



STATE OF VERMONT
HOUSE OF REPRESENTATIVES
HOUSE COMMITTEE ON HEALTH CARE

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MEMORANDUM

To: Representative Robin Scheu, Chair, House Committee on Appropriations
From: Representative Alyssa Black, Chair, House Committee on Health Care
Date: February 27, 2025
Subject: House Committee on Health Care FY26 budget recommendations

The House Committee on Health Care appreciates the opportunity to provide our fiscal year 2026 budget recommendations to the House Committee on Appropriations. Our approach to the budget process remains consistent with previous years—we are guided by our commitment to improving circumstances for all who are involved with the health care system. Our investments over the years have made a positive impact on Vermonters' lives, yet our health care system is in greater crisis than ever.

The State continues the underfunding of our community-based providers, which affects their ability to continue delivering high-quality care to their patients in the lowest-cost setting. When we pay providers less for their services than they incur in costs to deliver the care, we discourage them from providing services to our most vulnerable residents. Insufficient resourcing of our providers reduces access to care, increases the costs borne by other payers, and leads to higher health care costs throughout the system of care. The House Committee on Health Care supports stabilizing our health care delivery system and encourages a greater focus on preventive care in our communities to keep Vermonters healthy and to improve health outcomes when individuals need care.

The House Committee on Health Care's proposals that were not in the Governor's recommended budget would require \$34,128,528 (gross)/\$14,933,080 (State) in base funding and \$14,584,308 (gross)/\$10,174,308 (State) in one-time spending. As in previous years, we ranked our recommended funding priorities on the attached spreadsheet. Knowing that fiscal restraint is needed in fiscal year 2026, we only identified our top five base and our top five one-time priorities. That has left several requests not prioritized that are still vital to the health of Vermonters, such as funding for Planned Parenthood and continuation of several SASH expansions for dental, mental health, and annual visits. We strongly urge the House Committee on Appropriations to support all of our priorities as well as the additional requests that would extend current programs. By doing so, we will be supporting a continuum of care that is vital to the sustainability of our health care system and, most importantly, to the health of Vermonters.

In addition, the House Committee on Health Care proposes including the following language and related appropriations in the fiscal year 2026 budget:

Sec. A. COMMUNITY OUTREACH PROGRAM; DEPARTMENT OF MENTAL
HEALTH; REPORT

As part of its fiscal year 2026 budget adjustment proposal, the Department of Mental Health shall provide information to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations regarding ways to:

- (1) sustain existing community-based mental health outreach efforts, including continued funding for the Howard Center’s Community Outreach program;
- (2) expand low-barrier, community-based mental health services in rural, underserved areas of Vermont to engage individuals in crisis with outreach, support, and connection to services; and
- (3) support integration of low-barrier, community-based mental health services into Vermont’s system of care, along with services such as the 9-8-8 Suicide and Crisis Lifeline, local crisis response teams, mental health urgent care, recovery centers, and other peer-based services.

Sec. B. FEDERALLY QUALIFIED HEALTH CENTERS; PAYMENT
METHODOLOGY; REPORT

The Department of Vermont Health Access shall collaborate with representatives of Vermont’s federally qualified health centers (FQHCs) to develop a mutually agreeable Medicaid payment methodology for FQHCs that complies with federal requirements and adequately reimburses the FQHCs for providing care to Vermont Medicaid beneficiaries. On or before October 1, 2025, the Department shall report the methodology to the Joint

Fiscal Committee, the Health Reform Oversight Committee, the House Committee on Health Care, and the Senate Committee on Health and Welfare.

Sec. C. GREEN MOUNTAIN CARE BOARD; POSITIONS

(a) The establishment of the following three new permanent, classified positions is authorized at the Green Mountain Care Board in fiscal year 2026 and funded pursuant to Sec. B.345 of this act; these positions shall be transferred and converted from existing vacant positions in the Executive Branch:

- (1) one Health Systems Financial Principal Analyst;
- (2) one Health Systems Access Principal Analyst; and
- (3) one Health Systems Quality Project Manager.

(b)(1) If the State moves forward with implementation of the AHEAD Model through the Centers for Medicare and Medicaid Services in fiscal year 2026, the establishment of the following two new permanent, classified positions is authorized at the Green Mountain Care Board beginning in the second quarter of fiscal year 2026; these positions shall be transferred and converted from existing vacant positions in the Executive Branch:

- (A) one Director, Global Budget; and
- (B) one Procurement Manager.

(2) In fiscal year 2026, the sum of \$135,000.00 is appropriated to the Green Mountain Care Board from the General Fund as base funding, and \$202,500.00 is appropriated to the Green Mountain Care Board from the GMCB Billback Regulatory Fund, for the positions created in this subsection.

(c)(1) The establishment of two new classified, 12-month limited service positions, Data and Reporting Coordinator, is authorized at the Green Mountain Care Board in fiscal year 2026.

(2) In fiscal year 2026, the sum of \$80,000.00 is appropriated to the Green Mountain Care Board from the General Fund as one-time funding, and \$120,000.00 is appropriated to the Green Mountain Care Board from the GMCB Billback Regulatory Fund, for the limited service positions created in this subsection.