

Designated and Specialized Service Agencies

Providing an indispensable community-based system supporting mental health, substance use, and intellectual and developmental disability needs across Vermont



**Testimony for House Committee on Health Care
February 18, 2025**

There are 16 agencies in the Vermont Care Partner Network:

AGENCY	TYPE	SERVICES
Champlain Community Services (CCS)	Specialized Service Agency	Developmental Services
Clara Martin Center (CMC)	Designated Agency	Mental Health, Substance Use Provider
Counseling Service of Addison County (CSAC)	Designated Agency	Mental Health, Developmental Services, Substance Use Provider
Families First in Southern Vermont (FFSV)	Specialized Service Agency	Developmental Services
Green Mountain Support Services (GMSS)	Specialized Service Agency	Developmental Services
Health Care and Rehabilitation Services (HCRS)	Designated Agency	Mental Health, Developmental Services, Substance Use Provider
Howard Center (HC)	Designated Agency	Mental Health, Developmental Services, Substance Use Provider
Lamoille County Mental Health Services (LCMHS)	Designated Agency	Mental Health, Developmental Services
Lincoln Street, Inc. (LSI)	Specialized Service Agency	Developmental Services
NFI Vermont, Inc. (NFI)	Specialized Service Agency	Children, Youth, and Family Mental Health Services
Northeast Kingdom Human Services (NKHS)	Designated Agency	Mental Health, Developmental Services, Substance Use Provider
Northwestern Counseling and Support Services (NCSS)	Designated Agency	Mental Health, Developmental Services, Substance Use Provider (Children/Youth)
Rutland Mental Health Services / Community Care Network (RMHS)	Designated Agency	Mental Health, Developmental Services, Substance Use Provider
United Counseling Service (UCS)	Designated Agency	Mental Health, Developmental Services, Substance Use Provider
Upper Valley Services (UVS)	Designated Agency	Developmental Services
Washington County Mental Health Services (WCMHS)	Designated Agency	Mental Health, Developmental Services, Substance Use Provider



State of DA/SSA Finances - Keeping the Lights On

Support for VCP = Support for Vermonters

FY26 General Fund Need: \$13,950,000

A 6.2% Medicaid rate increase is needed to provide essential services to Vermonters (this is a 5.2% increase overall)

- Each 1% increase would require \$2.25M in State GF, using the FY26 match rate of 41.2%

The analysis was completed by all network CFOs and based on:

- A 4.8% salary increase based on the U.S. Bureau of Labor Statistics;
- An average projected health insurance increase of 13.5%;
- An average projected increase of 6.2% for other fringe;
- General/liability/auto/property insurance projected to increase an average of 6.5%; and
- All other operating projected to increase 3.3% based on New England CPI, updated through November 2024.



2024 Impact Report



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Chapter 207 : Community Mental Health and Developmental Services

(Cite as: 18 V.S.A. § 8914)

- **§ 8914. Rates of payments to designated and specialized service agencies**

(a) The Secretary of Human Services shall have sole responsibility for establishing the Departments of Health's, of Mental Health's, and of Disabilities, Aging, and Independent Living's rates of payments for designated and specialized service agencies that are reasonable and adequate to achieve the required outcomes for designated populations. When establishing rates of payment for designated and specialized service agencies, the Secretary shall adjust rates to take into account factors that include:

(1) the reasonable cost of any governmental mandate that has been enacted, adopted, or imposed by any State or federal authority; and

(2) a cost adjustment factor to reflect changes in reasonable costs of goods and services of designated and specialized service agencies, including those attributed to inflation and labor market dynamics.

(b) When establishing rates of payment for designated and specialized service agencies, the Secretary may consider geographic differences in wages, benefits, housing, and real estate costs in each region of the State. (Added 2017, No. 82, § 11, eff. June 15, 2017.)

