



VERMONT
CARE
PARTNERS

Adult Mental Health Residential Programs

Testimony to the House Committee on Health Care

Melanie Gidney, Executive Director, Clara Martin Center & VCP Board President

Sandy McGuire, CEO, Howard Center

Christie Everett, Director of Operations, Clara Martin Center

VCP network agencies specialize in providing mental health, substance use, and developmental disability services and supports in your community.

Vermont Care Partners

A statewide network of 16 agencies providing essential mental health, substance use, and developmental disability services to people in their homes and communities.

40,141



PEOPLE
SERVED

5,260



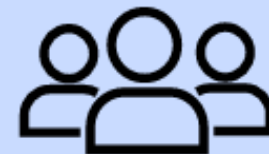
PEOPLE
SERVED DAILY

3,720,602

SERVICES
PROVIDED

≈14,000/DAY

5,002



DA/SSA STAFF

64%



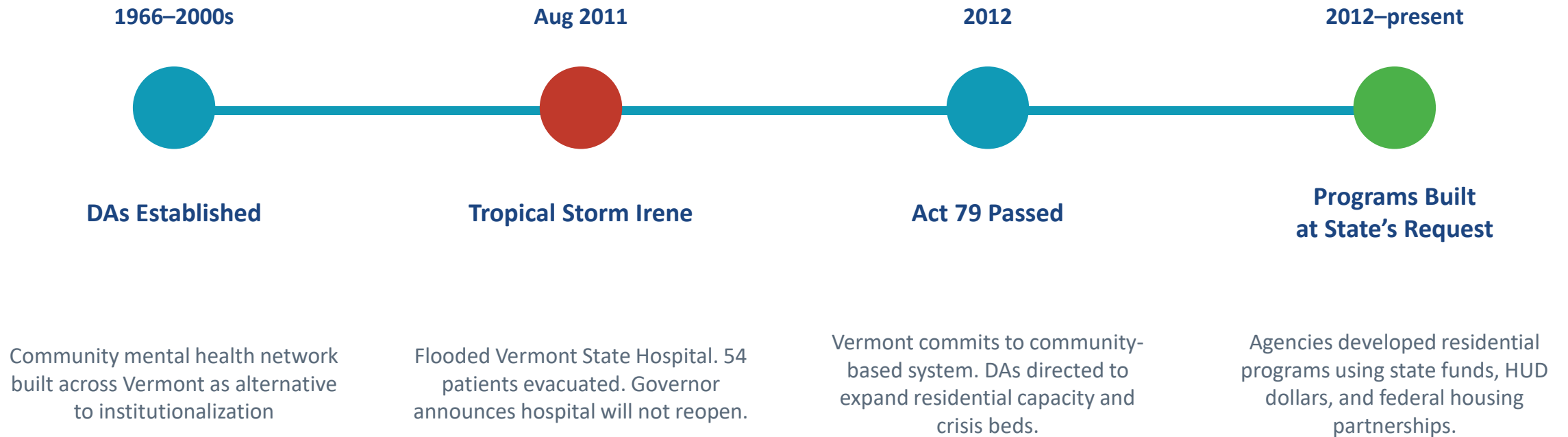
SERVICES
PROVIDED IN THE
HOME/COMMUNITY



- Champlain Community Services (CCS)
- Clara Martin Center (CMC)
- Counseling Service of Addison County (CSAC)
- Families First in Southern Vermont (FFSV)
- Green Mountain Support Services (GMSS)
- Health Care and Rehabilitation Services (HCRS)
- Howard Center (HC)
- Lamoille County Mental Health Services (LCMHS)
- Lincoln Street, Inc. (LSI)
- NFI Vermont, Inc. (NFI)
- Northeast Kingdom Human Services (NKHS)
- Northwestern Counseling & Support Services (NCSS)
- Rutland Mental Health Services (RMHS)
- United Counseling Service of Bennington County (UCS)
- Upper Valley Services (UVS)
- Washington County Mental Health Services (WCMHS)



A System Built by Vermont, at Vermont's Request



Individuals and communities came to depend on this system.

Who Lives in These Programs

Aging with medical complexity

Many have lived in these programs for years or decades, managing multiple chronic conditions alongside serious mental illness.

Often no other system will take them

Frequently ineligible for Choices for Care. Nursing homes are often unwilling or ill-equipped. There is no alternative placement designed for them.

