

Agency of Human Services

FY 2024 Budget

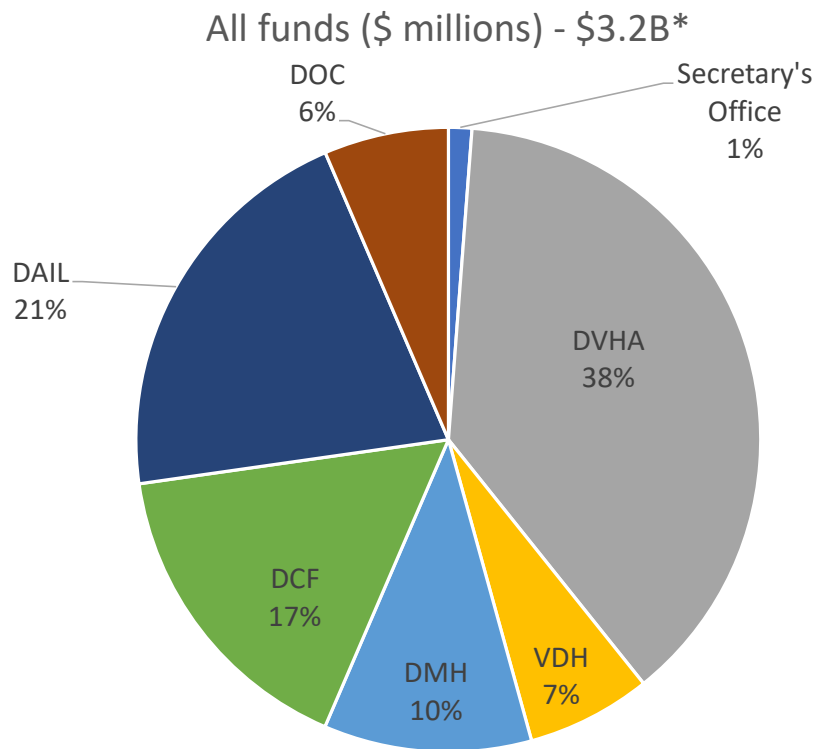
February 21, 2023

Overview

- The Agency of Human Services took a strategic whole-agency approach to the budget build this year
- Aligning funding with strategic priorities
- Capitalizing on one-time funds for pilots and off-ramps from federal funds

Agency of Human Services,
Secretary's Office
FY 2024 Governor's Recommend Budget

MISSION: AHS strives to improve the health and well-being of Vermonters today and tomorrow and to protect those among us who are unable to protect themselves.

