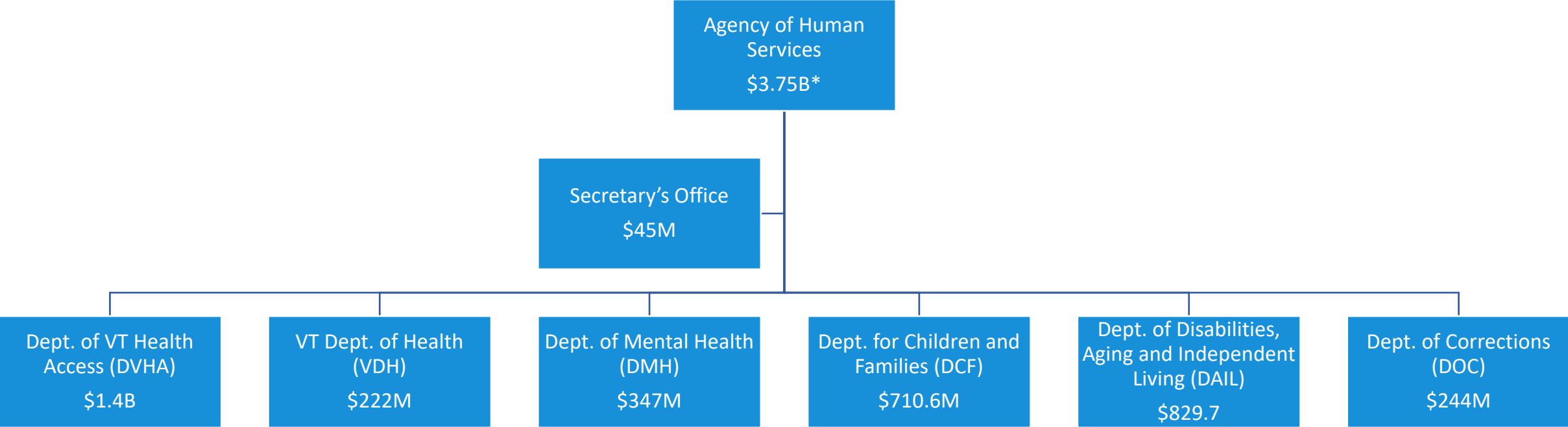


Agency of Human Services

FY 2027 Budget

January 28th, 2026



MISSION: Improve the conditions and well-being of people in Vermont. Our mission is a commitment to fostering positive change in the lives of Vermonters. It underscores our dedication to creating an environment where individuals not only survive but thrive.

