



Montana Healthcare Programs Provider Notice

May 29, 2026

All Providers

State Fiscal Year 2027 Provider Rate Update

The Department of Public Health and Human Services (DPHHS) is writing to share an important update regarding Medicaid provider rates for State Fiscal Year (SFY) 2027.

Due to projected budget shortfalls largely resulting from actions taken by the 2025 Legislature, DPHHS has undertaken a comprehensive review of options to ensure the continued stability of Montana's Medicaid program. Following this review, the Department has determined that it would not be fiscally sound to implement additional Medicaid provider rate adjustments in SFY 2027 – except those required by state statute, federal regulation (i.e., Federally Qualified Health Centers, Rural Health Clinics, Indian Health Services, and Hospice), or for rates implemented through a CMS-established fee schedule (i.e., Durable Medical Equipment and Ambulatory Surgery Centers) – and therefore will not be implementing such adjustments. This action is necessary to satisfy the mitigation plan requirements outlined in 17-7-301, MCA.

Throughout this process, Department leadership prioritized approaches that preserved current rates and protected access to existing services. Maintaining Medicaid system stability was the Department's top priority as mitigation options were evaluated.

Although no legislatively authorized provider rate adjustments are being implemented for SFY 2027, DPHHS will proceed with implementing the 2026 RBRVS relative value units and the updated APR-DRG grouper, along with its corresponding national weights. These updates may require adjustments to certain pricing elements – such as conversion factors, policy adjustors, reimbursement rates, or base rates – to ensure the program remains budget neutral.

The Department appreciates your continued partnership in delivering high-quality care to Montana's Medicaid members. If you have questions or would like additional information, please contact DPHHS.

Contact and Website Information

If you have questions, please contact:

- Behavioral Health and Developmental Disabilities Division, (406) 444-3964 or (406) 444-5978
- Senior and Long-Term Care Division, (406) 444-4077
- Health Resources Division, (406) 444-4455

For claims questions or additional information, contact Montana Provider Relations at (800) 624-3958 or (406) 442-1837 or email [Montana Provider Relations Helpdesk](#).

Visit the [Montana Healthcare Programs Provider Information website](#) to access your provider type page. Choose Resources by Provider Type in the left-hand menu.

Visit the [Contact Us page](#) on the Provider Information website for additional DPHHS contact numbers.