

**Vermont Care Partners
Budget Priorities
March 2018**

Vermont Care Partners requests consideration of the following priorities listed in order of importance.

Workforce Investment Stage 2

Act 82 and Act 85 enabled all Designated & Specialized Service Agencies (DA/SSA) to implement a \$14 minimum wage and increase wages for crisis staff with the \$8.37 million/2% funding increase in FY'18. The positive results are already evident.

- **FY17 staff turnover rate decreased from 26.3% to 23.8% with the promise of new funding**
- **Turnover rates in FY'18 are showing improvement, including the crisis staff**
- **2,000 staff received pay raises and now earn a minimum of \$28,000 per year**
- **Vacant positions have been reduced from 400 to 355**
- **The positive impact has been concentrated at entry level positions**

Vermont Care Partners requests the second stage of the workforce investment initiative - \$5.74 million GF to conceptually achieve a \$15 minimum wage for DA/SSA staff and with flexibility for agencies to target compensation increases to the most critical positions to meet community needs, address local labor market dynamics, and cover health benefit costs. Stage 2 of the Workforce Investment could enable DA/SSAs to maintain critical mental health services, strengthen collaborations with our health care partners and reduce the utilization of more expensive acute care services in hospital inpatient and emergency departments.

After implementing the Stage 1 increase, we have found that market factors led to difficulty with recruiting and retaining Bachelors, Nursing and Masters-level Clinicians. Analysis conducted in FY18 after the investment funds were distributed identified significant pay gaps between our staff and state employees with similar credentials and responsibilities:

- **Bachelors level staff earn salaries \$21,344 below state employees for equivalent work and length of employment**
- **Masters level clinicians earn salaries \$12,830 below state employees for equivalent work and length of employment**
- **Licensed clinicians earn salaries \$18,768 below state employees for equivalent work and length of employment**

These compensation disparities and those with school and health care staff are likely to increase in FY19 when they receive compensation increases. This will exacerbate staff vacancies and turnover leading to further challenges with: access and quality of care; collaboration with health care providers; support to students; and utilization of acute care. If DA/SSAs receive level funding we will work with the Agency of Human Services to reduce services or other operations as required by Act 85 E.314.1

Restoration of the Developmental Services Reduction proposed by Governor Scott

Vermont Care Partners strongly supports the restoration of the \$2 million GF cut in developmental services made by the House of Representatives.

- The Administration's proposed \$4.3 million cut to developmental services would require a 2% reduction in services after years of underfunding and rescissions that totaled \$14 million in cuts to services since 2009.
- Since some people served cannot manage without 24/7 support, others would experience service reductions in excess of 2%.
- DA/SSA's rates of reimbursement are insufficient to cover costs. There is no direct correlation between payment rates and actual cost of services
- DA/SSA's are currently deep into a payment reform process with DAIL that will likely lead to a reduction in services, this cut would put Vermont's most vulnerable citizens in double jeopardy
- Most people served receive residential supports that cannot be reduced, so cuts could be made to employment or community services which are already limited to 25 hours a week. Alternatively, some agencies will reduce the respite available to shared living providers by approximately 1 week. This loss of respite could lead some shared living providers to discontinue providing critical residential support.
- The proposed reduction would impact thousands of Vermont's most vulnerable citizens

Housing Outreach and Support

Vermont Care Partners supports the \$400,000 GF proposed for street outreach programs in four regions of the State. Out of the original \$400,000 the Howard Center in Chittenden County is slated to receive \$150,000 and \$250,000 would be allocated in the other 3 communities. We support the House of Representatives proposal that the Department of Mental Health receive \$200,000 on a one-time basis to assist the pilot communities, in light of their difficulty in securing local matching funds.

Statewide Housing Resources

Vermont Care Partners recommends redirecting the \$276,000 GF appropriated in the House Budget "*at the Department discretion in Rutland County for supportive housing services for individuals with mental health disabilities who have experienced chronic homelessness, using the low barriers model*". We believe the money could be used most effectively if appropriated to the Department of Mental Health to support statewide housing efforts through housing vouchers and/or other housing assistance.

Designated Agencies have a broad array of housing resources to flexibly meet the needs of the people throughout the State including Housing First type models of care. We use a person-centered approach and realize that a person's basic needs must be met in order to achieve recovery. Providing a person-centered approach entails offering a range of housing from a housing first to an intensive case management approach. Our primary goal is to get our clients housed, and we work with them to whatever degree they need from that point forward, providing case management, psychiatry, nursing, transportation, vocational support and emergency interventions. We do that actively for well over a thousand CRT and Outpatient clients. We have countless partnerships with landlords, housing authorities and homeless organizations to support individuals to access traditional and transitional housing. Building upon this existing infrastructure would be far more cost-effective than adding offices for a provider into the mix.

Recent analysis of crisis beds indicates that access to independent apartments is the primary factor leading to people having extended stays in crisis beds. A statewide resource could more positively impact the flow of people through our acute care resources than directing the funds to just one region.

Rutland Mental Health has been collaboratively working on several initiatives for this population. They already provide comprehensive case management services to 14 Shelter-Plus Care clients in conjunction with the Welcome Home Program, a housing first initiative which is an effective partnership with the Homeless Prevention Center. Due to the ongoing success of the Welcome Home program chronic homelessness in Rutland County declined by 36% in four years. Additionally, Rutland Mental Health has asked DMH for permission to add 2 beds to their Crisis Stabilization and Inpatient Diversion facility (from 4 to 6 beds). This has the strong support of Rutland Regional Medical Center which recognizes that this will accelerate some folks being released from the inpatient psychiatric care unit. Additionally, Rutland has been identified as one of the regions for the Housing Outreach and Support pilot described above.

Substance Abuse Services

We support both better reimbursement rates and expanded services to address the continuing demand for opiate and other substance use disorder outpatient treatment. Alcohol use continues to be the most prevalent substance use disorder. Co-occurring and substance use counseling is a critical component to the continuum of care and support for people struggling with addictions who are striving to achieve lasting recovery from alcohol, opioid and other substance use disorders.

Priority for One-Time Tobacco Settlement funds

Electronic Medical Records Implementation

The Designated Agency system must update and implement new electronic medical record systems in order to: effectively serve our clients; enhance data-driven business models; participate in health and value-based payment reform; integrate care; enhance quality of care; and strengthen accountability for public funds. Six of our comprehensive designated agencies are working with Vermont Care Partners to implement a Unified Electronic Health System, beginning sometime in FY19. Potentially all 10 DAs could jump on board depending on several variables. All of our members will be focusing on standardization of documents, workflows and more.

The Implementation phase includes the vendor costs (licensing and implementation), the overlapping EMR operating costs in the implementation phase (subscription, maintenance, hosting), Transition (migration, archiving), as well as project management at the unified and local levels. The estimated cost is at least \$15 million, depending on the final configuration of the systems. The Agency of Human Services has looked, and is continuing to look, into accessing DSR funds at a 90/10 match, but at this point CMS has not been receptive to this investment. This is a very heavy lift that we feel will bring immense value to the health care system and thousands of Vermonters. We would appreciate any support the Legislature could offer.

Submitted by Julie Tessler, Executive Director
Vermont Care Partners: VT Council of Developmental Services