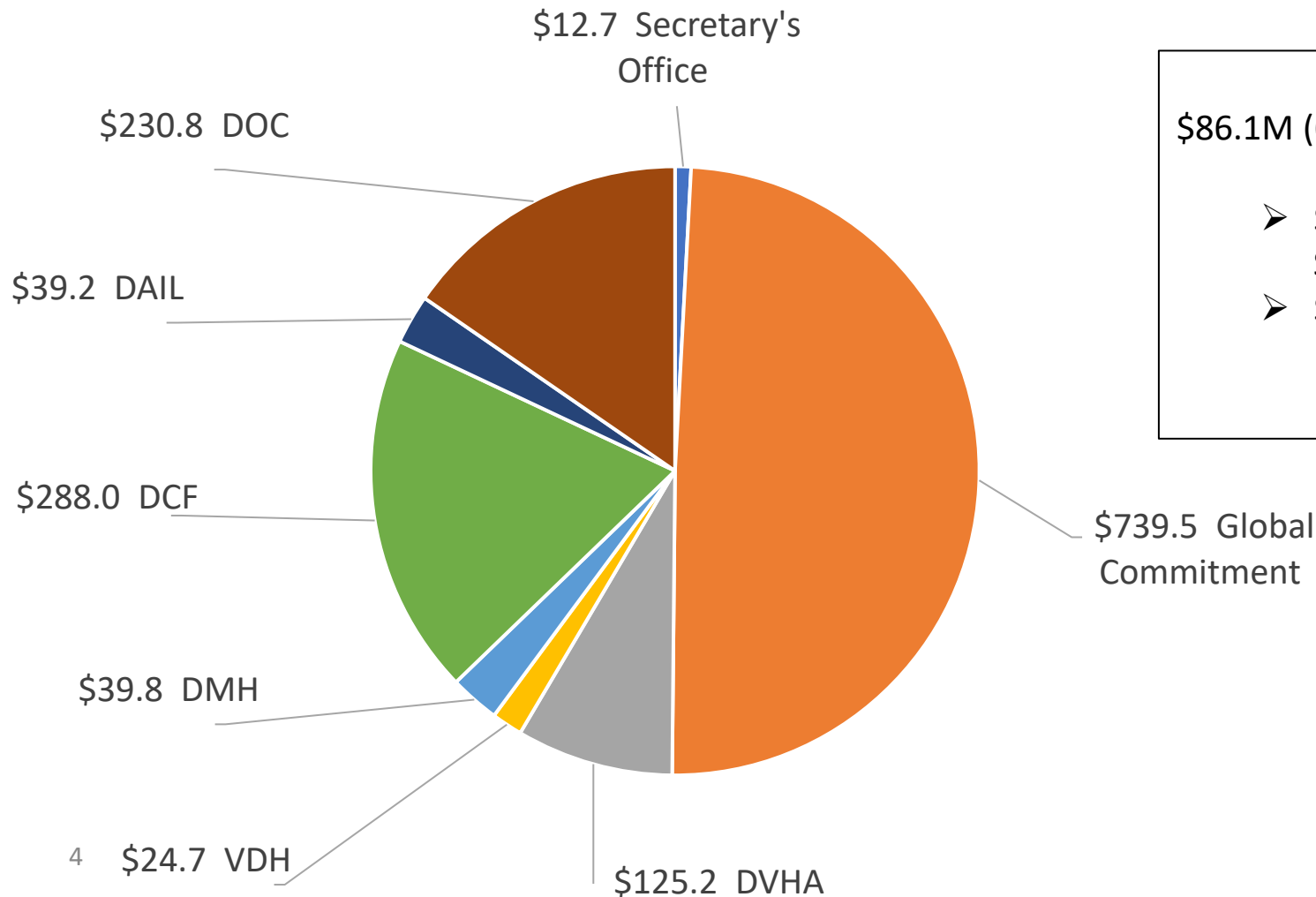
**Note: Figures reflect all funds; removes Global Commitment double count.*

AHS – Positions by Department – 4,136

	DMH	AHS CO	DVHA	VDH	DCF	DAIL	DOC	Total
Total Positions	328	85	387	670	1,157	390	1,119	4,136
Classified	288	66	367	615	993	331	1,041	3,701
Exempt	10	18	14	10	29	6	20	107
Temporary	-	-	-	1	-	-	-	1
Temporary Fill in	26	-	-	1	21	5	56	109
Temporary Part-Time	4	-	5	36	98	33	2	178
Temporary Sporadic	-	1	-	6	12	11	-	30
Temporary Intermittent	-	-	1	-	1	4	-	6
Temporary Emergency	-	-	-	1	3	-	-	4
Total Vacant	101	3	34	60	89	50	142	479
Classified Vacant	83	3	31	48	49	37	113	364
Exempt Vacant	-	-	2	1	4	-	2	9
Temporary Vacant	-	-	-	1	-	-	-	1
Temporary Fill-in Vacant	16	-	-	1	5	3	26	51
Temporary Part-Time Vacant	2	-	1	8	25	10	1	47
Temporary Sporadic Vacant	-	-	-	-	3	-	-	3
Temporary Emergency Vacant	-	-	-	1	3	-	-	4
Vacancy Rate	30.79%	3.53%	8.79%	8.96%	7.69%	12.82%	12.69%	11.58%

Data as of 1/08/2026

AHS – FY27 General Fund Budget by Department (in millions)



\$86.1M (6.10%) increase in General Fund (GF) base budget

- \$74.9M (5.30%) GF increase directed to Current Services Base funding
- \$11.2M (.8%) GF increase directed to Base Initiatives

