, or as soon as practicable, after release from the public institution), and in coordination with the public institution, any screenings and diagnostic services which meet reasonable standards of medical and dental practice, as determined by the state, or as otherwise indicated as medically necessary, in accordance with the Early and Periodic Screening, Diagnostic, and Treatment requirements, including a behavioral health screening or diagnostic service.

☒ In the 30 days prior to release and for at least 30 days following release, targeted case management services, including referrals to appropriate care and services available in the geographic region of the home or residence of the eligible juvenile, where feasible, under the Medicaid state plan (or waiver of such plan).

☒ The state acknowledges that a correctional institution is considered a public institution and may include prisons, jails, detention facilities, or other penal settings (e.g., boot camps or wilderness camps).

PRA Disclosure Statement - This use of this form is mandatory and the information is being collected to assist the Centers for Medicare & Medicaid Services in implementing Section 5121 of the Consolidated Appropriations Act, 2023. Under the Privacy Act of 1974, any personally identifying information obtained will be kept private to the extent of the law. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. The OMB control number for this project is 0938-1148 (CMS-10398 #85). Public burden for all of the collection of information requirements under this control number is estimated to take about 50 hours per response. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to CMS, 7500 Security Boulevard, Attn: Paperwork Reduction Act Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

Transmittal Number: 25-0002
Supersedes Transmittal Number: NEW

Approval Date: October 31, 2025
Effective Date: January 1, 2025

Additional information provided (optional):

☒ Yes [provide below]

☐ No

On December 9, 2024, Montana's Department of Public Health and Human Services (DPHHS) received amendment approval of its Section 1115 Demonstration to permit the State to cover at least the same services for the same beneficiaries under the State's Demonstration as required in Section 5121 of the CAA. Montana submitted to CMS its Reentry Demonstration Implementation Plan which is intended to serve as the State's internal operational plan for CAA Section 5121. The CAA requirements will be subsumed under the Reentry Section 1115 Demonstration and policies and processes to implement CAA requirements will align with the Section 1115 operational processes. DPHHS will work with Department of Corrections (DOC) and county jails to phase the implementation of CAA requirements. Phase 1 will begin October 1, 2025, and include pre-release services in the two DOC adult facilities as well as the one state operated youth facility, Pine Hills, that houses the majority of post-release disposition youth in Montana. Post-release targeted case management for youth exiting Pine Hills will be phased in over time as DPHHS continues to identify eligible providers for this service. Phase 2 will begin in 2026 and include all county and local facilities that hold post-adjudicated youth.

The state may determine that it is not feasible to provide the required services during the pre-release period in certain carceral facilities (e.g., identified local jails, youth correctional facilities, and state prisons) and/or certain circumstances (e.g. unexpected release or short-term stays). The state will maintain clear documentation in its internal operational plan regarding each facility and/or circumstances where the state determines that it is not feasible to provide for the required services during the pre-release period. This information is available to CMS upon request. Services will be provided post-release, including the mandatory 30-days of targeted case management, screening, and diagnostic services.

The state will maintain clear documentation in its internal operational plan indicating which carceral facility/facilities are furnishing required services during the pre-release period but not enrolling in or billing Medicaid. This information is available to CMS upon request.

The authority to provide for mandatory coverage for eligible juveniles who are inmates of a public institution post adjudication of charges will cease on December 31, 2026.

PRA Disclosure Statement - This use of this form is mandatory and the information is being collected to assist the Centers for Medicare & Medicaid Services in implementing Section 5121 of the Consolidated Appropriations Act, 2023. Under the Privacy Act of 1974, any personally identifying information obtained will be kept private to the extent of the law. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. The OMB control number for this project is 0938-1148 (CMS-10398 #85). Public burden for all of the collection of information requirements under this control number is estimated to take about 50 hours per response. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to CMS, 7500 Security Boulevard, Attn: Paperwork Reduction Act Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

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