

AHS - DRAFT PLAN - FY19 GRANT SAVINGS - January 17, 2019

Target: 2,000,000

Grants Best Management Criteria:

- 1 Align billing with actual spending - reimbursement based
- 2 Budget to actuals - realignment
- 3 Savings from project delays
- 4 Lower caseload utilization
- 5 Grantee not achieving performance standards

Grant Reduction Targets		
AHSCO	\$	5,134
DVHA	\$	-
VDH	\$	275,385
DMH	\$	477,313
DCF	\$	645,582
DAIL	\$	326,575
DOC	\$	270,010
	\$	2,000,000

Department	Appropriation	Proposal	Total	GF	Best Management Criteria? (Y/N)	Criteria Met	Impact
VDH	All Approps	The Health Department's share of the AHS-wide grant budget reduction is \$275,385. This is about 0.3% of the department's total grants budget, and about 1.3% of state funds appropriated for grants. In fiscal year 2019 the department has made no reductions in grant awards, provider fees, client benefits or eligibility. To reduce total grant spending by this amount, the department has advised grantees that they are eligible only for reimbursement of actual costs incurred to accomplish grant objectives. In the past, when grantee costs were lower than anticipated, the department would negotiate additional work to be performed or permit grantees to carry forward unspent grant commitments to the next grant agreement.	525,000	275,385	Yes	1 - Align billing with actual spending, 2 - budget to actuals.	The likely impact of this change on grantees is a reduction in their discretion over timing of performance and their ability to modify program deliverables; both of which will reduce total payments.
DCF	Admin/ESD	Grants management - move to reimbursement-based grants. These savings are on a total grant base of approximately \$10M.	250,000	250,000	Yes	1 - Align billing with actual spending.	Impacted providers will evolve over time but include PCCs, Community Action Agencies, Adult Learning, VABIR, etc.
DCF	Family Services	Out of State Residential Care PRTF's - there are eight out-of-state residential care facilities that DCF has occasion to utilize, that are not certified as Vermont Medicaid providers. DCF will seek to maximize Medicaid funding and manage its use of OOS residential care.	211,137	211,137	No	N/A	No impact on clients or providers.
DAIL	DS	As described in the Vermont State System of Care Plan for Developmental Disabilities Services Effective October 1, 2017, when new funding is approved 100% of the annualized amount needed to support a full fiscal year of services for the individual is committed on an accrual basis. This assures that funds to pay for a full fiscal year of services are built into the DA/SSA's base budget. When 365 days of funding are not required because the individual's newly funded services began after the start of the fiscal year (July 1st), this creates a spending authority fund balance at year end since on a cash basis the committed annualized waiver amounts are not expended.	706,719	326,575	Yes	2 - Budget to actuals - realignment	No impact on clients or providers.
DOC	Correctional Services	Reducing grant to Barre PD for community outreach. Unique program with no performance standards.	25,000	25,000	Yes	5 - Grantee not achieving performance standards	\$25K balance remaining.
DOC	Correctional Services	Transitional Housing - Reduce beds in Springfield. The grant expired on 6/30/2018 and the resulting RFP did not yield viable responses. Reduce by one bed in Saint Albans due to underutilization.	111,759	111,759	Yes	1 - Align billing with actual spending. 4 - utilization	Historically, DOC would have reallocated these "savings" towards other TH investments.

TOTAL ALL 1,829,615 1,199,856

Total reductions meeting BMP criteria 1,199,856

BALANCE TO TARGET (800,144)