AHS Executive Leadership Team (ELT)

- Jenney Samuelson, Secretary
- Kristin McClure, Deputy Secretary
- Jill Olson, Medicaid and Health Systems Director
- Jill Bowen, Commissioner, Department of Disabilities, Aging, and Independent Living
- DaShawn Groves, Commissioner, Department of Vermont Health Access
- Emily Hawes, Commissioner, Vermont Department of Mental Health
- Rick Hildebrant, Commissioner, Vermont Department of Health
- Sandi Hoffman, Interim Commissioner, Vermont Department for Children and Families
- Jon Murad, Interim Commissioner, Vermont Department of Corrections

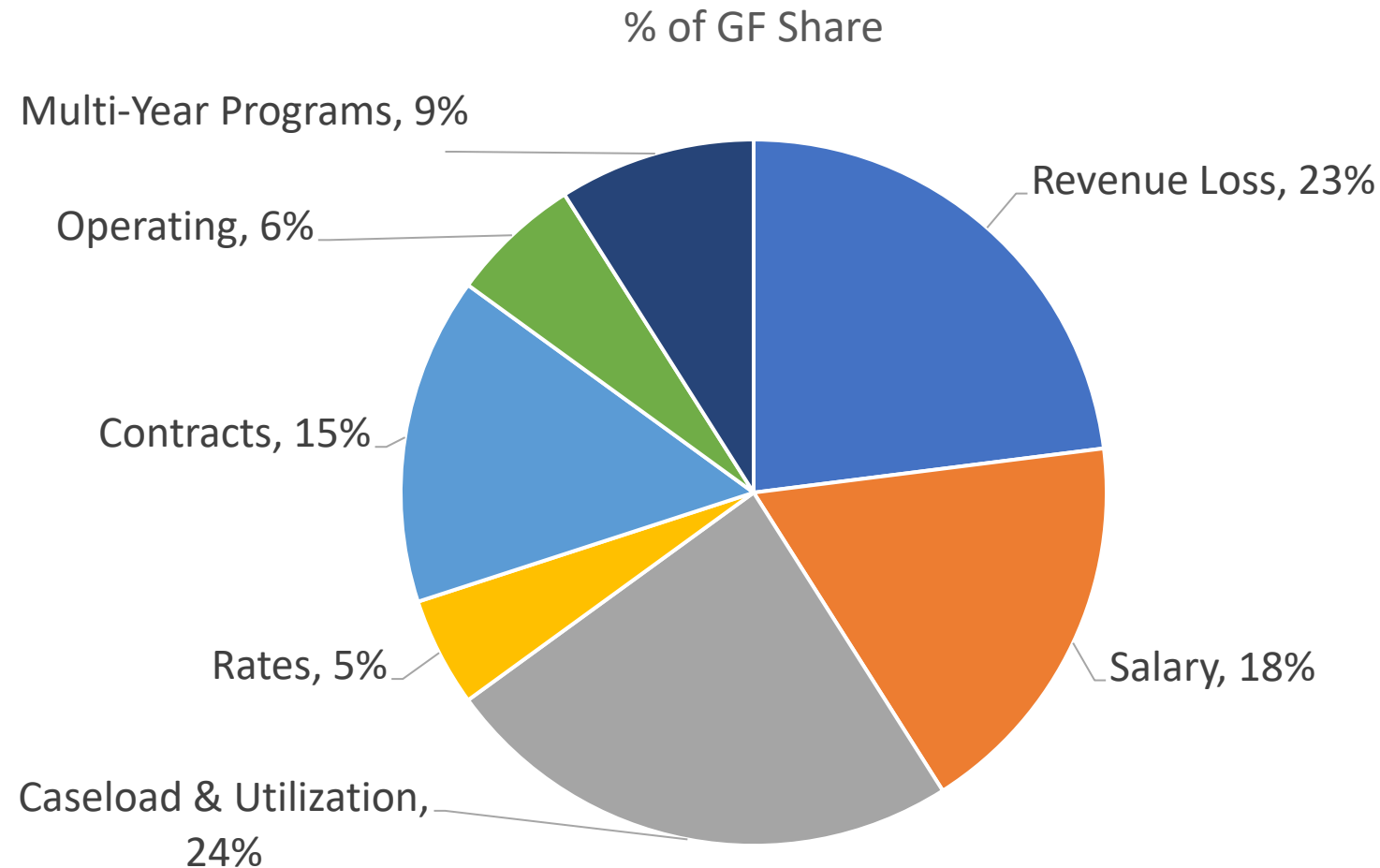
AHS Policy & Budget Process

- Governor's Priorities
 - Grow the economy
 - Make Vermont more affordable
 - Protect our most vulnerable
- Executive Leadership Team (ELT) set AHS Priorities
 - Housing, with a particular focus on addressing homelessness
 - Substance use and mental health, across prevention, treatment, recovery, and stability
 - Health care affordability, sustainability, and quality
 - Strong and resilient AHS workforce
- Evaluated Programs (by Department and by Medicaid as a whole)
- Evaluated AHS Budget for FY27 (Align resources to priorities and effective programs)

AHS Policy & Budget Process

- Took inventory of the “Current Services” projected cost increases for all AHS programs (initially \$117.1M)
- As compared to an initial 3% GF increase target (\$42.4M), AHS was short \$74.7M
- Departments came forward with areas of potential savings/reductions
