

Fiscal Year 2016 Appropriations Testimony
Vermont Council of Developmental and Mental Health Services
Julie Tessler, Executive Director
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1. Medicaid Reimbursement Rates - 1st Priority

Designated and Specialized Services Agencies support the proposed 2.5% Medicaid rate increase

- Over the last 10 years our rates have trailed the Consumer Price Index by nearly 15%
- Meanwhile our costs for employee health benefits, fuels and IT have risen substantially
- Staff recruitment /retention is a challenge, Some agencies have turnover rates over 40%
- Salary levels of our staff are \$9,000 to \$16,000 below comparable state employees
- Our staff are being asked to do more and work with people with more complex needs
- Quality of care requires lasting trusting relationships that get disrupted by turnover
- Designated Agencies depend on Medicaid and state funding for 90% of our revenues, so unlike other health providers we can't cost shift to commercial insurance
- The House did not put the resources in the Budget bill, instead it is in H.481 the Health Care Bill which will be on the House floor later this week.
- We need catch up funding and then inflationary increases an annualized basis

2. Developmental Services Budget – 2nd Priority

The \$1.96 million savings incentives is really another rescission

- Funding increases have been for new people and for new services, but existing consumers have experienced funding rescissions.
- After reductions totaling \$14 million over 6 years, too many individuals have lost needed individualized services and now have limited support to participate in community living.
- The quality of care has been impacted; an additional reduction will further impact the well-being of people with developmental disabilities currently served.
- Instead of a rescission, caseload funding situation should be reviewed, and if necessary adjusted, during the FY16 budget adjustment process, just like DVHA caseload and utilization numbers are reviewed and adjusted.
- If necessary, at the end of FY16 DAIL should establish a waitlist of people seeking services, triage criteria and method for people to come off the waitlist as funding allows
- Access to housing vouchers or other housing resources for supervised living could reduce service expenditures

3. Mental Health Budget - 3rd Priority

We oppose the \$381,000 reduction in non-categorical funding in the Children's Mental Health

- These funds are for children with disabilities who would lose or have reduced EPSDT Personal Care services following the new assessment and redetermination process.
- The reassessment/redetermination process has been delayed and transitional funds have continued to be available, consequently, the funds have been underutilized in FY15
- Once the reassessment/redetermination process is completed and transitional funds are no longer provided in FY16, the non-categorical funds will be necessary
- Children with disabilities and their families may not be eligible for any other funding
- We also oppose the elimination of funding for the Sparrow and CSIP programs which reduce incarceration rates

4. Substance Abuse Services Budget Fiscal Year 2016 Budget

- We support the 2.5% rate increase for ADAP services
- We support increased funding for opiate treatment, including new funding for Bennington
- We oppose the decrease for the corrections reentry projects of \$200,000

5. Language

- We Support the language Section E.333 (a) establishing a waitlist if the Developmental Services Caseload allocation is insufficient. We recommending adding one sentence specifying that:
The Legislative Committee on Administrative Rules shall review and approve the waitlist plan, including triage criteria and methods for people to come off the waitlist prior to the DAAL implementing a waitlist.
- Section E.306.3 (a) Autism should be addressed in section E.301.1 which calls for a study that includes the full array of Medicaid benefits to determine the costs and benefits of including them in our Medicaid coverage. Autism services should have that same level of analysis before making changes in the benefits. The current language appears to set an immediate limit on these services which would be inconsistent with the State Developmental Disabilities Act.
- Section E.306(b) proposes the development of a geriatric psychiatric care alternative to reduce inpatient hospital care and develop lower cost alternatives. We are eager to work with DAAL and DMH and have offered to different program options.
- We do not support Section E.300.1 Executive Compensation Review and Report. We have shared data on executive compensation already and the State Auditor is also undertaking a review. If this language does move forward the comparison should be made to similar health care providers rather than to State officials.