	CPI Calendar year	Inflationary Appropriation, DMH/DAIL	Variance bet/ DMH,DAIL and CPI	Inflationary Appropriation, DSU	Variance bet/ DSU and CPI
FY08	5.00%	4.00%	-1.00%	0.00%	-5.0%
FY09	-1.17%	-1.25%	-0.08%	0.00%	1.2%
FY10	1.70%	0.00%	-1.70%	0.00%	-1.7%
FY11	3.36%	-2.00%	-5.36%	0.00%	-3.4%
FY12	1.45%	-2.50%	-3.95%	0.00%	-1.5%
FY13	1.55%	0.00%	-1.55%	0.00%	-1.5%
FY14	1.90%	3.00%	1.10%	1.50%	-0.4%
FY 15	0.00%	0.22%	0.22%	0.20%	0.2%
FY 16	0.80%	0.48%	-0.32%	0.00%	-0.8%
FY 17	1.50%	2.00%	0.50%	0.20%	-1.3%
FY 18	2.60%	2.10%	-0.50%	0.00%	-2.6%
FY 19	1.60%	3.80%	2.20%	0.00%	-1.6%
FY 20	1.60%	2.29%	0.69%	0.00%	-1.6%
FY 21	3.92%	0.00%	-3.92%	0.00%	-3.9%
FY 22	6.97%	3.00%	-3.97%	3.00%	-4.0%
FY 23	3.45%	8.00%	4.55%	5.00%	1.6%
FY 24	3.38%	5.00%	1.62%	4.25%	0.9%
FY 25	3.00%	3.00%	0.00%	3.00%	0.0%
Cummulative	42.61%	31.14%	-11.47%	17.15%	-25.46%

Key:

CPI – Consumer Price Index

DMH – Department of Mental Health

DAIL – Department of Disability, Aging, and Independent Living

DSU – Department of Substance Use (VDH)

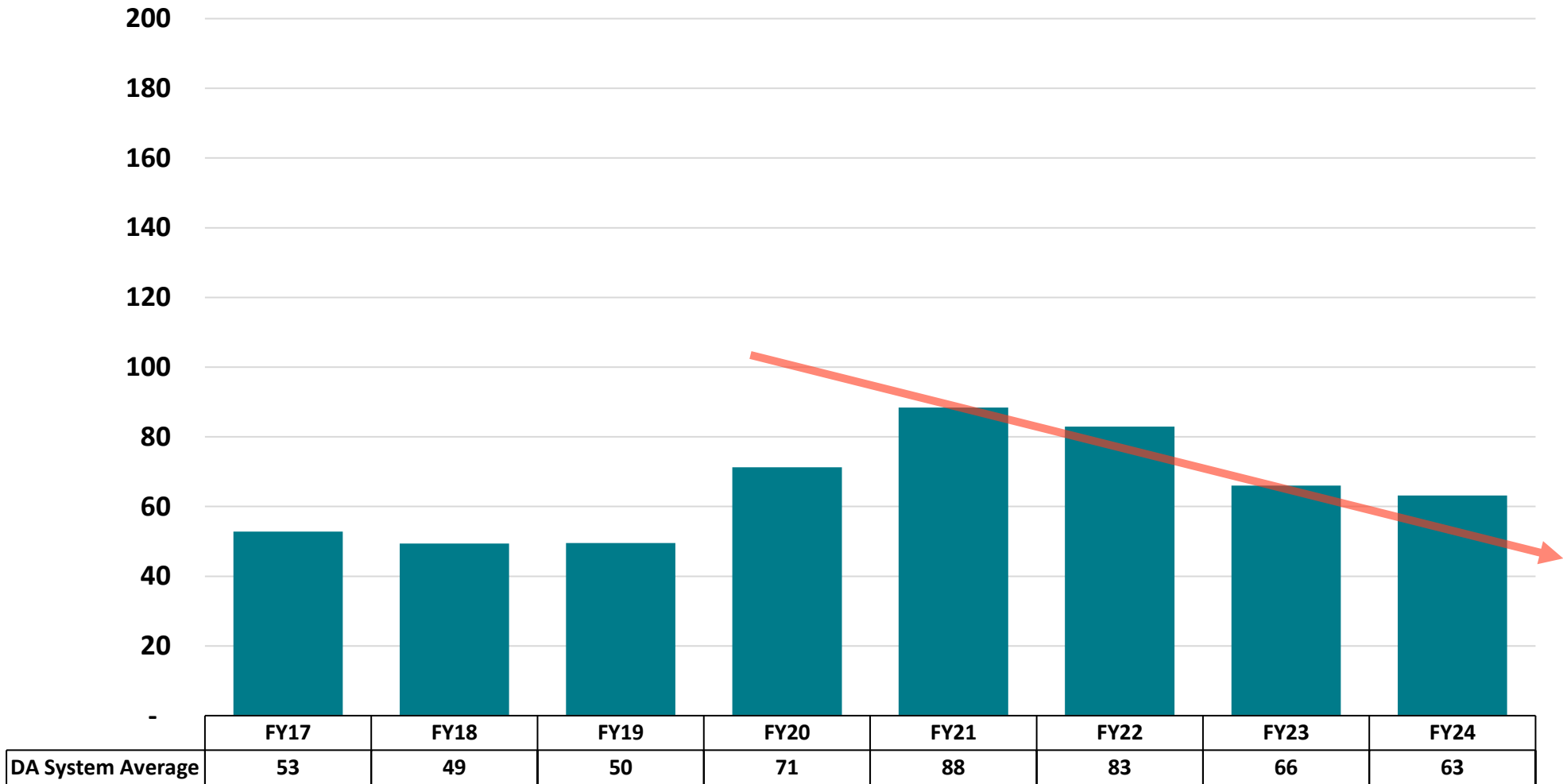
DA/SSA FY26 Non-staffing Budget Pressures

