

TO: House Health Care Committee
FROM: Vermont's Free & Referral Clinics
DATE: February 12th, 2026
Re: Information to supplement budget testimony

Dear Chair Black,

Thank you for hearing testimony from Vermont's Free & Referral Clinics (VFRC) in regard to the FY27 Budget on Tuesday, February 10th. VFRC respectfully submits this memo to help answer some questions that were raised during that testimony.

As a reminder, we are asking your committee **to please support legislative action to increase the allowable maximum of our grant by an additional \$925,000 - \$462,500 of which would come from state general funds, with a 50% federal match.**

- This would bring our total appropriation to **\$2,509,252** in VT Department of Health's Health Promotion and Chronic Disease Prevention (HPDP) division.

Who do we serve?

In FY25, VFRC members served:

- Over 9,000 individuals total – 2,572 of whom were new patients (**40% increase**).
- Over 3,000 people who were **uninsured** (33% of total patients)
- 2,580 people who were **underinsured** (28% of total patients)
- Over 6,000 individuals over the age of 65 (roughly 50% of all individuals served)

Additionally, 41% of all patients served are at or below 200% Federal Poverty Line (FPL). Our clinics provided **4,507 medical visits** and **2,287 dental visits** in FY25.

- *Clinic Snapshot:* Valley Health Connections provided **\$13,000 in dental grants** to help patients access dental services at private practices in FY25.

Availability & Affordability of Dental and Primary Care

Your committee asked about the availability and affordability of primary care in Vermont. These particular barriers of access are a primary reason why people turn to Vermont's free clinic network.

- Across the 8 clinics, 38% of patients report **delaying care due to cost or access**.
 - There is **wide geographic variation**: Last quarter, 66% of patients report delaying care in the White River Junction area vs 12% in the Middlebury area.
 - Getting established with primary care in the Barre area can take 7-10 months.
- There is **very limited access to dental care in the Upper Valley**. There are only 3 providers who accept Medicaid and those providers all have limits on how many Medicaid patients they will see.
 - Good Neighbor Health Clinic (White River Jct) is currently scheduling out 6 months for dental visits and they are currently **not taking new dental patients**. They have hundreds of

applications for dental care to process and struggle to hire because they do not have the funding to pay the market rate for a dentist and/or hygienist.

- Access to dental care for patients in the Springfield area is also extremely limited. A survey from 2017 showed that only 22% of adults with Medicaid accessed dental services due to limited providers.
- Since 2017, the percentage of primary care dentists in Vermont accepting new Medicaid has decreased.
 - In Windham County only 25% of dentists were taking new Medicaid patients versus 95% who were taking new patients with commercial insurance.
 - In Windsor County 28% were accepting new Medicaid patients and 88% were taking new commercially insured patients.

VFRC Funding

1. ***State General Funds (50% of VFRC funding)*** – Our largest source of funding continues to be the state general funds appropriated by the Vermont General Assembly.
2. ***Federal Medicaid Funds (50% of VFRC funding)*** – VFRC receives federal Medicaid dollars for member clinics. This funding is strictly for Medicaid Administrative activities. The Social Security Act allows for federal grants for “medical assistance” under a state’s Medicaid plan, as well for administrative expenditures related to the plan. Funds deemed eligible, including our work with health system navigation and insurance enrollment, are matched at a 50% rate.

The grant works as a 50-50% match with state and federal dollars. Legislative action is required to increase the ***maximum allowable grant*** to VFRC, half of which will be matched 50% by the federal government.

Because our funding comes to us as part of the state’s Medicaid plan, it is governed by **Centers for Medicare and Medicaid Services rules** for Administrative Claiming and prohibits the use of any grant funding (State or Federal) for clinical services and materials such as prescriptions or durable medical equipment. As a result, clinics must fundraise to cover these costs.

- The 50-50% match is how it works for administrative activities - this is a structure of the grant and does NOT reflect the percent of people we serve on Medicaid. **We do not have the option to bill Medicaid for services.**
- The member clinics that provide clinical services are regulated by the federal Health Resources and Services Administration.

Thank you for your consideration. Please do not hesitate to reach out if you have any additional questions.

Sincerely,



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