

Hi. My name is Meg O'Donnell, and I have had the privilege of serving on the Board of Trustees of Howard Center for almost nine years. Thank you for this opportunity to provide testimony on the FY 2025 budget.

Howard Center is an extraordinary organization that provides support and services to thousands of individuals in our community, many of them our own loved ones. Our dedicated employees, particularly those who work directly with our clients, are the heart and soul of our mission – but we remain challenged by workforce shortages and the increasing demand for community-based mental health, developmental, and substance use treatment services.

While the Legislature has increased funding for these services in recent years, it has not been enough to meet our workforce and program needs. The state has provided limited increases over the past 13 years (FY10-FY23) to address caseload, acuity, and COLA needs – but those increases averaged only 0.8%, compared to the Consumer Price Index (CPI) average increase of 2.3% for the same period.

Just a reminder: Howard Center and our fellow agencies are “designated” to provide services that the State of Vermont would otherwise have to offer directly. Fair and sufficient funding is necessary if we are to accomplish that. To that end, I am urging you to:

- Increase Medicaid rates to Designated and Specialized Service Agencies by 6.5% (\$14,616,695 in General Fund).
- Request that the State enforce the statute requiring the Administration to establish and propose funding for predictable scheduled rate increases aligned with state employees.

An increase is critical for Howard Center, as we are heavily dependent (95%+) on state resources. We've managed our finances the past two years by adopting deficit budgets, with projected losses in both mental health and substance use treatment services. This year's budget projects a \$1.45M loss, even after closing four programs. This is absolutely not sustainable. Community needs are at an all-time high, yet in many areas capped funding restricts our ability to offer services to meet those needs.

Thank you.

Meg O'Donnell
Howard Center Board of Trustees