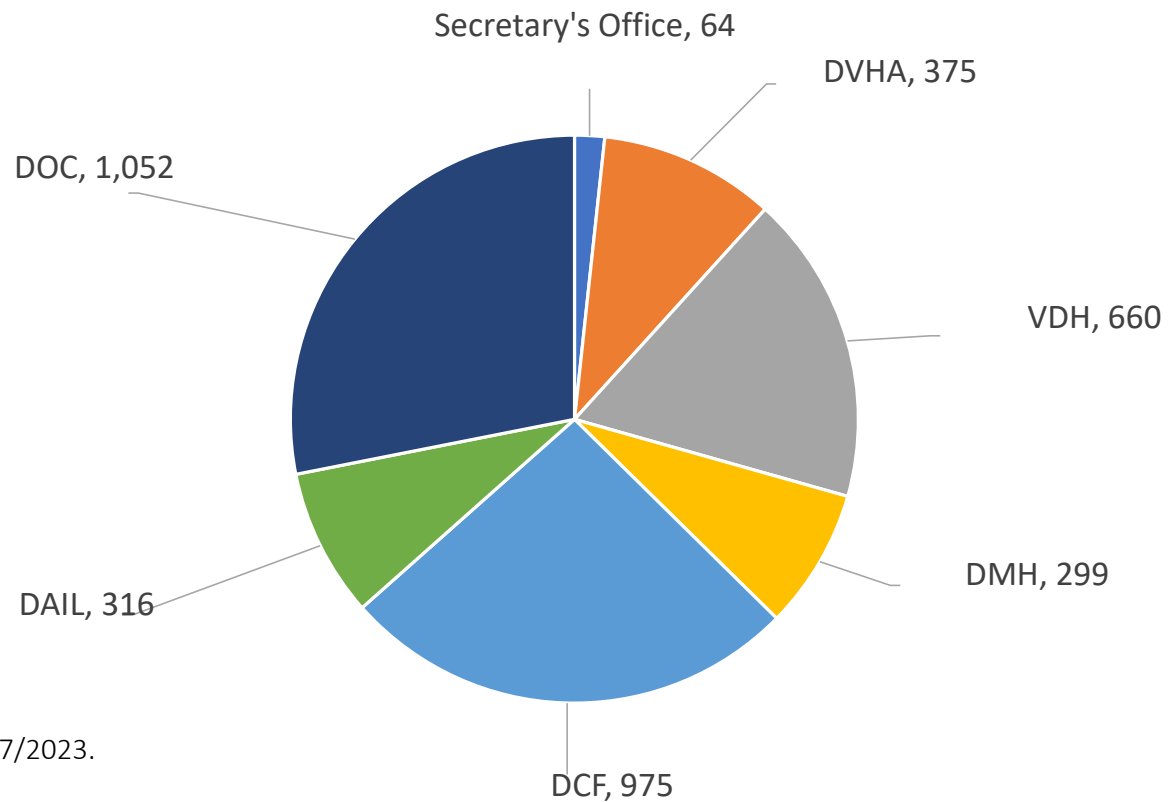


*Note: Removes GC double count.

FY 2024 SUMMARY & HIGHLIGHTS

- 10.8% increase in General Fund budget
- 3,741 positions
- Funds Medicaid Caseload & Utilization pressures (\$10.5M is one-time funding)
- Funds Base Initiatives including: Medicaid dental rate increase; Inflation component for PNMI rates; expansion of Mobile Response with 4 positions; Initial rate increases for LTC Home Health services pending finalization of rate study; 3 positions at DAIL's Office of the Public Guardian; CCFAP increase from 350% to 400% of FPL and equalization, expanded summer and after school care and 6 positions; Expanded emergency shelter services via OEO.
- Funds One-time Initiatives including: Blueprint/Hub & Spoke expansion (2 yr. Pilot); Reach Ahead (2 yr. Pilot); COVID Contingency Fund backfill of \$10M.

AHS – Positions by Department – 3,741 (2.4%↑)



Data as of 1/17/2023.

