

Agency of Human Services - FY21 Budget				
Summary of Upward Pressures and Reductions - General Fund Impact				
Upward Pressures:				
Pressure #	Department	Pressure	Gov Rec Position GF	Description
Revenue Pressures:			10,619,163	
1	Secretary's Office - GC	Childless New Adult Caseload & Utilization Change	5,596,986	Decreased Federal Medicaid matching funds due to revised estimates for 'Childless New Adults' which, increases the General fund need.
2	Secretary's Office - GC	CHIP Qualifying Claims Shortfall	4,799,797	CHIP qualifying claims estimated to be lower than base budgeted earnings due to decrease in CHIP FMAP.
3	DMH	CHIP FMAP	74,380	Decrease in CHIP FMAP.
4	DCF	Special Fund Revenue Loss - SSI Collected for Children in Custody	148,000	Decrease in revenue.
Salary Pressures:			5,497,788	
5	AHS	AHS Salary & Fringe Increases	3,743,316	Annualization of salary & fringe increases.
6	AHS	AHS Retirement	684,918	Retirement rate increase
7	AHS	AHS Salary & Fringe - New Positions	264,830	DCF - 1 - Juvenile Justice Director, 2 - Woodside Alternative Positions.
8	AHS	AHS Salary & Fringe Capped Federal Funds	769,272	General fund need created by capped federal funding sources at DCF and DAIL.
9	DCF	Class Reclassifications	35,451	Class RFRs from 2018.
Forecasted Pressures (Caseload):			15,443,988	
10	DVHA	Buy-in	1,633,800	This change incorporates a rate increase and trend in member months.
11	DVHA	Clawback	1,799,014	Increases amount clawed back by Medicare for prescriptions for dually eligible individuals. DMH is experiencing pressure in PNMI (private non-medical institutions) – residential treatment for children).
12	DMH	Kids Residential Cost & Caseload increase	228,914	
13	DCF	GA - Personal Needs Income (PNI) Caseload	115,029	Trend based on actual experience.
14	DCF	GA - Emergency Housing	1,954,185	Trend based on actual experience.
15	DCF	FSD - Sub Care Caseload	537,804	Increases in both CPC and caseload.
16	DAIL	Developmental Services (DS) Caseload	3,513,627	Caseload increases as calculated per the DS System of Care plan.
17	DAIL	Statutory Nursing home Inflation	1,729,492	Increase calculated per statute by Rate Setting.
18	DAIL	Nursing Home - Case Mix Pressure	1,322,690	Increased case mix scores at some nursing homes.
19	DAIL	Home & Community Based Caseload pressure	976,944	Based on projected caseload increase of 64 X \$33,468.
20	DOC	OOS Caseload from 225 to 275 beds	1,632,488	Based on projected caseload increase from 225 to 275 beds.
Other Operating Pressures:			16,917,380	
21	AHS	Internal Service Funds	3,008,720	Adjustments related to FFS, DHR, VISION, etc.
22	AHS	ADS - Allocation & SLA	1,298,600	Adjustments related to ADS costs.
23	AHS	Single Audit	87,799	Increased costs from the State Auditor's Office related to Single Audit.
24	VDH	Misc Adjustments	527,421	Includes various personal service, operating and grant adjustments.
25	DVHA	Brattleboro Retreat Inpatient Rate Increase	505,550	DVHA portion of rate increase.
26	DMH	Level 1 Cost Increase for Brattleboro Retreat	171,537	Level 1 bed cost increase at Brattleboro Retreat.
27	DMH	Brattleboro Retreat CRT Inpatient Increases	470,900	DMH portion of rate increase.
28	DMH	Forensic Doctor Contract Increases	25,086	Negotiated increase.
29	DMH	Rutland Regional Medical Center Level 1 Cost Increase	364,518	Level 1 bed cost increase at Rutland Regional.
30	DMH	Annualized Cost of 12 new Level 1 Beds at Brattleboro Retreat	1,797,961	12 new Level 1 beds will be on-line in Spring of 2020. This increase is on top of amount in base of \$1.1M gross.
