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HOUSE COMMITTEE ON GENERAL,
HOUSING, AND MILITARY AFFAIRS

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MEMORANDUM

To: Representative Kitty Toll, Chair, House Committee on Appropriations

From: Representative Helen Head, Chair, House Committee on General, Housing, and Military Affairs

Date: January 11, 2018

Subject: Provisions in the Governor's Proposed FY 2018 Budget Adjustment

Thank you for the opportunity to review the provision in the Governor's proposed FY 2018 Budget Adjustment that falls under the jurisdiction of the Committee on General, Housing, and Military Affairs. After testimony and careful consideration of the provision, the Committee voted to adopt the following recommendation:

Sec. B.342, Vermont Veterans' Home:

The Committee heard testimony from Melissa Jackson, the Administrator of the Vermont Veterans' Home (VVH); Joseph Krawczyk, President of the Board of Trustees of the VVH; and Allan Faxon, Chief Operating Officer of the VVH. The Governor's proposed Budget Adjustment requests a total of \$449,000.00 in additional funding for the VVH, including \$259,000.00 needed to cover costs related to staff overtime, \$41,000.00 needed to cover costs related to pharmaceuticals, and an additional \$149,000.00 to cover expenses associated with hiring temporary and agency nursing staff.

The Administrator testified that during the appropriations process the amount budgeted for overtime was reduced in anticipation of a reduction in the call-out rate and that the amount budgeted for pharmaceuticals was reduced in anticipation of contracting with the Veterans Administration for pharmaceuticals. Unfortunately, the anticipated overtime savings were not realized, and the VVH was unable to contract with the Veterans Administration for pharmaceuticals.

In addition, the Administrator testified that the call-out rate among nurses for FY 2018 is slightly down from FY 2017. To achieve reductions in the call-out rate and reduce the use of temporary nursing staff, the VVH has begun utilizing a new LNA training program and had an in-depth occupational safety review performed in June 2017. The Committee is pleased that the call-out rate is now approaching the national average and encourages the VVH to continue its efforts to further reduce the call-out rate through the hiring of additional staff, improved scheduling, and the provision of regular time off.

The Committee remains concerned about the expenses associated with the use of temporary nursing staff in FY 2018, as well as the amount of overtime worked by staff and the associated costs of that overtime. The Committee recommends that additional nursing positions be authorized during this year's appropriations process in order to minimize the need for the VVH to use overtime and temporary nursing staff to meet clinical and regulatory requirements.

In addition, the Committee recommends that the General Assembly send a letter to Vermont's Congressional delegation to encourage them to explore potential approaches at the federal level to address the recurring budgetary challenges faced by the VVH.

Therefore, the Committee voted ___-___ to recommend adoption of the amendments to section B.342 and the additional funding for the VVH.