



STATE OF VERMONT
HOUSE OF REPRESENTATIVES

MEMORANDUM

To: Rep. Mary Hooper, Chair, House Committee on Appropriations
From: Rep. Ann Pugh, Chair, House Committee on Human Services
Cc: Rep. Jill Krowinski, Speaker, House of Representatives
Date: February 19, 2021
Subject: Recommendations on Governor's FY22 budget

As requested, the House Committee on Human Services (Committee) has reviewed provisions of the Governor's proposed fiscal year 2022 budget. The Committee thanks the House Committee on Appropriations for the opportunity to comment on these provisions. The recommendations in this memo represent the top priorities of each subgroup assigned to review various aspects of the Agency of Human Services' budget. The Committee concurs with any proposals in the Governor's budget that are not specifically referenced below.

This memo does not address the proposed appropriations in bills under consideration in the Committee. H 171, an act relating to governance and financing of the Vermont child care system, includes a proposed appropriation of \$2,500,000.00 for current and prospective child care and early learning provider scholarships and student loan repayment programs. The Committee has not completed its work on H.171, nor has it made a decision about the proposed appropriation.

The COVID-19 pandemic has exposed the vulnerabilities of Vermont's human services systems. The Committee knew that Vermont's social safety net was frayed, but it did not know to what extent. During 2020, the impacts of COVID-19 have provided a keener, clearer revelation of that concerning reality, laying bare the myriad cracks and holes in Vermont's community-based systems of care.

Some of the vulnerable populations and critical services that the Committee's recommendations seek to address include underpaid home and community-based providers caring for older Vermonters and youths with disabilities in their own homes, specialized intervention services for children age birth-5 with developmental delays, mental health and substance use treatment to meet rising rates of suicide and opioid overdoses, and Reach Up subsidies (frozen at 2008 rates) for the poorest Vermonters.

The Committee focused on the needs of the most vulnerable Vermonters. If there was ever a year to make a compelling case for exceeding the Governor's budget recommendations related to the State's human services systems, this is it. Vermonters are feeling the direct impacts of governmental cuts and the level-funding or under-funding of these important community systems over many consecutive years.

There are also equity concerns. In the Committee's growing understanding of the disproportionate ways that Black, Indigenous, and People of Color; persons who are LGBTQIA+; women; people with disabilities; and New American and refugee communities have been impacted by this pandemic, it is more essential than ever that the General Assembly reach beyond its comfort zone to fund our safety net systems in a manner that ensures that they continue to function well as we begin to wind our way out of the pandemic.

Home- and Community-Based Services

- **Designated and Specialized Services Agencies**

The Committee recommends a two percent COLA increase for the designated and specialized service agencies. These agencies provide a myriad of services, including for persons experiencing substance use disorder, mental health conditions, and developmental disabilities. The cost of this two percent increase is \$7,954,545 GC (\$3,500,000 GF). In order to offset some of this expense, the Committee recommends a \$1,000,000 GC (\$440,000 GF) decrease to the Governor's proposed developmental disabilities caseload appropriation, which has been underspent during the past three years. Taking this decrease into consideration, the cost of the two percent increase for designated and specialized service agencies is \$6,954,545 GC (\$3,060,000 GF).

- **Choices for Care**

The Committee recommends a two percent COLA increase for Choices for Care providers, including adult day providers, home health providers, residential care providers, area agencies on aging providers, and personal care providers. The cost of this increase is \$1,831,465 GC (\$847,845 GF).

- **Adult Day Providers**

The Adult Day Providers will require assistance as they transition to open their doors again; the Committee recommends \$5,000,000 GC (\$2,200,000 GF) in one-time dollars.

Department for Children and Families—Child Development Division

• **Children’s Integrated Services (CIS)**

The Committee recommends an increase in the CIS case rate from \$517 to \$600. The cost of this increase is \$1,400,000 GC (\$700,000 GF).

The Committee recommends that funding for the full Family Services Division and Child Development Division transportation budgets remain level funded and in their respective departments. The Administration’s proposed savings of \$647,000 should not be included in the fiscal year 2022 budget.

While the Committee is not recommending any monetary changes to the proposed appropriation for special accommodation grants, it does recommend that special accommodation grants be a line item in the budget until the Child Development Division’s Preschool Development Grant Assessment is complete.