31	DMH	Room & Board Investment Phasedown	612,717	Continuation of CMS required investment phasedown.
32	DCF	Woodside - Mothballing Costs	253,963	Maintains funding of FFS while Woodside closes.
33	DCF	Woodside - Alternative Placements	1,723,912	Alternative placements needed as a result of the Woodside closure.
34	DCF	Woodside - Family Group Conferencing	74,301	Additional supports needed for Woodside alternative placements.
35	DCF	Balanced & Restorative Justice (BARJ) Contract Expansion	116,674	Aligns with "raise the age" initiative.
36	DCF	Room & Board Investment Phasedown	1,719,330	Continuation of CMS required investment phasedown.
37	DCF	CDD - CIS Bundled Services for Non-Medicaid	583,027	Early intervention population that is currently being served.
38	DCF	CDD - CIS Bundled Services for Non-Medicaid/Non Early Intervention	204,847	Discretionary population that is currently being served.
39	DAIL	Annualization of Personal Needs Allowance	121,614	6 months of funding provided by Legislature, required funding to annualize increase.
40	DOC	Medically Assisted Treatment (MAT) Expense	1,485,064	Provides base funding for MAT per Act 176.
41	DOC	Hepatitis C Virus (HCV) Treatment	1,728,442	Provides base funding for treating HCV.
42	DOC	Operating Increases	35,397	Including Offender Management System (OMS), energy & utilities, food, water & sewer.
INITIATIVES:			2,575,000	
43	VDH	Sustained Home Visiting	1,000,000	Vermont will implement a voluntary home visiting program available to families who are pregnant or newly parenting and facing barriers to optimal health and child development.
44	DMH	Suicide Prevention	575,000	Vermont will implement several strategies to address this serious public health problem.
45	DCF	Early Care & Learning Initiative	1,000,000	These funds, combined with \$2M in revenue from the Education fund, will continue critical investments in Vermont's Early Care and Learning system.
TOTAL UPWARD PRESSURES			51,053,319	
Reduction Proposals:				
Reduction #	Department	Reduction	Gov Rec Position GF	Description
Revenue Savings:			(9,063,718)	
1	Secretary's Office - GC	Base FMAP Change (including childless new adults)	(3,195,660)	Base FMAP change from 53.87% to 54.39%.
2	Secretary's Office - GC	State Health Care Resource Fund (SHCRF) Premiums	(163,000)	Updated revenue estimates.
3	VDH	Nuclear Regulatory Commission (NRC) Revenue	(100,126)	Leverage special fund revenue.
4	VDH	Leverage Medicare Revenue for Opioid Treatment Programs (OTP)	(889,406)	Effective 1/1/2020, Medicare will now pay for OTP services.
5	DMH	Leverage Medicare Revenue at VPCH	(228,050)	Leverage additional Medicare revenue at VPCH in line with actual experience.
6	DOC	Move Community High School of VT (CHSVT) Funding to Ed Fund	(3,462,608)	Shift funding back to the Education Fund.
7	DOC	Increase US Marshalls Beds	(501,528)	16 additional Marshal beds and \$10 per diem increase to \$140.
8	DCF	CDD - Medicaid Admin Revenue for CIS	(220,000)	Leverage Medicaid Admin for CIS staff time.
9	DCF	CDD - GC Revenue Adjustment	(182,340)	GC revenue adjustment.
10	DCF	FMAP Change to IV-E	(121,000)	Base FMAP change from 53.87% to 54.39%.
Expense Reductions - Caseload Savings:			(13,536,069)	
11	Secretary's Office - GC	UVM Investment Phasedown - Physician Training	(618,235)	Continuation of CMS required MCO investment phasedown.
12	DVHA	Medicaid Caseload & Utilization	(8,943,914)	Updated per the Consensus Forecast process. Adopted by E-Board in January 2020.
13	DOC	Fill CCWC (reduces OOS by up to 50 beds)	(1,356,975)	Fill the vacant beds at CCWC - assumes 50 beds.
14	DCF	FSD - Sub Adopt Caseload	(476,207)	Decreasing caseload and cost per case.
15	DCF	Reach Up Caseload Savings	(449,704)	Reduction in RU caseload based on projections from the Leslie Black Plumeau report.
