

Agency of Human Services

FY 2021 Budget Adjustment

January 20, 2021

AHS Budget Adjustment Overview

- Reflects a decrease of \$8.9M GF (0.9% decrease) primarily due to caseload & utilization:
 - New Adult Caseload & Utilization;
 - Reach Up Caseload;
 - Child Development Division Subsidy Caseload;
- Continue to leverage Coronavirus Relief Funds for pandemic response

AHS FY21 BAA - Net Neutral - Backfill of CRF Indirects

- Backfill of unallowable Coronavirus Relief Fund Indirects;
- Public Assistance Cost Allocation Plans are federally required and approved processes for claiming administrative costs, including both direct and indirect administrative costs:
 - 100% of costs incurred have to be attributed to “benefitting objectives” (i.e., federal and state activities and programs);
 - Costs are attributed to different benefitting objectives using statistical methods defined in the agency’s Cost Allocation Plan;
 - All programs administered by the state public assistance agency must be included in its plan.
- Administrative costs can include direct and indirect costs:
 - Direct administrative costs are those that can be directly attributed to a specific benefitting program, such as a Division Director who oversees a particular federal program;
 - However, indirect administrative costs are associated with department-wide or agency-wide costs that benefit all programs managed under its umbrella, and as such, cannot be attributed *directly to any one program*. Therefore, indirect administrative costs are allocated among *all* benefitting programs overseen by higher-level executive-type employees.

AHS FY21 BAA Net Neutral & Technical Adjustments cont.

- Two quarters of additional FMAP bump;
 - 6.2% bump for the Medicaid program during Public Health Emergency Period (PHEP);
 - Quarters ending March and June 2021;
 - Carrying forward for FY22;
- DCF – series of DCF net-neutral movements between appropriations;
- General Fund Carryforward in AHS GC as match for GC expenses found in DVHA Admin, DMH, DAIL CFC, and DAIL for SASH.
- DVHA - Technical Adjustment: SMI & SUD Waivers; moves IMD cost from Investment to GC Program

AHS FY21 BAA Secretary's Office

- Coronavirus Relief Fund (CRF) as FEMA Match [\$2.6M CRF]:
 - Emergency Food;
 - Non-Congregate Sheltering (hotel leases);
 - Security;
 - General COVID-19 pandemic response;
- CRF for Facility Staffing Pool – partially FEMA funded [\$757K CRF];
- CRF for Legal Aid Grant – Electronic Judicial Filing Fees [\$75K CRF];
- Backfill of unallowable CRF indirects (AHS net-neutral) [\$460K GF];
- Testing & Contact Tracing – federal funds [\$1.3M FF];
- Global Commitment Waiver Technical and Actuarial Assistance [\$344K GF].

AHS FY21 BAA Secretary's Office – Global Commitment

- Increased estimate for CHIP Qualifying Claims [\$2.1M GF];
- Update for New Adult caseload & utilization changes per Medicaid consensus [-\$6.0M GF];
- FMAP 6.2% bump for two additional quarters (March and June 2021);
 - Savings required to carryforward for FY22;
- Include FY20 GF carryforward [-\$1.96M GF] to cover the following:
 - DVHA - ACO Delivery System Reform Investment;
 - DMH – Rutland Regional Cost settlement;
 - DAIL – CFC and SASH.

AHS FY21 BAA – DVHA

- Backfill of unallowable CRF indirects (net-neutral) [\$331K GF];
- Updated Medicaid Consensus Forecast from October 2020, will need to be adopted by the E-Board in January [\$8.2M all funds, \$2.5M GF];
- Delivery System Reform investment with OneCare Vermont – covered by FY20 GF carryforward - CY 2020 investments [\$2.5M gross, \$1.25M GF];
- Technical Adjustment: SMI & SUD Waivers; moves IMD cost from Investment to GC Program
- Buy-in increase [\$771K all funds, \$332K GF];
- FMAP 6.2% bump for two additional quarters (March and June 2021);
 - Savings required to carryforward for FY22;
 - CHIP and Clawback;
- Savings from ACO Settlement from Plan Year 2019 [-\$6.7M all funds, -\$2.8M GF].

AHS FY21 BAA – DMH

- Backfill of unallowable CRF indirects (net-neutral) [\$206K GF];
- Extension of VPCH 12-hour shifts [\$82K gross, \$35K GF];
- Extend Windham Center Funding thru 3/31/2021, CRF as match on FEMA [\$611K IDT, \$204K CRF];
- Rutland Regional Level 1 Cost Settlement - covered by FY20 GF carryforward [\$436K gross, \$185K GF].

AHS FY21 BAA– DCF

- Across DCF:
 - Backfill of unallowable CRF indirects (net-neutral) [\$909K GF];
 - Position & Earnings Adjustments;
 - IV-E FMAP 6.2% bump for two additional quarters, FSD & CDD (March and June 2021);
 - Savings required to carryforward for FY22;
- Family Services Division:
 - Sub-adoption caseload increase [\$500K all funds, \$211K GF];
 - Odin & Turtle Rock – High Acuity Mental Health Placement [\$700K all funds, \$331K GF];
 - Raise the Age – Justice Involved Youth Housing [\$124K GF];
- Child Development Division:
 - Subsidy Caseload Underutilization [-\$4.8M GF].

AHS FY21 BAA– DCF cont.

- General Assistance:
 - Non-congregate Housing & Services – FEMA project [\$15.1M IDT];
 - CRF match from existing housing CRF program;
 - Burials Caseload [\$250K GF];
- Reach Up Caseload reduction [-\$4.1M GF];
- Woodside:
 - Renovation Costs for Secure Facility – Becket Program [\$2M GF];
 - Global Commitment eligible costs for temporary high acuity mental health treatment [-\$17K GF].

AHS FY21 BAA– DAIL

- Backfill of unallowable CRF indirects (net-neutral) [\$132K GF];
- AFSCME Collective Bargaining Agreement [\$631K all funds, \$262K GF];
- Carryforward from FY20:
 - SASH – required per Act 72 Sec. C.100 (a) (21) – year 2 of 3
 - Choices for Care

AHS FY21 BAA – VDH & DOC

- VDH - Backfill of unallowable CRF indirects (net-neutral) [\$3.1M GF];
- DOC – Funding for backfill of unallowable CRF indirects for other departments of AHS [-\$5.1M GF];
 - CRF authority provided via excess receipts request.