

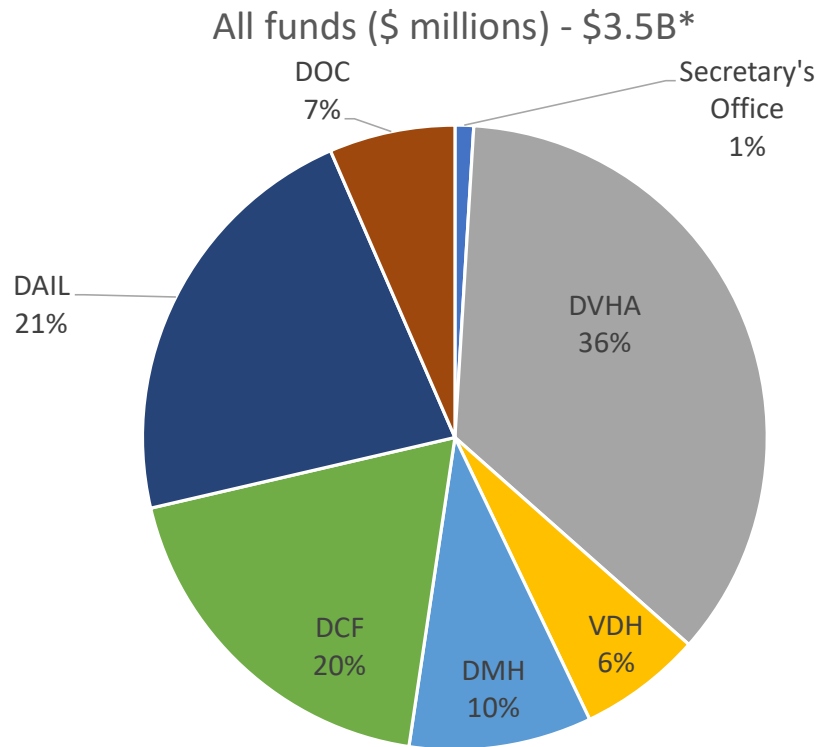
Agency of Human Services

FY 2026 Budget

February 4, 2025

Agency of Human Services
Secretary's Office
FY 2026 Governor's Recommend Budget

MISSION: Improve the conditions and well-being of people in Vermont. Our mission is a commitment to fostering positive change in the lives of Vermonters. It underscores our dedication to creating an environment where individuals not only survive but thrive.

