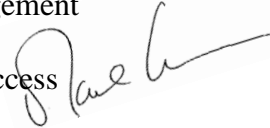


MEMORANDUM

TO: Jane Kitchel, Chair, Senate Appropriations Committee
Ann Pugh, Chair, House Human Services Committee

CC: Douglas A. Racine, Secretary, Agency of Human Services
Jim Giffin, Financial Director, Agency of Human Services
Jim Reardon, Commissioner, Department of Finance and Management

FROM: Mark Larson, Commissioner, Department of Vermont Health Access 

DATE: January 21, 2014

RE: Questions regarding SFY '14 budget adjustment proposal

Thank you for your time reviewing the SFY '14 budget adjustment proposal. We have captured a list of questions posed by your committees in the course our recent budget adjustment testimony, and have provided responses below.

1. What is the value of drug rebates anticipated to be received this year? And what portion of the budget adjustment request is related to a re-projection of these revenues? SFY '14 appropriated budget anticipated \$72.3 million in drug rebate receipts. The most recent estimate depicted in the SFY '14 budget adjustment request estimates \$69.4 million reflecting a \$2.9 million change.
2. Could you please provide more specifics around who is covered under the buy-in benefit? DVHA pays Medicare part A and part B premium payments for roughly 53,600 full-benefit dually eligible (dual eligible refers to individuals who qualify for both Medicare and Medicaid) enrollees, 12,800 VPharm participants, and 8,300 Qualified Individuals (QI). These include people who are Specified Low-Income Medicare Beneficiaries (SLMB) and Qualified Medicare Beneficiaries (QMB).

Please let me know if there is anything further you may need. Thank you.