- Focused on identifying –
 - Revenue Offsets
 - Administrative/Programmatic Efficiencies
 - Program/Service Reductions/Eliminations – those that were evaluated to be non-essential, non-mandatory, non-statewide, and less effective

Overview – General Fund Current Services Pressures



AHS Budget Highlights: Current Services Pressures*

➤ Backfill of Lost Revenue \$26.6M GF

- Secretary's Office Global Commitment Base FMAP change: \$13M
- DCF SNAP Federal Match change (from 50% to 25%): \$4.5M
- DCF Child Care Special Fund Revenue downgrade: \$8.7M

➤ Caseload and Utilization \$27.8M GF

- DVHA Medicaid consensus: \$14.9M
- DVHA Clawback and Buy-In: \$2.2M
- DAIL Developmental Services: \$4.1M
- DAIL Choices for Care (Nursing Home and HCBS): \$4.4M

AHS Budget Highlights: Current Services Pressures*

- **Salary and Fringe \$21.3M GF**
 - Includes \$497k for 12 new HAEEU Staff needed for Medicaid Work Requirements and Bi-annual Redeterminations
- **Operating \$6.5M GF**
 - Internal Service Funds: \$5.1M
 - DVHA Pilgrim Park: \$192k
 - DOC Vehicles, Uniforms, Utilities, Inflationary: \$1.1M

AHS Budget Highlights: Current Services Pressures*

➤ Contracts \$17M GF (many of the same pressures seen in BAA)

- DVHA Gainwell (MMIS); Maximus Call-center, Deloitte Medicaid Data Warehouse: \$2.6M
- DMH and DCF Transportation: \$1.2M
- DMH Forensic Evaluations: \$645k
- DMH Travel Nurses: \$4.7M
- DCF: Youth Crisis Stabilization (Windham): \$1M
- DOC Wellpath: \$5.6M
- DOC Transitional Housing: \$247k