AHS Budget Highlights: Base Initiatives

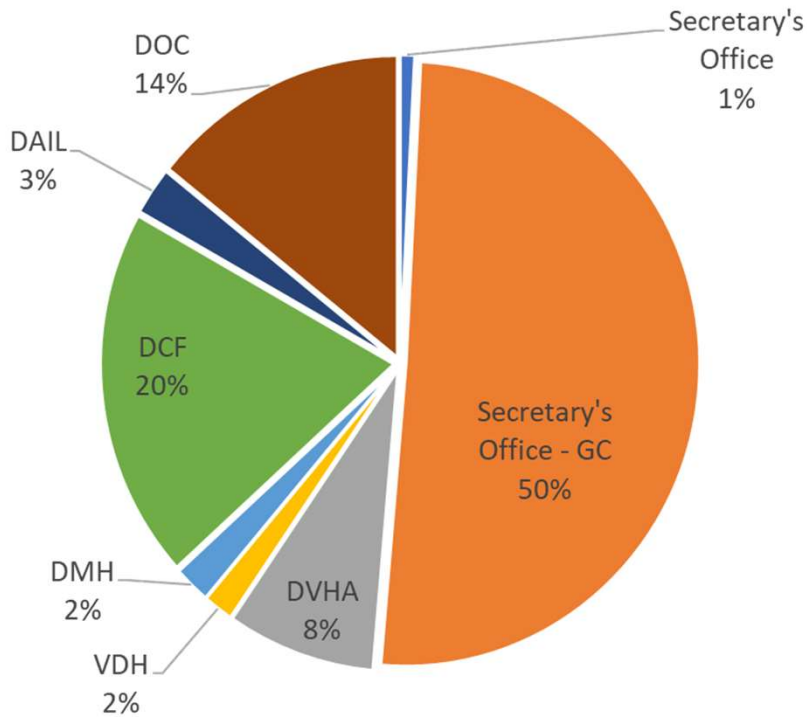
- Invests **\$56.0M** GF in childcare:
 - Increases Child Care Financial Assistance Program (CCFAP) subsidies from 350% to 400% of Federal Poverty Level (FPL)
 - Expansion of after-school and enrichment programs
 - Equalizes subsidy levels across providers
 - 6 permanent positions created to implement and maintain this expansion
- Additional **\$6.5M** GF to DCF including:
 - Funding for emergency shelter services
 - Private Non-medical Institutions (PNMI) rates inclusive of inflation adjustments, and stabilization funding.
 - Contracted staff support to address Family Services Division (FSD) historically high caseloads
- Invests **\$2.9M** GF at DAIL for 3 OPG positions, Home Health Long Term Care (LTC) rate increase, and Developmental Disabilities Services Division (DS) system stabilization
- Invests **\$2.3M** GF at DMH for Mobile Response expansion, Therapeutic alternatives to Emergency Dept. (ED) care, and PNMI rate increase
- Invests **\$5.7M** GF at DVHA to increase Medicaid dental rates to 75% of Northeast Delta Dental rates

AHS Budget Highlights: One-time Initiatives

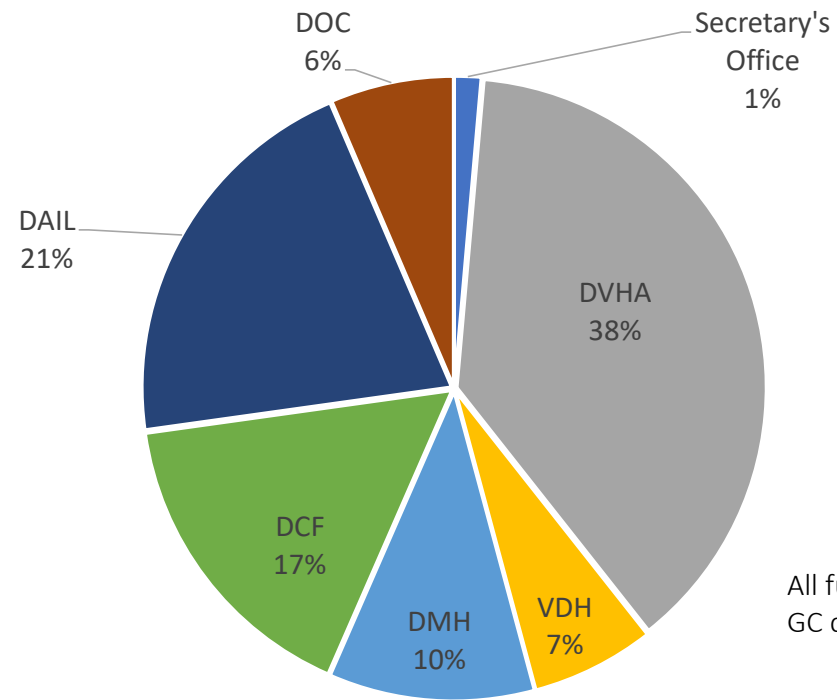
- \$9.2M GF (\$20.9M GC/Medicaid Admin.) for Blueprint/Hub & Spoke - 2 year Pilot
- \$10M GF COVID Contingency Fund supplement for stabilization of Vermont's system of care
- \$2M GF for Reach Ahead 2 year Pilot
- \$1M GF for refugee resettlement assistance

