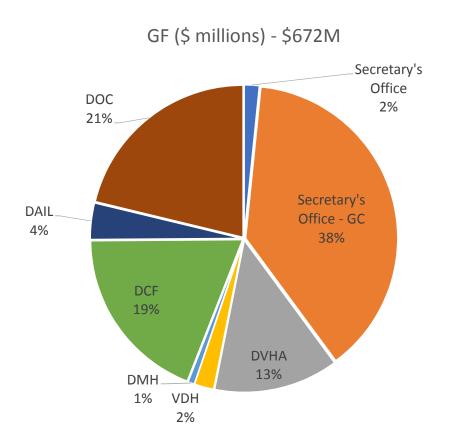
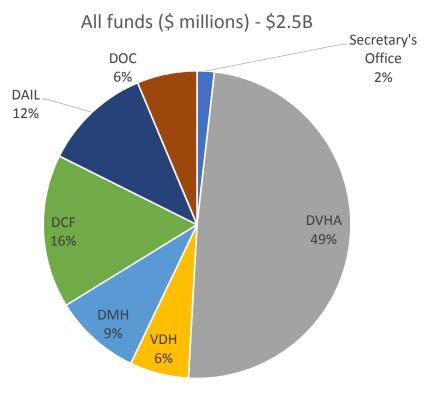
Agency of Human Services

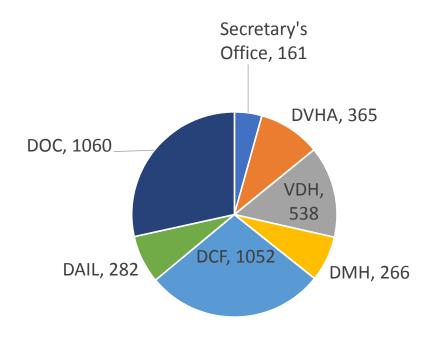
FY 2018 Governor's Recommended Budget House Appropriations Committee January 30, 2017

AHS - FY18 Budget by Department





AHS – Positions by Department – 3,724

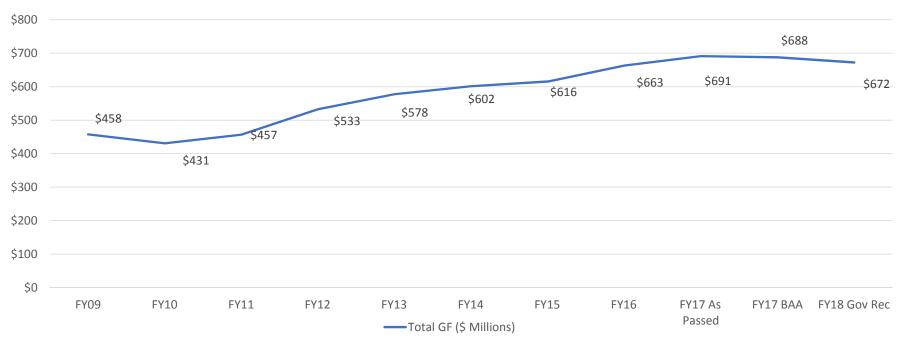


Vermonters Served by Department:

- DCF 185,000
- DOC 8,335 in the community and 1,775 in the facilities
- DAIL 89,574
- DMH 34,074
- DVHA 230,602
- VDH all Vermonters

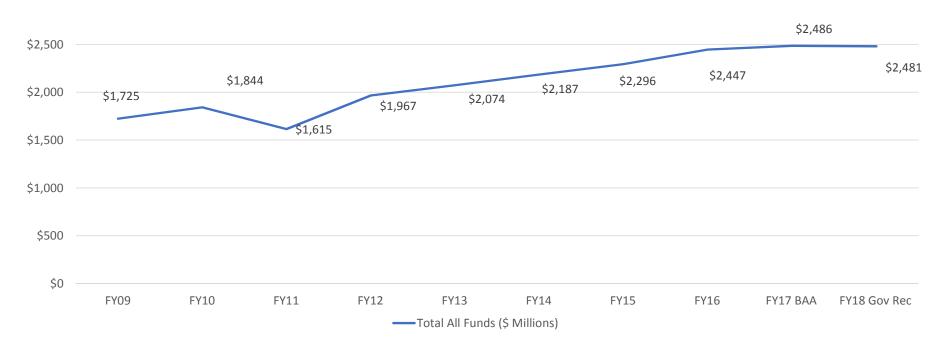
AHS General Fund Budget

Total GF (\$ Millions)



AHS All Funds (Unduplicated) Budget

Total All Funds (\$ Millions)



Medicaid (& Medicaid-Related) Spending

Total Medicaid & Medicaid Related Expenses(\$ Millions)



Includes Global Commitment, State Only Programs, DSH, Clawback and SCHIP.