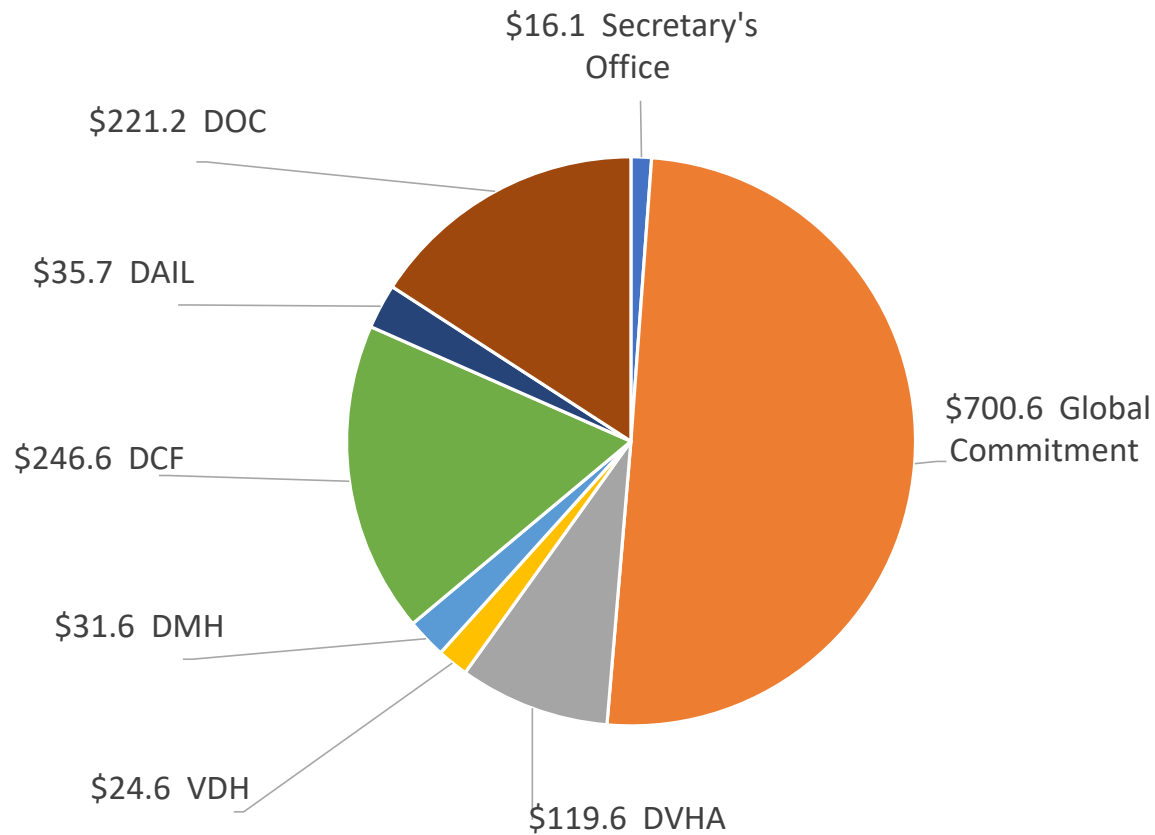


*Note: Removes GC double count.