Budget Item	Projected increase
Health	13.5%
Other Fringe	6.2%
Other Insurances	6.5%
Other Operating	3.3%

The above anticipated growth in expenses, which do not include staff or contractual increases, alone would require a 3.3% increase in all XIX rates.

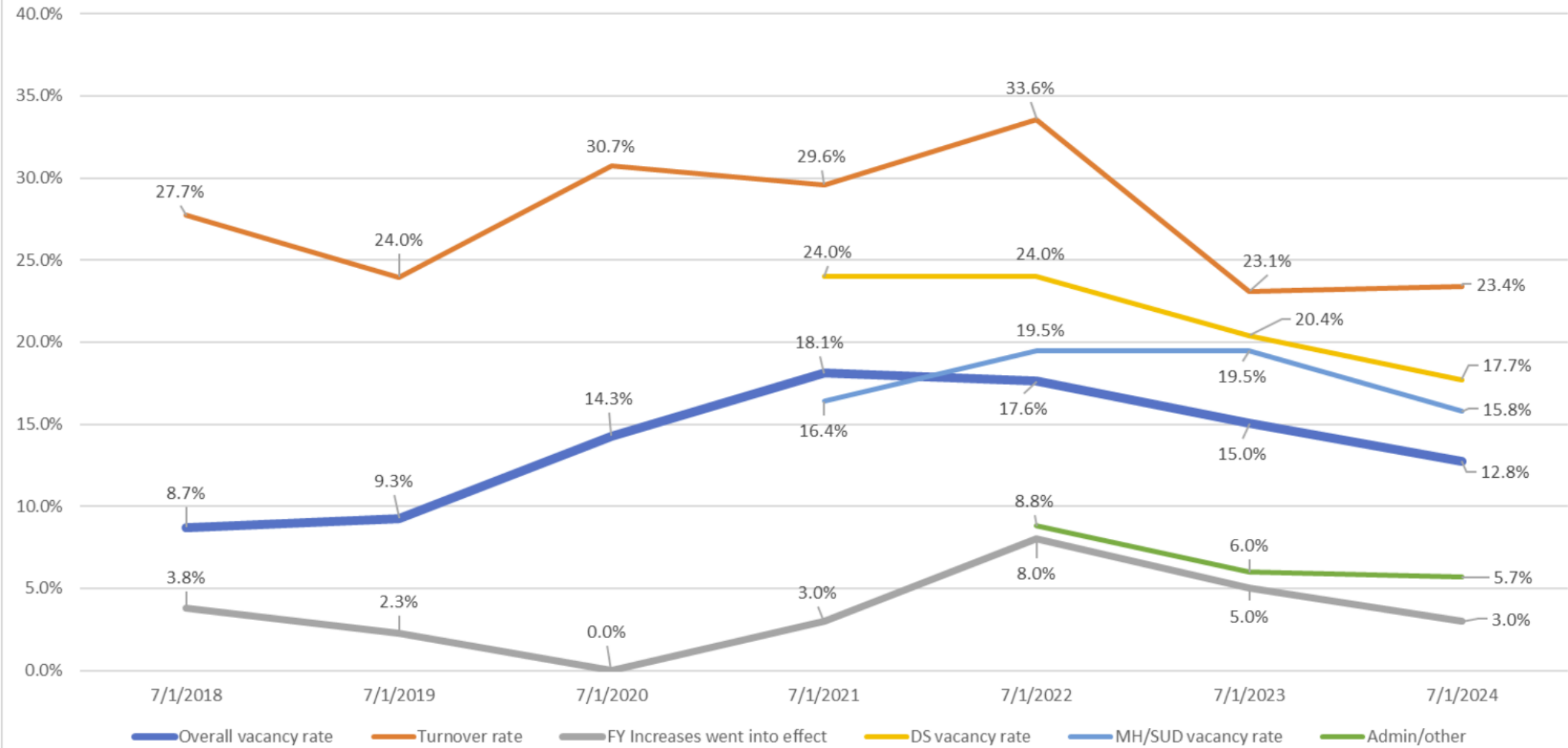
Days Cash on Hand

■ DA System Average



These Investments DO Matter

VCP Agency Turnover & Vacancy Data



Workforce Barriers & Impacts

WAGE

- Salaries need to empower people to meet their basic needs
- Reluctance in taking positions that cannot guarantee any kind of predictable increase.
- There is an imbalance between workload and compensation

BURNOUT

- Jobs in the mental health, substance use, and I/DD field are difficult and demand a lot
- burnout and empathy fatigue are real - people who care for others need to be cared for
- When other staff leave often the workload is shifted to already maxed out staff.

ADMINISTRATIVE BURDEN

Studies consistently show that physicians [and mental health workers] spend twice as much time on electronic documentation and clerical tasks compared to time providing direct patient care. - Colicchio et al., 2019, Shanafelt et al., 2016

Other variables that impact vacancy rates:

- Childcare Access
- Food Deserts
- Available Transportation
- Affordable Housing Stock
- Competition

Unintended Consequences of Underfunding A Critical System of Public Care

Staffing Shortages	Impact
Reduced staff capacity for community-based wraparound supports	Increased risk of homelessness and need for acute services such as ED utilization, inpatient, and private residential
Reduced residential bed capacity	Increased risk of homelessness and need for inpatient care
Reduced crisis bed capacity	Increased ED use, longer wait times, larger burden on emergency services
Reduced school-based community integration and family respite staff	Increased referrals for therapeutic schools and/or out-of-state residential placements and ED usage

Investment in Community-Based Care Supports Better Outcomes for Vermonters and Lowers Costs

Where we are headed...or are we there?

High End Supports



Critical Prevention Work- Community Based Care

- Building of Protective Factors
- Home Visits
- Basic Needs Support
- Training & Education
- Clinical Support
- Social Connection
- Mindfulness Programming
- Access to Medical/Dental Appointments
- 24/7 On-Call Crisis Staff
- Social Drivers of Health Support
- Case Management
- Peer Support
- Relationship Building
- Community Resilience
- Care Coordination
- Advocacy
- Housing & Supports
- Community Access
- Direct Supports
- Family & Guardian Support