Long-term or permanent needs

For many, serious mental illness requires ongoing structured support — not short-term treatment. Stability depends on continuity of care.

High risk if displaced

Displacement leads to homelessness, repeat hospitalization, prolonged ED boarding, and serious health deterioration — predictable, not theoretical outcomes.

The Problem: Three Intersecting Crises

1

No funding pathway for habilitative care

Some residents need long-term or permanent support — not short-term rehabilitation. The new Medicaid framework has no funded pathway for them.

2

Lease-based housing conflict

Programs built with HUD dollars (which require leases) have been indicated as potentially not meeting criteria for residential reimbursement. No final policy determination has been issued.

3

No information, no time

No final rules. Most agencies lack service rates. No room-and-board plan — DMH suggests costs fall on residents or agencies. Neither can absorb them. July 1 is 11 weeks away.

Statewide Picture: Programs and Beds at Risk

100+

Adults in residential programs statewide

6

Beds confirmed closing (CMC, June 30)

75+

Additional beds at risk across all agencies

6+

Programs across multiple agencies

Clara Martin Center

4 Highland (4 beds) + Chris's Place (2 beds) — closing June 30, 2026

CLOSING June 30

Lamoille County MH — Copley House

15 residents, many from VSH closure c. 2000; no alternative placements exist

AT RISK

Howard Center

21 beds definite risk (lease conflict); all 54 potentially at risk if rates/room-and-board unresolved

AT RISK

CSAC, NCSS, WCMH + others

No viable funding pathway; some clients don't meet new rehabilitative criteria

AT RISK



Clara Martin Center Housing Program Update – April 2026

The Safe Haven program has been in existence since 1998, and has been one of the only housing resources for homeless individuals in Orange County, utilizing peer support for programming and infrastructure. Safe Haven is a vital resource in Orange, Washington, and Windsor counties that provides housing and affiliated services for homeless individuals with severe and persistent mental illness.



The Cost of Inaction

When beds close, people go to...

- Emergency departments (boarding for days)
- Inpatient psychiatric units
- Jails and correctional facilities
- Homeless shelters — or the street
- Serious health deterioration for the most fragile

Lower-cost, higher-dignity alternative

- Residential programs cost far less than inpatient, ED, or incarceration
- **Idaho (Dec 2025):** cut similar program → 4 deaths in 3 months vs. 1 in prior 18 months. Crisis centers & jails overwhelmed. Restored April 2026.
- Vermont made a promise after Irene: care for people in their communities
- These programs are that promise made real

Proposed Solutions: Two Timelines

NOW — Before July 1

- Direct DMH to issue final rules, service rates, and room-and-board guidance immediately
- Resolve the lease conflict: affirm HUD-funded lease-based programs qualify for residential reimbursement
- Support housing continuum bill provisions for vouchers-plus-care
- Delay July 1 if guidance cannot be issued in time or resources are insufficient

NEXT BIENNIUM — Durable Fix

- Create a funded habilitative care pathway for individuals needing long-term or permanent support
- Cross-system planning: DMH + DAIL + housing agencies + providers
- AHS/DA transparency study (moving in Senate) — builds accountability framework
- Budget investment in rates that make residential programs financially viable

What We Are Asking the Committee to Do

- 1 Direct DMH to issue final rules, rates & room-and-board guidance — now

IMMEDIATE
- 2 Affirm that HUD lease-based programs qualify for residential-level reimbursement

IMMEDIATE
- 3 Support housing continuum bill provisions for supportive housing & vouchers-plus-care

THIS SESSION
- 4 Delay July 1 if guidance cannot be issued in time or resources are insufficient

IF NEEDED
- 5 Commit to cross-system planning for a durable habilitative care funding pathway

NEXT BIENNIUM

Vermont made a promise.

When the state hospital closed, Vermont said it would care for people in their communities. These programs are that promise.

*The people in these programs are aging. Their needs are complex.
They came to us when Vermont's system asked them to.
We are here asking Vermont's system not to abandon them now.*

We have continued in good faith with the Department.
We are here because we have no other alternative.



Champlain Community Services Inc.



NFI | Vermont

Providing Mental Health and Educational Services to Vermont's Children and Families



Lincoln Street, Inc. Personalized services for adults with disabilities & their families



GREEN MOUNTAIN SUPPORT SERVICES



UNITED COUNSELING SERVICE

