


MEMORANDUM

TO: Representative Mitzi Johnson, Chair, House Appropriations Committee

FROM: Harry Chen, MD, Commissioner of Health 

RE: Health Department FY 2015 Budget Adjustment Proposals

DATE: January 13, 2015

Health Department Administration and Support Appropriation

Restore Rescission to Educational Loan Repayment program **\$170,000 GC**

Transfer to AHS CO for GF Match to GC **(\$73,967) GF**

The Vermont Area Health Education Center administers an Educational Loan Repayment (ELP) program for health professionals with grant funding from the Health Department. The FY2015 budget as passed included \$870,000 of global commitment funding for this grant. The rescission plan approved by the Joint Fiscal Committee reduced this funding by \$170,000.

The administration and Vermont AHEC have agreed to a two-step plan that restores this funding for FY2015.

Step one: The administration has committed \$250,000 General Fund in FY2015 as match for a separate federal grant (SLRP) that supports loan repayment. AHEC has agreed to raise private match funding of \$73,967 in lieu of using the full GF appropriation.

Step two: The administration will restore the \$170,000 GC cut to the ELP grant, using the \$73,967 in GF as state match.

Public Health Appropriation

Lease Increases **\$41,632 Total**

St. Albans Lease **\$61,242 Total**

We are budgeting for operating expense increases for our district offices in White River Junction and St. Albans.



Vermont Child Health Improvement Program (VCHIP) \$847,608 GC

The Vermont Child Health Improvement Program (VCHIP) is a population-based child and adolescent health services research and quality improvement program of the University of Vermont. VCHIP facilitates cross-functional partnerships including researchers, practitioners, insurers, professional organizations, and government. The Health Department has a grant agreement with VCHIP to fund a range of Medicaid Administration activities that complement the Department's public health programs. The nonfederal share of the costs of this agreement is provided by UVM. There are no state budget costs to this agreement.

Our FY 2015 agreement with VCHIP has added new projects on behavioral health in schools and fetal alcohol syndrome, as well as continuing and expanding previous initiatives such as improving breastfeeding supports and improving care for opioid-exposed newborns. The FY15 grant award maximum is \$3,247,608, an increase of \$847,608 over FY15 budget as passed.

GC savings on Child Health Improvement Program (CHIP) (\$225,000) GC

Global Commitment Investment funds have been used to purchase vaccines for children enrolled in the federal Child Health Improvement Program (CHIP), which is a federal health insurance program related to Medicaid but with a different statutory base. Because Vermont made certain changes in our CHIP program, these vaccine costs are now eligible for federal coverage through the U.S. Centers for Disease Control in the same way that Medicaid-eligible children have always been eligible. Global Commitment funding for these vaccines will not be needed for the last three quarters of SFY15, saving \$75,000 per quarter in GC.

Alcohol and Drug Abuse Appropriation

Reach Up – Community Health Services of Lamoille Valley (CHSLV) \$87,832 Total

This is an appropriation transfer from Mental Health to Health. The funding is part of a collaboration involving Department for Children and Families, Economic Services Division; the Department of Mental Health; and the Department of Health, Division of Alcohol and Drug Abuse Programs. The Community Health Services of Lamoille Valley (CHSLV) will provide access to substance abuse services for Reach Up clients.

Residential Treatment Utilization (\$77,000) GC

The Health Department has FY15 grant commitments totaling \$9.7 million with residential treatment providers. One provider has reported slightly lower utilization than forecast for the period July-October and has informed us that they do not expect to bill the maximum amount allowed for the grant. We are adjusting our budget for this accordingly.

Bennington treatment \$180,000 GC

This amount is for projected startup costs and initial service delivery for a new program in Bennington, operated by United Counseling Services that will provide buprenorphine treatment to opiate dependent clients who need intensive services. It is projected that this program will save money in transportation costs for people who currently would have to travel to the Rutland or Brattleboro Hubs.