AHS Budget Highlights: Current Services Pressures*

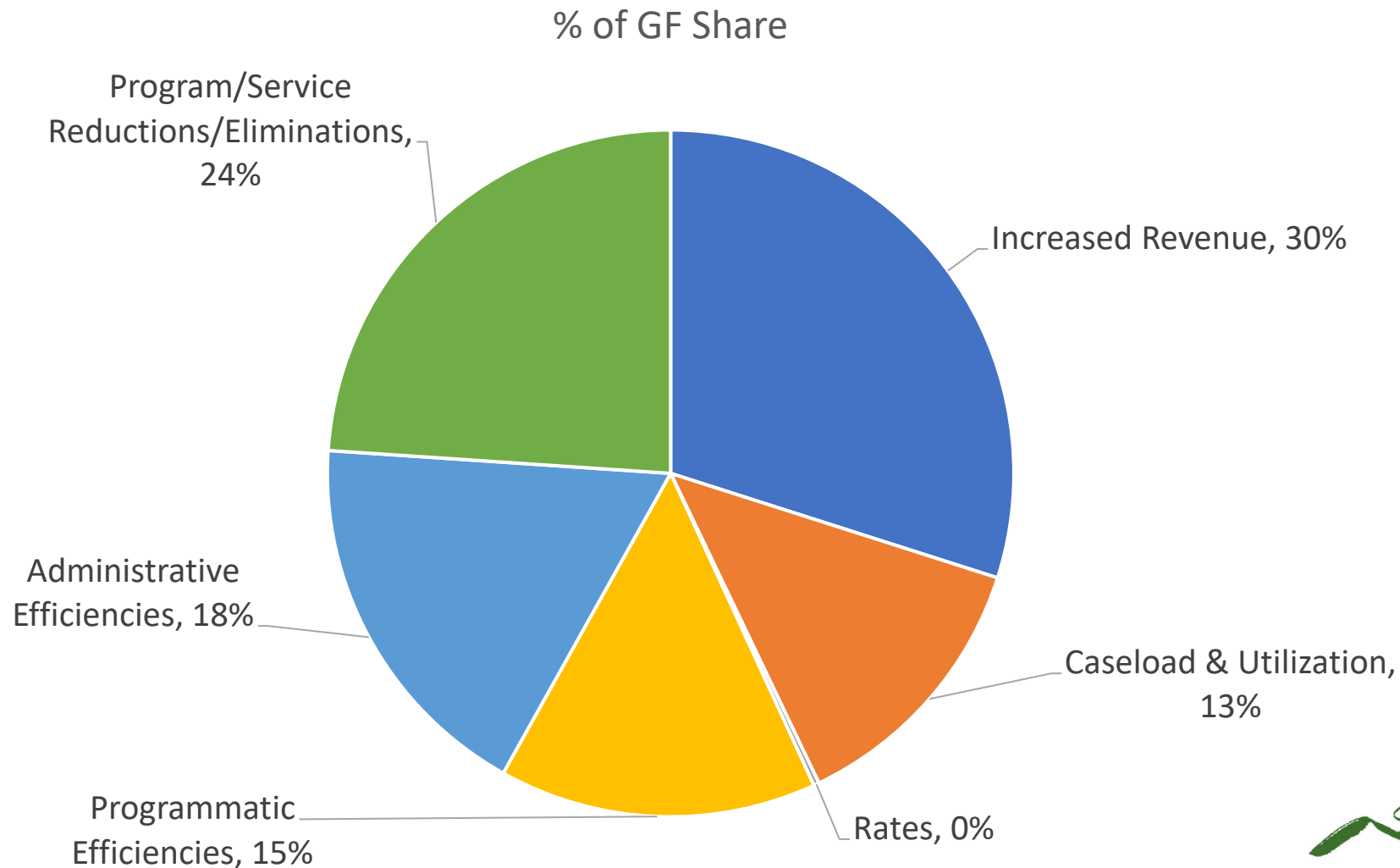
➤ Annualization of Multi-Year Programs \$10.6M

- DVHA Medicare Savings Plan: \$2.8M
- DMH Alternatives to Emergency Depts: \$242k
- DCF Shelter Investments: \$7.5M

➤ Provider Rates \$6M

- DVHA Northeastern Family Institute: \$252k
- DVHA 2.73% for FQHC and RHC: \$694k
- DMH and DCF PNMI: \$725k
- DMH CCBHC: \$2M
- DAIL Nursing Home inflation: \$2.3M

Overview – General Fund Current Services Savings



AHS Budget Highlights: Current Services Savings*

➤ Revenue (\$12.3M) GF

- Secretary's Office Global Commitment Childless New Adult 90% fmap: (\$3M)
- Secretary's Office Global Commitment CCBHC enhanced fmap: (\$6.6M)
- VDH Substance Use Treatment Revenue adjustment: (\$1.5M)
- DMH Medicaid Billings at VPCH: (\$581k)
- DVHA Prescription Drug Co-Pays: (\$461k)

