

Good evening, Chair Sheu,

I'm writing to share DVHA's follow-ups for the committee's questions during our BAA testimony on 12/16/25. Please see below:

- **Clarification of VHC Cloud Migration and VT-IES**
 - There was an inquiry on the one-time VHC cloud migration line item and its relationship to the VT-IES (Integrated Eligibility System) project. VT-IES is the project that will be replacing the existing VHC system and is slated to come online in 2030. VT-IES is an active and ongoing procurement. We are required to ensure the current VHC system remains in compliance until the new VT-IES system comes online. The cloud migration will ensure the system is on supported components for security compliance.
- **What is the percentage rate change for the consensus increase?**
 - Please see the attached spreadsheet for reference. The percentage rate change for the SFY26 BAA consensus increase is 3.14% over SFY26 as passed, and 3.08% over SFY25 actual spend.
- **What is the cost for Medicare buy-in for previous years, and what is the increase due to MSP expansion?**
 - Please see the attached spreadsheet for reference for Medicare buy-in expenditure going back to SFY2022 and showing the projected impact of MSP expansion (effective 1/1/26).
- **Medicaid Eligibility Groups age analysis**
 - Since January 2024, DVHA BO has been collecting age data with the monthly enrollment report. The attached analysis provides a point in time comparison of the mean and median age of those enrolled in our main Medicaid Eligibility Groups from May 2024 (this date was chosen due to the PHE unwinding impact) and December 2025. Over the 20 months represented in this span, the mean age has increased for each adult group. We are not able to say if this is an acceleration in comparison to past periods. Doing this same analysis again in a year should be more illuminating and will also give a baseline for understanding the impacts of HR1 changes effective January 1, 2027 on the age profile of these MEGs.

Please let us know if there is more that would be helpful regarding the above matters, or any other elements of DVHA's BAA testimony.

Thank you for your service to Vermonters,

Alex

DVHA Total Program Cost - Gross \$s

| | Actual | Actual | As Passed BAA | Actual | As Passed | Caseload & |
|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------------|
| | FY2023 | FY2024 | FY2025 | FY2025 | FY2026 | Utilization (\$/case) |
| Total | \$1,058,705,592 | \$1,064,695,278 | \$1,070,968,057 | \$1,111,962,993 | \$1,091,194,326 | \$34,265,047 |
| yr/yr growth | 11.8% | 0.6% | | 4.4% | | 3.14% |

% over SFY26 As Passed

3.08%

% over SFY25 actual spend

DVHA - BUY IN Expenditure and MSP impact

| | Actual | Actual | Actual | Actual | MSP Expansion | MSP Expansion |
|---------------|--------------|--------------|--------------|--------------|----------------|---------------|
| | FY2022 | FY2023 | FY2024 | FY2025 | Jan 2026 start | annualized |
| Dual/QMB/SLMB | \$50,423,430 | \$52,469,404 | \$52,334,694 | \$54,743,859 | \$65,767,206 | \$80,964,686 |
| QI (100% FF) | \$5,123,607 | \$5,514,174 | \$5,519,713 | \$5,258,357 | \$12,001,654 | \$20,009,353 |

*There is some offset to MSP expansion cost
in estimated in VPharm program costs

Adult MEG Caseload Age Point in Time Comparison

| MEG / Age Cohort | ABD DUALS | | ABD ADULT | |
|----------------------|---------------|----------------|---------------|----------------|
| | as of 5/16/24 | as of 12/16/25 | as of 5/16/24 | as of 12/16/25 |
| 25 and Under | 363 | 369 | 1,193 | 1,157 |
| Cohort % of MEG | 1.68% | 1.69% | 16.08% | 16.29% |
| Median Age of Cohort | 23 | 24 | 22 | 22 |
| Mean Age of Cohort | 23.1 | 23.3 | 21.9 | 21.90 |
| 26-45 | 3,774 | 3,651 | 2,762 | 2,554 |
| Cohort % of MEG | 17.43% | 16.75% | 37.22% | 35.96% |
| Median Age of Cohort | 37 | 37 | 35 | 35 |
| Mean Age of Cohort | 36.6 | 36.7 | 35.3 | 35.5 |
| 46-65 | 6,734 | 6,409 | 3,310 | 3,205 |
| Cohort % of MEG | 31.10% | 29.40% | 44.60% | 45.13% |
| Median Age of Cohort | 58 | 58 | 57 | 57 |
| Mean Age of Cohort | 57.3 | 57.4 | 56.3 | 56.4 |
| 66-85 | 9,399 | 9,941 | 142 | 168 |
| Cohort % of MEG | 43.41% | 45.60% | 1.91% | 2.37% |
| Median Age of Cohort | 72 | 72 | 72 | 71 |
| Mean Age of Cohort | 73.0 | 73.2 | 73.0 | 72.6 |
| 86+ | 1,383 | 1,430 | 14 | 18 |
| Cohort % of MEG | 6.39% | 6.56% | 0.19% | 0.25% |
| Median Age of Cohort | 90 | 89 | 88.0 | 88.0 |
| Mean Age of Cohort | 90.60 | 90.40 | 89.0 | 89.1 |
| Total MEG | 21,653 | 21,800 | 7,421 | 7,102 |
| Median Age of MEG | 64 | 66 | 44 | 44 |
| Mean Age of MEG | 60.1 | 62.7 | 43.3 | 43.7 |

