

## House Committee on Human Services January 21, 2015 AHS Budget Adjustment Proposals SFY 2015

(All figures are Gross unless noted otherwise)

Overall the AHS budget adjustment proposal makes a variety of changes to the individual department appropriations from the original 2015 Budget. The AHS original appropriated budget was \$3,616,179,557 (Gross). Subsequent rescissions and management reductions of \$44.7M (Gross) approved by the Joint Fiscal Committee lowered this amount to \$3,571,404,525 (Gross). The AHS requested budget adjustment is \$37.7M (Gross) and would increase the appropriated amount to \$3,609,070,697, down by \$7M gross from the original appropriated amount.

I will now discuss BAA highlights for the Agency's Central Office and other departments.

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### AHS CO

- There are no adjustments to programs managed by the Central Office.
  - A reduction of \$200,000 (GF) for Attorney time related to the Home Care workers and Child care workers negotiations is included in the BAA. The child care workers voted not to unionize this fall and the AHS legal cost of negotiations with the Home Care union has been significantly less than estimated.
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### DVHA

- Two primary drivers of the \$37.7M (Gross) increase in the Agency's overall BAA are:
  - Vermont Health Connect (\$7.9 Million Gross)
  - Medicaid Caseload and Utilization (\$11.0 Million Gross)
  - These increases highlight the successful expansion of health coverage to Vermonters
- Freeze moderate investment in Long Term Care (-.9M Gross) – There is a one-time underutilization in Moderate Needs projected for this fiscal year.

### VDH

- Vaccine Purchase Savings (-\$225,000 Gross). Changes in federal grants allowed this GC reduction with no impact to services.
- Opiate Care in Bennington (\$180,000 Gross) – Funding for projected startup costs for the provision of buprenorphine treatment to opiate dependent clients who need intensive services.

### DMH

- Second Springs North (-\$571,494 Gross) – Projected costs for program start-up less than anticipated, and this represents a recouping of these one-time savings.

- Reducing Housing Vouchers (-\$437,139 Gross) – Those currently receiving housing vouchers will not be affected, but new housing vouchers would be issued only if there is attrition of existing voucher recipients.
- Pathways to Housing (\$611,920 Gross) – Pathways was given provisional Specialized Services Agency status in June of 2014 to provide a “housing first” treatment model. This funding supports services to high risk populations who do not engage with traditional mental health treatment services.

#### DCF

- Family Services Division
  - Family Services Division Caseload increases (\$7.3M Gross)
  - Family Services Cost Per Case decreases (-\$4.4M Gross)
  - While there is an increase in foster care case load, the overall cost per case has decreased because the mix of caseload has tilted toward younger children (under 6) who require less intensive services.
- General Assistance Emergency Housing increase (\$600,000) – This reflects a need to address the cold-weather exception (emergency housing on cold nights), and an increase in homeless applicants comprised of families with children where general shelters may not be appropriate environments.
- ReachUp one-time funding from ARRA Redistribution (-\$1.6 Million)
- LIHEAP Caseload Savings (-\$1.0 Million) - 900 fewer households received benefits than we had projected

#### DDAIL

- Developmental Services Caseload and Utilization (-\$2.0M Gross)
  - \$-200k for Seriously Functionally Impaired caseload decrease
  - \$-1.2M – underutilization of family managed respite funding with no impact to current services
  - \$-646k – Developmental Caseload underutilization with no impact to current services