• **Building Bright Futures**

Building Bright Futures has been flat funded at \$244,000 since its inception. The Committee recommends adding \$261,000 to Building Bright Futures’ base funding.

Department for Children and Families—Economic Services Division

• **Reach Up**

While the Committee’s goal is to transition to the 2021 Reach Up standard income rates, at this time the Committee recommends an increase from the 2008 to 2019 Reach Up standard income rates at a cost of \$2,265,622 annually.

Department for Children and Families—Family Services Division

• **Foster Care**

The Committee recommends that the administration and General Assembly take a closer look at foster care reimbursement rates. To that end, the Committee recommends the following language for inclusion in the budget:

Sec. X. REPORT; FOSTER CARE REIMBURSEMENT RATES

On or before January 15, 2022, the Department for Children and Families shall submit a report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare

providing a comparison of Vermont’s foster care rates to those in other states and information as to when the reimbursement rates were last changed.

- **Prevention Training**

The Committee recommends appropriating \$117,000 to Prevent Child Abuse Vermont for providing training in prevention of sexual abuse.

Department for Children and Families—Office of Economic Opportunity

- **General Assistance Emergency Housing**

The Committee understands that the intention of the Emergency Housing Initiative restructure is to increase access to emergency housing services, yet it is hesitant to endorse this proposal without clearer direction from the Department. The Committee recommends reevaluating the initiative in one year’s time. Currently, it does not support the initiative, nor the reallocation of funds from the Economic Services Division to the Office of Economic Opportunity. The Committee requests the following information prior to next year’s budget process:

- proposed coordination protocols and grant requirements for organizations;
- an assessment of staffing and case management capacity for these organizations in implementing electronic health information grants and also an assessment of whether the proposed budget is sufficient to ensure community capacity to provide emergency housing services on an ongoing basis;
- an assessment of the liability that community-based organizations will need to shoulder under this plan and its likely costs; and
- clarification as to how the State can provide a “backstop” of last resort for providers that are unable to place an individual in emergency housing.

Department of Health

- **Maternal and Child Health**

The Committee concurs with the Governor’s proposed recommendation regarding home visiting services, but has concerns about setting up a new program utilizing one-time funds as GC match for ongoing services (match is slated to come from tobacco settlement funds previously allocated to CHINS reform).

- **ADAP**

The Committee recommends an additional \$240,000 GC (\$105,600 GF) (\$20,000 x12) to permanently increase the base funding for recovery centers. The Committee further recommends that the administration seek the addition of recovery coaching to the Global Commitment Fund Waiver when it is renegotiated; 37 other states currently utilize Medicaid for these services.

The Committee recommends a \$910,000 GC (\$400,400 GF) increase to the salaries of masters-level substance use disorder counselors employed by the designated agencies. This will make a substantial impact in the ability of agencies to recruit and retain these professionals, even though they will still be at lower salaries than comparable positions in health care.

The Committee recommends a \$1,000,000 GF (Master Fund Settlement) increase in the tobacco control program and notes that anticipated federal prevention funds for this purpose may be possible.

Lastly, the Committee recommends that the Substance Misuse Prevention Oversight and Advisory Council established in 18 V.S.A. § 4803 conduct an evaluation of the effectiveness of the School-Based Substance Abuse Services program.

- **Public Health**

The Committee recommends restoring the community case management position and client emergency services in the AIDS program at a cost of \$120,000 GF. It further supports an appropriation of \$25,000.00 GF to fund peer support groups as part of the AIDS program.

The Committee recommends amending Sec. E.312 of the Governor's proposed budget as indicated by the italicized language below:

Sec. E.312. HEALTH – PUBLIC HEALTH

(a) AIDS/HIV funding:

(1) In fiscal year 2022, and as provided in this section, the Department of Health shall provide grants in the amount of \$620,000, of which \$475,000 is from AIDS Medication Rebates special funds to the Vermont AIDS service and peer support organizations for client-based support services and \$145,000 is from the General Fund. It is the intent of the General Assembly that if the AIDS Medication Rebates special funds appropriated in this subsection are unavailable, the funding for

Vermont AIDS service and peer support organizations for client-based support services shall be maintained through the General Fund or other State funding sources. The Department of Health's AIDS program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to the RPF process.

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(3)(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living within HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can taken action and shall communicate periodic updates regarding VMAP expenditures and AIDS Medication Rebate projections and revenues to the Vermont CAG.

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