AHS – FY24 Budget by Department

GF (\$ millions) - \$1.2B



All funds (\$ millions) - \$3.2B*



All funds – removes GC double count

FY24 Budget - AHS Secretary's Office (Includes GC)

UPs \$12.2M GF:

- \$10M backfill for SFY23 one-time
- SHCRF reduced collections
- Salary & Fringe
- Retirement
- Internal Service Funds

DOWNS (\$39.4M) GF:

- Base FMAP Change
 - FY23 – 55.98%
 - FY24 – 56.52%
- One-time Consensus funding (\$10.5M GF)
- New Adult Caseload & Utilization
- Enhanced FMAP of 85% for Mobile Response
- UVMMC IGT matching funds for GME

FY24 Budget - DVHA

UPs \$35.3M GF:

- Personal Services increases
- Internal Service Funds
- Medicaid Consensus Forecast
- Buy-In and Clawback
- Brattleboro Retreat (BAA)
- Initiatives
 - Medicaid dental rate increase
 - 2 year Pilot of Blueprint/Hub & Spoke expansion (one-time)

DOWNs (\$1.7M) GF:

- FMAP Adjustments
- Eliminate Vermont Cost Sharing Reduction (VCSR) and modification to Rx benefits
- Operating costs budget vs. actuals true-up

FY24 Budget - VDH

UPs \$1.7 M GF:

- Personal Services increases
- Internal Service Funds
- 30% Cannabis excise tax (32 VSA Sec. 7909)
- Initiatives
 - 2 year Pilot of Blueprint/Hub & Spoke expansion (one-time)

DOWNs (\$1.3M) GF:

- Increased vacancy savings
- Fund split tech. adjustment
- GF conversion to GC for Recovery Centers

FY24 Budget - DMH

UPs \$14.9M GF:

- Personal Services increases
- Class actions
- Internal Service Funds
- VPCH/RVTR
 - Increased operating costs due to OT and travel nurses
 - IMD phasedown
- Increase in UVMMC Contract Costs
- Initiatives
 - PNMI rate inflation factor
 - Mobile Response expansion w/enhanced FMAP (4 new positions)
 - Peer credentialing
 - Therapeutic alternatives to ED

DOWNs (\$2.1M) GF:

- Increased vacancy savings
- GF conversion to GC for Suicide Prevention grants

FY24 Budget - DCF

UPs \$74.6M GF:

- Personal Services increases
- Class Actions
- Internal Service Funds
- Class actions
- Caseload & Utilization
- Initiatives
 - Childcare expansion
 - PNMI stabilization
 - Reach Ahead 2 year Pilot (one-time)
 - Continue Youth Development independent living stipends (one-time for 2 years)

DOWNS (\$2.4M) GF:

- IV-E FMAP savings
- Increases to budgeted travel and vacancy savings
- GF conversion to GC for Lund funding

FY24 Budget - DAIL

UPs \$17.9M GF:

- Personal Services increases
- Class actions
- Internal Service Funds
- Annualization of AFSCME CBA
- DS & TBI Caseload Adjustments
- NH Rate Increase & HCBS Caseload
- Statutory Nursing Home rate increases/rebase
- Initiatives
 - Expansion of DS crisis capacity (2 beds)
 - Home Health rate increase for LTC services
 - 3 OPG positions
 - Additional funding for Act 248 high-acuity cases

DOWNs: (\$2.05M) GF:

- Nursing Home Bed Day utilization
- DS Budget to Actuals realignment
- Adjustment to Moderate Needs caseload based on recent trends

FY24 Budget - DOC

UPs \$15.6M GF:

- Personal Services increases
- Internal Service Funds
- Operating Increases
- Health care services contract

DOWNs (\$3.8M) GF:

- Shift Community High School of VT (CHSVT) funding to Ed. Fund
- Budget to Actuals realignment for operating expenses