

# Agency of Human Services

FY 2023 Budget Adjustment

January 31, 2022

# AHS Big Picture Numbers

- "As Passed" SFY23 Budget
  - \$4.7B appropriated across all funds; \$1.1B General Funds.
- 3,761 positions Agency-wide across six departments and Central Office
  - Aging and Independent Living (DAIL)
  - Children and Families (DCF)
  - Corrections (DOC)
  - Health (VDH)
  - Health Access (DVHA)
  - Mental Health (DMH)

# AHS Budget Adjustment Overview

- Major funding needs in our BAA:
  - Transitional Housing complex case management across depts. (\$2M GF)
  - Consensus caseload & utilization (\$45.0M gross, \$17.9M GF)
  - CY 2021 ACO settlement (\$7.1M gross, \$2.7M GF)
  - Rate increase for the Brattleboro Retreat (\$22.4M gross, \$11.6M GF)
  - DMH-VPCH travel nurse contract costs (\$11.3M gross, \$10.5M GF)
  - One-time inflationary factor adjustment to PNMI rates (\$2.3M gross, \$1.1M GF)
  - Reach UP (RU) caseload (\$6.9M GF)
  - DOC staff recruitment and retention incentives (\$6.8M GF)
- Due to enhanced federal funding under the Public Health Emergency (PHE), carry-forward funding, and vacancy/OT savings there is a \$50.5M net-General Fund savings.

## AHS FY23 BAA Secretary's Office

- Transitional Housing complex case management
  - Contract for backfill of VCCI nursing staff and IT database solution (\$1.7M GF).
- Net-neutral transfer between AHS CO and DOC for position transfer – Director of Housing.
- ADS Service Level Agreement (SLA) funds.

# AHS FY23 BAA Secretary's Office – Global Commitment

- Effect to GF of enhanced Medicaid FMAP through June of 2023 due to PHE [**\$86.1M**].
- Use of one-time GF carried forward from SFY22 as matching funds for SFY23 [**\$39.6M**].
- Childless New Adult caseload and utilization changes reducing need for GF match [**\$16.6M**].
- Reduction in State Health Care Resource Fund (SHCRF) collections due to PHE [\$1.3M GF effect].
- Backfill of GF due to EBoard's transfer to the LIHEAP program [\$5.8M].

## AHS FY23 BAA – DVHA

- Updated Medicaid Consensus Forecast, will need to be adopted by the E-Board in January [\$45.0M gross, \$17.9M GF].
- CY 2021 ACO settlement [\$7.1M gross, \$2.7M GF].
- Rate increase for the Brattleboro Retreat [\$22.4M gross, \$11.6M GF], inclusive of Institutions of Mental Disease (IMD) phasedown.
- Increase in Graduate Medical Expenditures (GME) for UVMMC [net-neutral; UVMMC provides matching funds].
- MDWAS IT project non-federal matching funds [\$2.8M GF carried forward from SFY22].

## AHS FY23 BAA – DMH

- VPCH contracted nursing staff [\$11.3M gross, \$10.5M GF];
- One-time PNMI inflation factor adjustment to rates [\$420k gross, \$189.4k GF].

## AHS FY23 BAA– DCF

- Family Services Division
  - Contract to relieve social workers providing crisis-incident staffing on nights/weekends [\$344.1k].
  - Targeted Case Management (TCM) revenue replacement (SFYs '19-'22) [\$11.3M GF carried forward from SFY22].
  - One-time PNMI inflation factor adjustment to rates [\$1.9M gross, \$858.3k GF].
- Reach Up
  - Caseload [\$6.9M GF].



## AHS FY23 BAA– DAIL

- Skilled Nursing Facility (SNF) high acuity contract start up costs [\$1.1M GF].
- Developmental Services (DS) Act 248 high-acuity cases [\$1.4M gross, \$543k GF].
- Carryforward funds for SNF Emergency Financial Relief (EFRs), medical director grants, 1% reserve, etc. (AHS net-neutral) [\$18.1M gross, \$7.6M GF].
- Vermont Veterans' Home (VVH) SFY21 cost settlement [\$4.6M gross, \$1.7M GF].

## AHS FY23 BAA – VDH & DOC

- VDH – ADS Service Level Agreement (SLA) charges [\$1.1M GF].
- DOC
  - Recruitment and retention incentives for staff [\$6.8M GF].
  - Health Care Services contract adjustment based on utilization [\$680k].
  - Carried forward OOS savings from SFY22 for JRH reinvestments.