Ensuring Robust Community-Based Services

High End Supports

Critical Prevention Work - Community-Based Care

24/7 On-Call Crisis Staff

Building of Protective Factors

Home Visits

Basic Needs Support

Training & Education

Clinical Supports

Social Connections

Mindfulness Programming

Access to Medical/Dental Appointments

Social Drivers of Health Support

Care Coordination

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Case Management

Housing & Supports

Peer Support

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Support

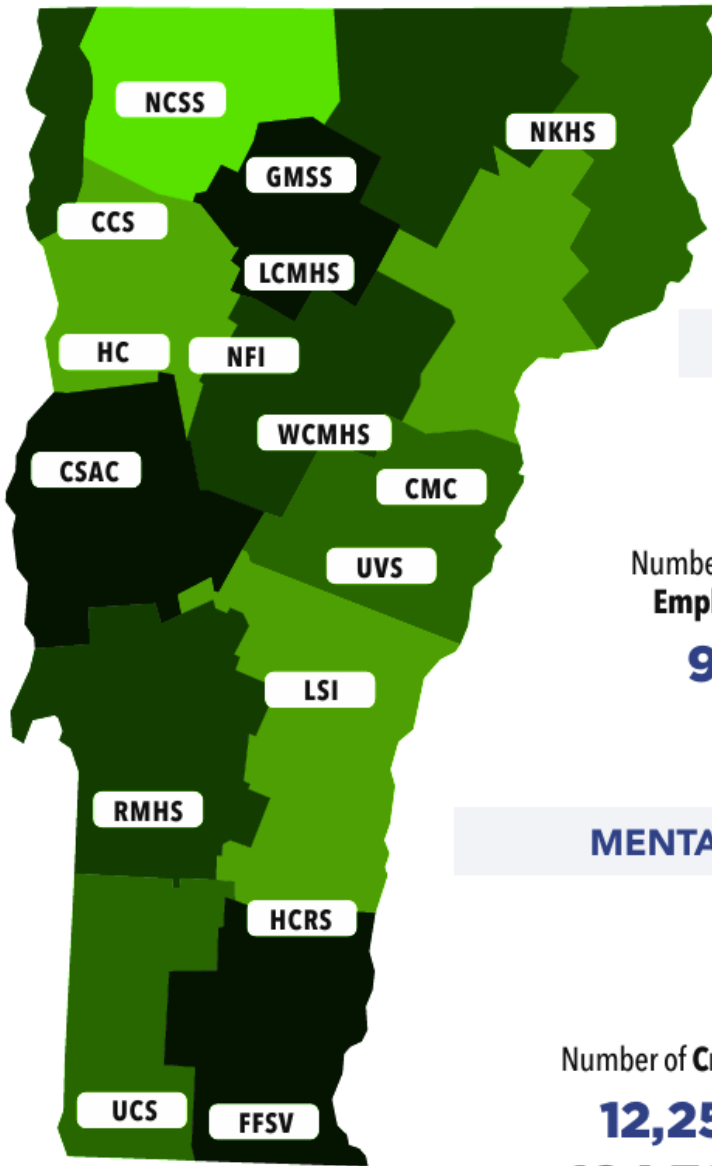
Accountability

Processes:

- Designation (DA/SSA)
- Preferred Provider Re-certification (PP only)
- CCBHC Certification
- Centers of Excellence

Outcomes and Other Reporting Data:

- Provider agreement outcomes including value-based payment related
- MSR
- SATIS
- CANS/ANSA
- Success Beyond Six Outcomes
- Client satisfaction survey; staff satisfaction survey
- Outcomes data in other contracts with DSU, DMH (urgent care, enhanced mobile crisis, EIP, etc.), and DCF
- Data through feeds to the VITL repository
- Ad hoc asks



In FY24, network agencies provided
3,315,476
 unique services.

DEVELOPMENTAL SERVICES

Total Number of **People Helped:**

3,856

Number of People Receiving
Employment Services:

940 PEOPLE

Number of People
Living Independently:

1,767 PEOPLE

1,527 HOME SUPPORTS SETTINGS

MENTAL HEALTH/SUBSTANCE USE SERVICES

Total Number of **People Helped:**

35,093

Number of **Crisis Responses:**

12,253 PEOPLE

164,764 SERVICES

Number of **School-Based Services:**

3,728 PEOPLE

266,474 SERVICES

CLIENT SATISFACTION OUTCOMES



reported
"I/we receive the
services that we
needed."



reported
"The services I/we
received made a
difference."



reported
"Staff treated me/us
with respect."



“These are difficult jobs requiring patience, skill, dedication and we hold A LOT of responsibility. We’re asked to go into difficult situations and support people during some of the most intense time periods of their lives. Why isn’t that valued more? We’re making Vermont better...healthier. I’m a solo parent and have moved into a leadership position. It’s still difficult to make ends meet. I love my job and don’t want to leave but what are the options here? As the cost of everything goes up and we continue to be level funded...I feel like my hand is forced. It’s difficult to support families struggling while also struggling yourself.”

Thank You!



VERMONT CARE PARTNERS

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