AHS Budget Highlights: Current Services Savings*

➤ Caseload and Utilization (\$5.1M) GF

- DMH Level I at RRMC: (\$718k)
- DCF Reach Up: (\$3.3M)
- DCF SubCare: (\$582k)
- DAIL Adult Day Health and Rehab Services: (\$419k)

➤ Administrative Efficiencies (\$7.3M) GF

- All Depts Travel, Equipment, Supplies, Fleet, Contracts: (\$811k)
- DMH and DOC Vacancy Savings: (\$6.1M)
- DAIL Other Personal Services: (\$314k)

AHS Budget Highlights: Current Services Savings*

➤ Programmatic Efficiencies (\$6M) GF

- DVHA and VDH School Based Services transition: (\$450k)
- DVHA Utilization Management for Durable Medical Equipment: (\$922k)
- DVHA Applied Behavioral Analysis Coding Compliance: (\$601k)
- DMH Reduce VPCH Beds from 25 to 21: (\$1.4M)
- DAIL ARIS payroll benefit % withholding: (\$1.9M)

AHS Budget Highlights: Current Services Savings*

➤ Program and Service Reductions/Eliminations (\$9.9M) GF

- Secretary's Office Refugee Transitional Housing: (\$500k)
- DVHA VT Legal Aid Medicare Assistance Contract: (\$274k)
- DVHA ACO per member per month payment: (\$2.1M)
- VDH Area Health Education Centers: (\$231k)
- VDH Education Loan Repayment: (\$1.7M)
- DMH Chittenden County Community Outreach: (\$160k)
- DMH Outpatient Services for TBI, Elder Care, Reach Up: (\$1M)
- DMH Care Coordination at one Family Practice: (\$248k)
- DCF 211 Hour Reduction: (\$139k)
- DCF Strengthening Families: (\$498k)
- DCF Reach Up agreements and Reach First: (\$623k)

AHS Budget Highlights: Initiatives

- DCF Sustained Investment Emergency Housing
 - Base \$10.1M GF – Family Specific, Domestic Violence, and Medically Vulnerable Sheltering Options, Substance Use Recovery Shelter, Case Management Enhancements, Rental Assistance, Staffing
 - One-Time \$21.1M GF– Regular General Assistance, Weather Dependent, Staffing
- DAIL Opioid Recovery Employment Program (OREP): \$875k GF
- DOC Pre-Trial Supervision statewide expansion: \$200k GF

AHS Central Office

- Secretary's Office - oversees the financing, policy, and operations of the Agency, its Divisions, and Departments.
- Health Care Reform - responsible for planning, implementing and coordinating health care reform initiatives across state government.
- Field Services - charged with assuring the optimal functioning of the Agency, oversight of district offices and mobilization of the local community to design and implement a human services system
- Refugee Program - directs the US Resettlement Program for the state, in compliance with federal statutes and regulations.
- SerVermont Program - supports, promotes and recognizes volunteerism and community service in Vermont.

- \$30.1M budget all funds
 - \$12.1M General Fund
 - \$15M Federal Fund
 - \$2.4M Global Commitment Investment
 - \$338k Interdepartmental
- 78 positions (3 Vacant)

Prior Year Accomplishments

- Field Services
 - Family shelters
 - Burlington Accountability Court
- Health Care Reform
 - Hospital Transformation Plans
 - Rural Health Transformation Program - \$195M award
- Refugee
 - Short-term transitional funding for individuals losing SNAP benefits