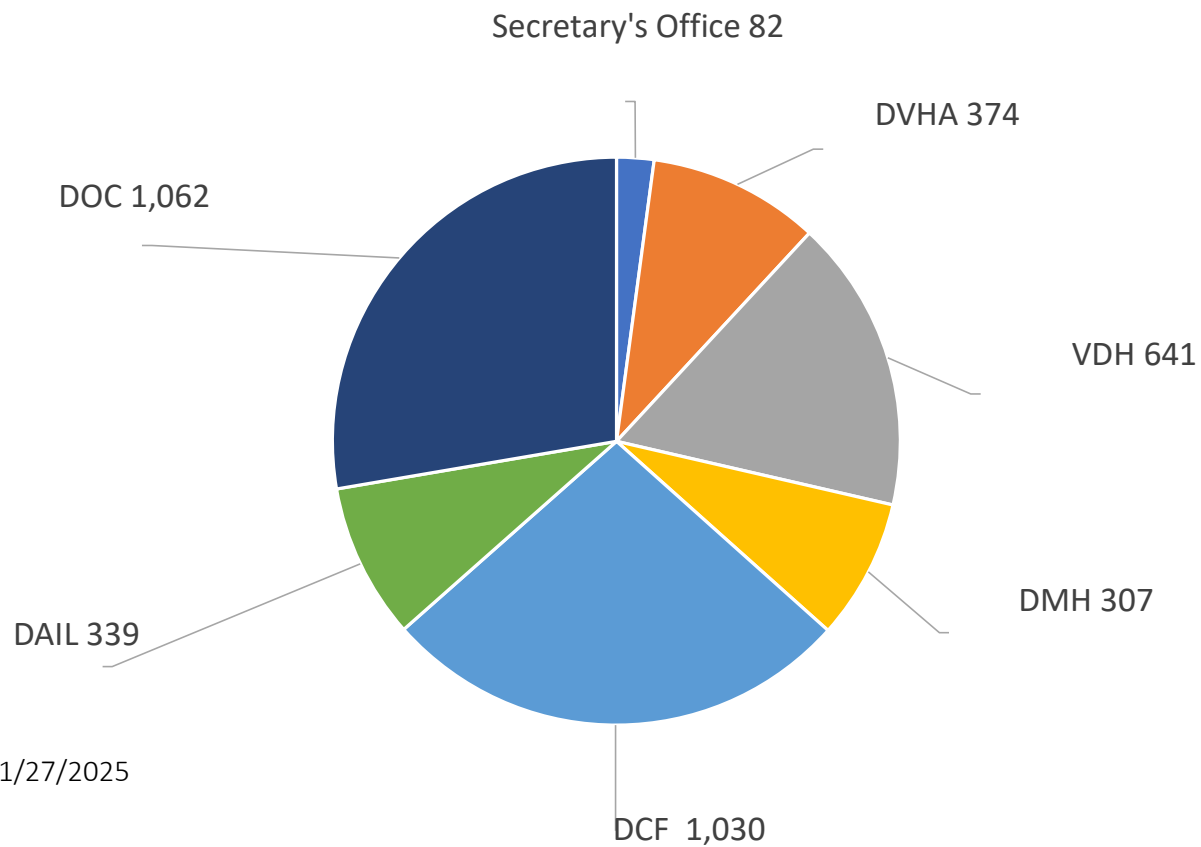
FY 2026 SUMMARY & HIGHLIGHTS

- 5.81% increase in General Fund (GF) base budget
- 5.34% of GF increase directed to Current Services Base funding
- 3,835 positions - 0.2% increase from FY25 (excluding temporary positions)
- Funds Base Initiatives including: Continuum of Substance Use Treatment, Pretrial Services.
- Moves Past Initiatives from One-time to Base: Shelter Expansion annualization, and Alternatives to Emergency Departments for Mental Health.
- One-time funding including: start-up for the Continuum of Substance Use Treatment, Shelter Beds, continued Medicare Blueprint and SASH funding, and PCB testing.

AHS – FY26 General Fund Budget by Department (\$ millions)



AHS – Positions by Department – 3,835 (0.2%↑)



Data as of 1/27/2025

AHS Budget Highlights: Current Services Pressures and Savings

- Current Services pressures
 - 5.34% GF increase addresses Current Services needs including:
 - Medicaid Consensus caseload and utilization (\$51.0M gross/\$21.4M GF)
 - Nursing Home statutory rate rebasing and inflation increase (\$15.4M gross/\$6.3M GF)
 - Nursing Home bed day utilization back to pre-pandemic level (24.5M gross/\$10.1M GF)
 - Adequately funding DOC's Personal Services budget for its CBA (\$17.9M GF)
- Current Services savings
 - Favorable Federal Medical Assistance rate change (-\$16.2M GF)
 - Childless New Adult Caseload and Utilization (-\$3.1M GF)
 - Child Care Financial Assistance Program Consensus caseload savings (-\$3.5M GF)
 - Reach Up caseload adjustment (-\$698k GF)
 - FSD caseload adjustment (-\$947k GF)
 - DOC net-vacancy savings (-\$6.1M GF)

AHS Budget Highlights: Initiative

- Substance Use Continuum of Care
 - Base
 - \$1.3M GF enhance Residential Treatment Substance Use Disorder to full breadth of services (campus)
 - \$1.5M GC/\$618k GF for a 15-bed Recovery Campus
 - One-time
 - \$500k GF in one-time start-up funds for the 15-bed Recovery Campus
 - \$300k GF one-time appropriation for Correctional facility conversion to residential treatment services within a DOC facility

AHS Budget Highlights: Other Initiatives

- Base funding:
 - Move past initiatives from one-time to base
 - \$866k GC/\$357k GF ongoing Alternatives to Emergency Departments for Mental Health
 - \$3.3M GF for annualization of SFY25 shelter expansion
 - Scale Current Programs
 - \$650k GF to expand pretrial services
- One-time:
 - \$10.8M GC/\$4.5M GF to fund Blueprint and SASH payments for Medicare beneficiaries prior to implementation of AHEAD
 - \$2M GF for emergency shelter beds
 - \$480k GF to continue PCB testing