

Health Department ups and downs are found on pages 10 and 11 of the [package](#) provided to you by the Agency of Human Services.

Our budget adjustment proposal includes no programmatic changes, and proposes no changes to the budget language.

The Health Department has three appropriations, totaling about \$155 million. The budget adjustment proposal includes changes totaling less than 1% overall.

Administration Appropriation - page 10

Yellow section – In each appropriation we’re noting the appropriations included in Act 173 - *An act relating to combating opioid abuse in Vermont*. In the administration appropriation, Act 173 provides \$250,000 in additional funding for the department’s Evidence Based Prescription Drug Education Program. This will fund projects to provide prescribers with evidence-based information about safe prescribing of controlled substances and alternatives to opioids for treating pain.

Nurse Reclassification – The Department of Human Resources completed a class-wide review of nursing positions last Spring. The resulting reclassification and market factor salary adjustments affected 70 positions in the Health Department. The budget adjustment proposal funds this unbudgeted cost for Fiscal Year 2017 in the Administration and Public Health appropriations.

GC Admin to Medicaid Admin swap - The new Global Commitment to Health 1115 waiver requires the state to report spending on Medicaid administration costs separately from 1115 waiver spending, beginning January 1, 2017. These costs will be accounted for as a combination of General and Federal funds for the last two quarters of Fiscal Year 2017 and we’re asking for an adjustment to our funding to reflect this change.

Public Health Appropriation - page 10

Act 173 funding - This appropriation includes funding via Act 173 for three activities:

- an additional \$150,000 for purchase and distribution of emergency overdose rescue kits to people at risk of an opioid overdose.
- \$250,000 for a Health Department program to encourage careful antibiotic stewardship in health care facilities.
- \$32,000 to provide Narcan to emergency responders.

Public Health Appropriation - continued

Nurse Reclassification - Most nurses work in the office of local health, maternal and child health, and infectious disease surveillance programs; all funded through this appropriation.

Medicaid Administration

- About \$1.9 million in funding currently appropriated as Global Commitment is proposed to be funded 50% General Fund and 50% Federal Fund; this is the regular federal funding rate.
- Another \$1.2 million will be funded 25% General Fund and 75% Federal Fund. This is an enhanced rate of federal funding for Skilled Professional Medical Personnel when performing certain qualifying activities.
- The department has grant agreements with local school districts and with the Vermont Child Health Improvement Project of the University of Vermont in which the state provides the federal share of eligible Medicaid Administration activities and the grantee provides the non-federal share in the form of certified match. In this case, the funding adjustment is 100% Global Commitment to Federal Fund.

Alcohol & Drug Abuse Appropriation – page 11

Act 173 funding - Act 173 provided funding for a new program to promote safe disposal of unused & expired prescription drugs. This has been established in the department's Alcohol & Drug Abuse Program, as a prevention activity.

Adjustment to DA 2% increase - This is to adjust the allocation of the 2% funding increase for substance abuse providers authorized in the Fiscal Year 2017 budget. The cost of this increase is \$629,583 and the budget bill appropriated \$350,262. We are requesting a GC increase of \$279,321 to fully fund this fee increase. You'll see a corresponding reduction in funding for this purpose in the Department of Mental Health BAA request.

53rd week base funding rescission - This appropriation includes a reduction in Global Commitment funding for Medicaid program costs that was part of the rescission plan.

GC Admin - We are requesting accounting adjustments for Medicaid administration in this appropriation.