		GF	SF	IdptT	FF	Invmnt GCF	TOTAL
Sec. B.300	Approp #3400001000 - Secretary's Office As Passed FY26	15,569,598	135,517	119,784	14,023,964	2,510,857	32,359,720
	Personal Services:						
	500000: Salary & Wages: Classified Employees						
	500010: Salary & Wages: Exempt Employees	331,480		146,830	123,715	(54,412)	547,613
	501500: Health Insurance: Classified Employees						
	501510: Health Insurances: Exempt Employees	(119,453)		16,374	378,816	(7,812)	267,925
	502000: Retirement: Classified Employees						
	502010: Retirement: Exempt Employees	128,084		42,287	(4,857)	(15,670)	149,844
	All Other Employee Payroll Related Fringe Benefits	125,603		12,883	(123,338)	(6,044)	9,104
	504040: VT Family & Medical Leave Insurance Premium	2,509		18	(1,824)	(751)	(48)
	504045: Child Care Contribution	1,505		646	390	(239)	2,302
	505200: Workers' Compensation Insurance Premium	6,292			6,228		12,520
	507600: Governor's Office Allocation Base Adjustment	30,885					30,885
	Federal Revenue Reconciliation (AHS net-neutral with DMH B.314 & DAIL B.330) (BAA item)	(539,004)			539,004		0
	Operating Expenses:						
	515010: Fee-for-Space Charge	38,824			18,825		57,649
	516000: Insurance Other Than Employee Benefits	(468)			(461)		(929)
	516010: Insurance - General Liability	820			836		1,656
	516671: VISION/ISD	7,110			7,036		14,146
	516685: ADS Allocated Charge	122,875			80,190		203,065
	519006: Human Resources Services	3,631			3,596		7,227
	516660: ADS Service Level Agreement (SLA)	(2,863,585)					(2,863,585)
	Operating Expense Reductions (Travel, Equip, Other, etc)	(158,447)					(158,447)
	Grants:						
	600110: Refugee Resettlement Program Transitional Housing Underutilization	(500,000)					(500,000)
	600170: Miscellaneous Grants (Field Service Coordination)	(17,832)					(17,832)
	600170: Miscellaneous Grants (Foster Grandparent - program ended)	(19,506)					(19,506)
	FY27 Subtotal of Increases/Decreases	(3,418,677)	0	219,038	1,028,156	(84,928)	(2,256,411)
	FY27 Gov Recommended	12,150,921	135,517	338,822	15,052,120	2,425,929	30,103,309

AHS Central Office – Budget Changes

- (\$2,863,585) GF - ADS Service Level Agreement decrease (costs shifting to ADS Core Enterprise Services allocation)
- (\$158,447) GF – Operating Expense Reductions (right-sizing based on prior year actuals; Travel, Equipment, Fleet, Other, etc.)
- (\$500,000) GF – Refugee Transitional Housing (~75% less refugees arriving, less need for housing. \$400k remains for support services)
- (\$17,832) GF – Field Service Coordination grant elimination (2 districts had extra support for complex cases)
- (\$19,506) GF – Foster Grandparent program ended at United Way; this amount represented state match that is no longer needed.

AHS Central Office

- Developmental Disabilities Council-state-wide board led by people with developmental disabilities and their families and charged with conducting comprehensive review and analysis of services & supports in Vermont and informing the Governor and other policymakers about issues impacting the lives of individuals with developmental disabilities
 - \$820k Budget – all Federal Funds
 - 3 positions
- Human Services Board - citizen's panel consisting of seven members acting as a fair hearing board for appeals brought by individuals who are aggrieved by decisions or policies of departments and programs within the Agency of Human Services.
 - \$940k Budget
 - \$550k General Fund
 - \$390k Federal Funds
 - 5 positions