AHS Funding for Designated Agencies and Specialized Services Agencies

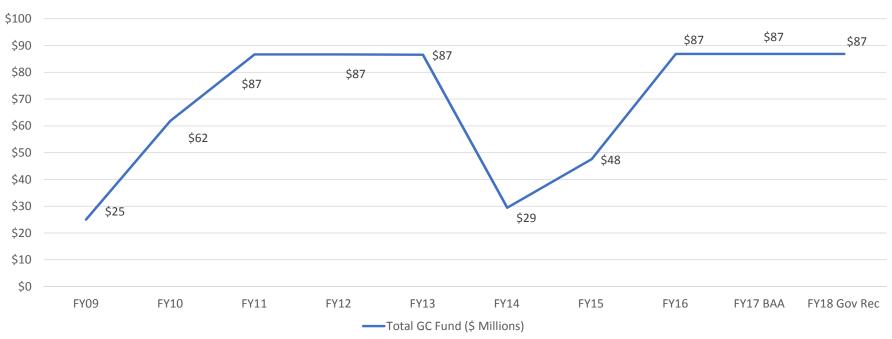
All funds (\$ Millions)



Data Source: E-fins.

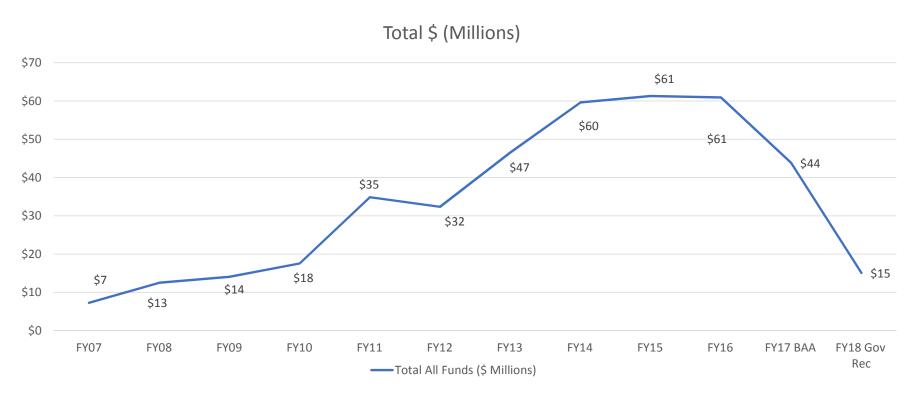
Medicaid - Global Commitment - Balance Sheet





It is critical to maintain a 5% reserve for Global Commitment because of the claims tail and to cover unforeseen challenges. 5% equates to \$78,699,319 in FY18

Non-budgeted Revenue Balance

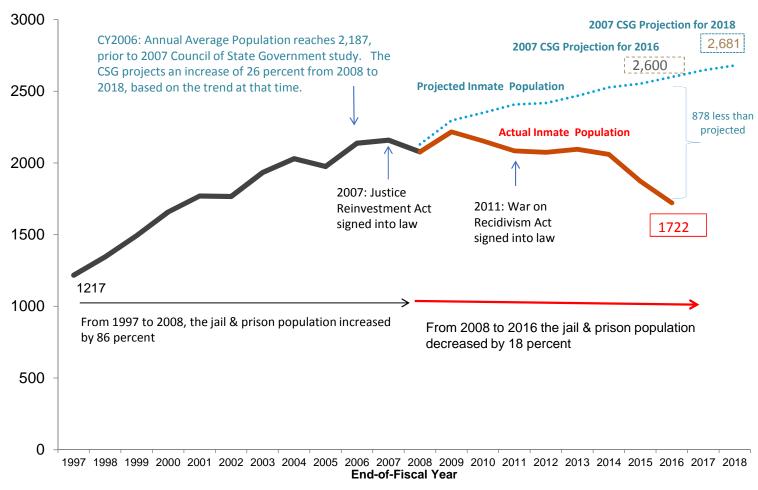


FY17 BAA and FY18 Gov Rec reflect projected end balances, including the AHS operating reserve.