Adult MEG Caseload Age Point in Time Comparison

| MEG / Age Cohort | Gen'l Adult Non-ABD | | Gen'l Adult Non-ABD | | New Adult Childless as of 5/16/24 | New Adult Childless as of 12/16/25 | New Adult with Child as of 5/16/24 | New Adult with Child as of 12/16/25 |
|----------------------|------------------------|----------------|------------------------|----------------|---|--|--|---|
| | as of 5/16/24 | as of 12/16/25 | as of 5/16/24 | as of 12/16/25 | | | | |
| 25 and Under | 3,938 | 3,249 | 7,653 | 6,684 | 1,566 | 1,786 | 6.59% | 10.54% |
| Cohort % of MEG | 37.06% | 25.02% | 20.24% | 19.87% | 22 | 22 | 22 | 22 |
| Median Age of Cohort | 21 | 22 | 22.0 | 22.0 | 22.3 | 21.8 | 31.4 | 31.4 |
| Mean Age of Cohort | 21.2 | 21.2 | 20.3 | 20.3 | 20.5 | 20.5 | 20.5 | 20.5 |
| 26-35 | 3,342 | 4,251 | 10,392 | 8,901 | 6,109 | 3,462 | 25.71% | 20.42% |
| Cohort % of MEG | 31.45% | 32.74% | 27.49% | 26.46% | 30 | 30 | 32 | 32 |
| Median Age of Cohort | 30 | 31 | 30.3 | 30.3 | 30.5 | 30.5 | 31.4 | 31.4 |
| Mean Age of Cohort | 30.4 | 30.8 | 30.2 | 30.2 | 30.5 | 30.5 | 30.5 | 30.5 |
| 36-45 | 2,302 | 3,822 | 7,013 | 6,615 | 8,526 | 5,664 | 35.88% | 33.42% |
| Cohort % of MEG | 21.67% | 29.43% | 18.55% | 19.66% | 40 | 40 | 40 | 40 |
| Median Age of Cohort | 40 | 40 | 40.2 | 40.3 | 40.5 | 40.5 | 40.5 | 40.5 |
| Mean Age of Cohort | 39.9 | 40.0 | 40.0 | 40.0 | 40.5 | 40.5 | 40.5 | 40.5 |
| 46-55 | 816 | 1,351 | 2,494 | 5,009 | 2,878 | 3,978 | 12.11% | 23.47% |
| Cohort % of MEG | 7.68% | 10.40% | 6.60% | 14.89% | 51 | 51 | 50 | 50 |
| Median Age of Cohort | 49 | 49 | 50.8 | 50.6 | 50.5 | 50.5 | 50.5 | 50.5 |
| Mean Age of Cohort | 49.5 | 49.5 | 50.0 | 50.0 | 50.5 | 50.5 | 50.5 | 50.5 |
| 56+ | 227 | 312 | 10,254 | 6,431 | 4,685 | 2,060 | 19.71% | 12.15% |
| Cohort % of MEG | 2.14% | 2.40% | 27.12% | 19.12% | 61 | 61 | 59 | 60 |
| Median Age of Cohort | 59 | 59 | 60.6 | 60.5 | 59.5 | 59.5 | 59.5 | 59.5 |
| Mean Age of Cohort | 60.3 | 60.5 | 60.5 | 60.5 | 60.5 | 60.5 | 60.5 | 60.5 |
| Total | 10,625 | 12,985 | 37,806 | 33,640 | 23,764 | 16,950 | 41 | 41 |
| Median Age of MEG | 29 | 33 | 37 | 37 | 40.9 | 41.3 | 40.9 | 41.3 |
| Mean Age of MEG | 31.1 | 33.7 | 39.2 | 39.4 | 39.5 | 39.5 | 39.5 | 39.5 |