16	DAIL	Forecasted Attrition - Attendant Services GF Program	(181,933)	Projected attrition.
17	DAIL	Attendant Services Medicaid - Utilization	(144,674)	Continued underutilization trend.
18	DAIL	Nursing Home Medicaid Bed Utilization	(878,169)	Continued underutilization trend.
19	DAIL	Non-HCBS Utilization	(168,084)	Continued underutilization trend.
20	DAIL	American Federal of State, County and Municipal Employees (AFSCME) Utilization	(188,150)	Underspent per projections.
21	DAIL	Traumatic Brain Injury (TBI) Utilization	(130,024)	Continued underutilization trend.
Expense Reductions - Proposals:			(13,314,296)	
22	AHS CO	Internal Audit Group Restructure	(27,365)	Transfer DCF Audit position to AHS, eliminate vacant position, retainer contract for audit services.
23	AHS CO	Contract Reductions	(51,822)	Align with actual expenditures.
24	DVHA	Contract Savings	(822,698)	Maximus and Wex contract savings.
25	DVHA	Rebase HIT Budget	(765,801)	
26	DVHA	Align Prior Authorization	(308,436)	Contract savings and one FTE elimination thru attrition.
27	DVHA	Preferred Drug List (PDL) Management for HIV	(554,412)	Implement a PDL for HIV patients.
28	DMH	Contract Reductions & UVMFC Fellowship	(80,210)	Various Contract reductions; grant reduction to UVMFC Fellowship (in BAA).
29	DMH	Eliminate 1 vacant administrative position	(36,900)	Functions have been absorbed with existing staff.
30	DAIL	DS Waivers - Budget to Actuals Realignment	(1,583,122)	Realign budget to actuals in line with historic appropriation balances.
31	DCF	Close Woodside and Transition to Alternative Placements	(5,783,142)	Alternative residential placements needed as a result of the closure of Woodside.
32	DCF	ESD - Elderly Simplified Application Program (ESAP) - reduce 5 FTE	(318,052)	Reduce 5 Benefit Program Specialist positions as a result of implementing ESAP.
33	DCF	Increase vacancy savings at the Office of Child Support (OCS)	(55,000)	Increase vacancy savings.
34	DCF	Eliminate Northwestern Counselling Support Services (NCSS) High Fidelity Wrap	(291,667)	Pilot program with Northwestern Counselling Support Services intended to reduce the use of residential programs.
35	DCF	CDD - Reduction in CCFAP Stabilization Grants	(200,000)	Grants no longer needed as CCFAP rate increases are achieving stabilization in early childhood programs.
36	DCF	CDD - Restructure Transportation Services to Special Child Care - one-time funds will serve as bridge	(649,793)	Provides transportation to and from childcare for vulnerable and at-risk children. DCF is working to restructure contracts. There is a \$650K one-time appropriation to bridge the program through restructuring.
37	DCF	Reach Up - Reduce Transportation Grants	(187,952)	Reduces funds for transportation to assist RU families in getting to jobs.
38	DCF	OEO - Eliminate Microbusiness Development Program	(293,339)	Provides technical assistance to help low-income Vermonters grow small businesses.
39	DCF	OEO - Eliminate Individual Development Account (IDA) Program	(170,301)	Provides a savings match and financial education for low income Vermonters.
40	DOC	Eliminate Home Detention	(125,000)	Program is underutilized.
41	DOC	Low Risk Supervision	(325,000)	Move low or low/moderate risk offenders to the Telephone Reporting Supervision program.
42	DOC	Grant Reduction	(26,000)	Community Justice Centers.
43	DOC	Windsor Mothballing Costs	(211,387)	Facility has been closed for two plus years.
44	DOC	Medicaid for Transitional Housing	(161,589)	Leverage Medicaid funding.
45	DOC	Medicaid for Community Rehabilitative Care	(285,309)	Leverage Medicaid funding.
TOTAL REDUCTIONS			(35,914,084)	
AHS POSITION			15,139,235	
Per Finance & Mgmt - Efficiencies and Savings			(13,072,265)	