DVHA - Medicaid Year-Over-Year Caseload and Utilization Comparison

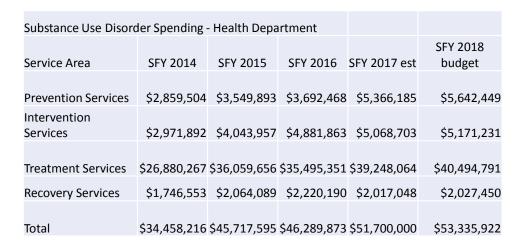


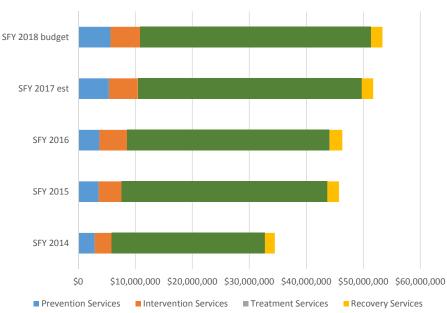
DOC - Vermont Inmate Population



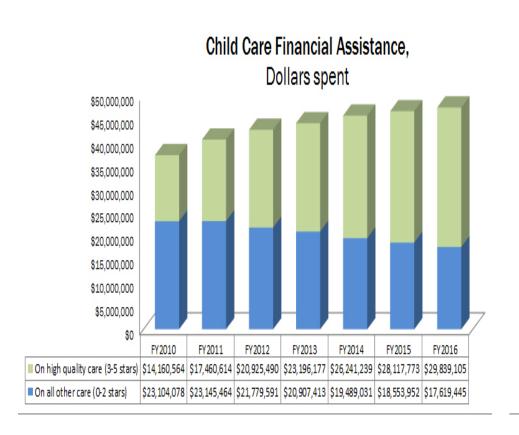
VDH - Substance Use Disorder Spending

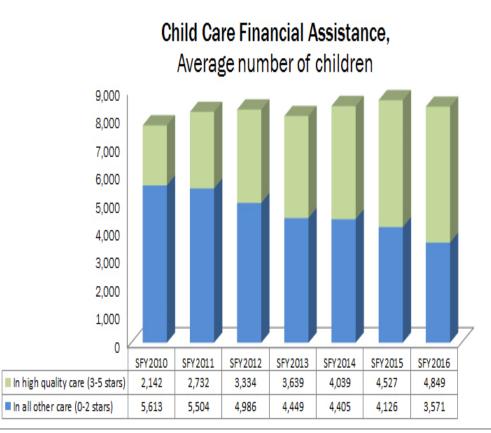






DCF – Child Care Financial Assistance (CCFAP)





AHS Budget Highlights Funds Caseload & Utilization Pressures

- Funds the Medicaid Consensus Forecast (\$15.2M all funds) while simultaneously adding funds to the Human Services Caseload reserve to protect against future risk (\$10M GF).
- Provides funding to the Designated Agencies (DAs) and Specialized Service Agencies (SSAs) for caseload and utilization pressures at DAIL (\$8.1M gross) and DMH (\$1.1M gross).
- Funds Nursing Home inflationary pressures (\$4.7M gross), offset by Nursing Home bed day utilization decrease (\$2.0M gross).
- Funds Home & Community Based caseloads (\$1.3M gross).
- Supports increased sub adoption caseload and cost-per-case (\$830K all funds) in the DCF Family Services Division.

AHS Budget Highlights – Investments

- Invests \$7.5M in the Child Care Financial Assistance Program
 - Directly increases assistance to families;
 - DCF plans to discuss options with key stakeholders to determine best path for maximum benefit for families.
- Provides funding for the annualization of the new Hub in St. Albans (\$2.0M gross).
- Expansion of Family Supportive Housing (\$340K all funds).

AHS Budget Highlights AHS-wide Administrative Savings

- \$1M GF in efficiency savings over the next three months, AHS will assess staffing levels and administrative contracts and focus on streamlining to maximize administrative efficiency
- Eliminates 17 positions across AHS:
 - DAIL 7 positions in the Vocational Rehabilitation Program due to the loss of federal re-allotment funds;
 - DOC 9 positions in the Central Office;
 - Secretary's Office 1 position Tobacco Board.
- \$1.1M GF in savings thru miscellaneous administrative reductions across AHS.

AHS Budget Highlights – Secretary's Office

- Eliminate Tobacco Board Position VDH will support the Board (-\$42.5K);
- Leverage additional federal earnings from indirects (-\$103K GF);
- Support for the Institute of Mental Disease (IMD) Evaluation Contract (\$50K GF);
- Moves Health Care Advocate Contract from AoA and DVHA (net neutral);

AHS Budget Highlights – Secretary's Office Global Commitment

- Change in base FMAP (\$9.7M GF);
 - FY17 54.32%
 - FY18 53.72%
- Change in base enhance FMAP for childless new adults (\$-7.7M GF)
 - FY17 86.57%
 - FY18 88.37%
 - Caseload & utilization
- Family Planning 90/10 (-\$1.1M GF)
- Loss of Tobacco Revenue (\$6.9M GF);
- CHIP Qualifying Claims (-\$18M GF);
- SHCRF Revenue per E-Board forecast (-\$5.8M GF)

AHS Budget Highlights – DVHA

- Reduces Disproportionate Share Hospital (DSH) payments by 10%.
 - DSH was established to compensate hospitals for charity care.
 - Given Vermont's low rate of uninsured, as result of investments made in Vermont health care system, the time is right to reduce DSH payments.
- Reduces spending (\$2.8M GF) at Vermont Health Connect by allowing for direct enrollment at the Commercial Insurers for individuals with a qualified health plan without subsidy.

AHS Budget Highlights – VDH, DMH & DAIL

- VDH leverages Global Commitment to support tobacco cessation programs due to loss of tobacco funding.
- DMH funds increased adult inpatient hospital costs
- DAIL reflects the loss of one-time federal Voc Rehab re-allotment funds
- All annualization of the 2% DA and HCBP increases

AHS Budget Highlights – DOC

- Restores funding for Caledonia County Work Camp (\$2.5M GF).
- Close the Southeast State Correctional Facility (SESCF/Windsor) (\$3.5M GF)
 - Deferred maintenance challenge;
 - Highest per-capita cost of male facilities;
- Expand 24/7 home detention/electronic monitoring statewide by repurposing existing DOC resources (-\$500K GF);
- Reduce transitional housing grants (-\$300K GF);
- Position Pilot 29 positions funded by reductions in OT and temps.