

TO: Joint House and Senate Appropriations Committees

FROM: Molly Dugan, Director of Policy, Cathedral Square

RE: FY 2027 Funding Request for SASH[®] (Support and Services at Home) and Home and Community-Based Services (HCBS)

DATE: February 19, 2026

Thank you for the opportunity to submit testimony on the SFY 2027 budget. My comments address two critical priorities: gap funding for SASH[®] and a 3.5% inflationary adjustment for Medicaid providers of community-based long-term care.

SASH Funding Request - \$2.55M

More than 5,000 older Vermonters and people with disabilities across all 14 counties rely on SASH to remain healthy, safe, and in their homes. That continuity of care is now at risk.

With the All Payer Model expired and the AHEAD model start date pushed to January of 2028, SASH is operating on one-time bridge funds from the SFY 2026 budget that will run out mid-year. The Governor's proposed budget does not include gap funding. While we understand the Administration is exploring use of Rural Health Transformation Grant funds, significant unknowns remain, including whether those funds can be used in Chittenden County and what provider caps will apply. SASH needs a Plan B now.

Your committee supported gap funding for SASH last year, and we are grateful. We are asking you to do so again.

SASH is a homegrown model, run through 21 nonprofit affordable housing organizations statewide for 15 years, and nationally recognized for its results:

- Reducing unnecessary hospitalizations and emergency department visits
- Delaying nursing home placement so participants can remain at home longer
- Reducing loneliness and improving quality of life
- Advancing regional, integrated, person-centered care for vulnerable populations
- Lowering chronic disease burdens and strengthens coordinated care for complex conditions such as COPD, diabetes, CHF, hypertension, mental health needs, and substance use disorder



- Supporting 125+ jobs in communities across Vermont and sustainable workforce development with expanding technology adoption in rural communities

3.5% Inflationary Increase Request for Home- and Community-Based Service Providers

Cathedral Square operates two licensed assisted living communities where over 90% of residents rely on Medicaid. We are at capacity with long waitlists. Families seeking safe, high-quality care for their loved ones cannot wait, and neither can the workforce we depend on to provide it.

We are part of the Long-Term Care Crisis Coalition (LTCCC) and support their budget priorities. A regular inflationary adjustment is a necessity for our sector. It is what allows providers like us to keep our doors open and our staff in place for Vermont's most vulnerable residents.

Thank you for your consideration of these requests and for your work to balance many worthy and competing needs for our state. These two investments would protect thousands of people who have no other options.