		GF	SF	FF	TOTAL
Sec. B.303	Approp #3400009000 - Developmental Disabilities Council As Passed FY26		12,000	789,139	801,139
	Personal Services:				
	500000: Salary & Wages: Classified Employees				
	500010: Salary & Wages: Exempt Employees			12,313	12,313
	501500: Health Insurance: Classified Employees				
	501510: Health Insurances: Exempt Employees			8,093	8,093
	502000: Retirement: Classified Employees				
	502010: Retirement: Exempt Employees			3,546	3,546
	All Other Employee Payroll Related Fringe Benefits			(602)	(602)
	504040: VT Family & Medical Leave Insurance Premium			45	45
	504045: Child Care Contribution			55	55
	Operating Expenses:				
	516685: ADS Allocated Charge			6,773	6,773
	519006: Human Resources Services			236	236
	Special Fund Technical Adjustment		(12,000)		(12,000)
	FY27 Subtotal of Increases/Decreases	0	(12,000)	30,459	18,459
	FY27 Gov Recommended	0	0	819,598	819,598
Sec. B.304	Approp #3400010000 - Human Services Board As Passed FY26	538,324		375,939	914,263
	Personal Services:				
	500000: Salary & Wages: Classified Employees				
	500010: Salary & Wages: Exempt Employees	9,562		7,454	17,016
	501500: Health Insurance: Classified Employees				
	501510: Health Insurances: Exempt Employees	(5,974)		(472)	(6,446)
	502000: Retirement: Classified Employees				
	502010: Retirement: Exempt Employees	3,066		2,186	5,252
	All Other Employee Payroll Related Fringe Benefits	(949)		(901)	(1,850)
	504040: VT Family & Medical Leave Insurance Premium	(49)		(71)	(120)
	504045: Child Care Contribution	42		33	75
	Operating Expenses:				
	515010: Fee-for-Space Charge	343		228	571
	516685: ADS Allocated Charge	5,815		5,474	11,289
	519006: Human Resources Services	233		160	393
	FY27 Subtotal of Increases/Decreases	12,089	0	14,091	26,180
	FY27 Gov Recommended	550,413	0	390,030	940,443

AHS Global Commitment

- Serves as the “mixing bowl” appropriation that combines state and federal match for funding 1115 Global Commitment Waiver (Medicaid) expenses.
- Federal Medical Assistance Percentage (FMAP) - SFY27 58.07%; State share 41.93%
- AHS will be seeking an 1115 Waiver renewal in 2027 (application due 12/31/26; 1-year negotiation period ensues); see E.301.3 language
- \$2.2B budget all funds
 - \$1.4B Federal Fund
 - \$739M General Fund
 - \$31.8M Special Fund (HIT fund and Success Beyond Six)
 - \$21M Tobacco Fund
 - \$31M State Health Care Resource Fund
 - \$5M Interdepartmental

		GF	SF	Tob	State Health Care Res	IdptT	FF	TOTAL
Sec. B.301	Approp #3400004000 - Secretary's Office Global Commitment As Passed FY26	712,815,861	31,339,852	21,049,373	31,074,772	4,997,210	1,406,003,180	2,207,280,248
	Revenue and Non-departmental changes:							
	Base Federal Medical Assistance Percentage (FMAP) changes	13,064,694	534,652				(13,599,346)	0
	New Adult Caseload and Utilization changes	(3,090,385)					3,090,385	0
	Sec'y Office GF impact - See Sec'y Office for items	(35,610)					(49,317)	(84,927)
	DVHA GF impact - See DVHA for items	16,347,409					22,639,969	38,987,378
	Family Planning rate change cannot be implemented as drafted (BAA item)	(85,000)					(765,000)	(850,000)
	VDH GF impact - See VDH for items	(2,127,732)					(2,946,754)	(5,074,486)
	DMH GF impact - See DMH for items	(327,280)					(453,259)	(780,539)
	Certified Community Behavioral Health Clinic (CCBHC) enhanced FMAP savings to 5 sites	(6,643,315)					6,643,315	0
	DCF GF impact - See DCF for items	(819,730)					(1,135,267)	(1,954,997)
	DAIL GF impact - See DAIL for items	9,005,109					12,471,422	21,476,531
	DOC GF impact - See DOC for items	1,384,454					1,917,369	3,301,823
	FY27 Subtotal of Increases/Decreases	26,672,614	534,652	0	0	0	27,813,517	55,020,783
	FY27 Gov Recommended	739,488,475	31,874,504	21,049,373	31,074,772	4,997,210	1,433,816,697	2,262,301,031

Global Commitment – Budget Changes

- \$13,064,694 GF and \$534,652 SF – impact of the base FMAP decrease (was 58.81% for SFY26, 58.07% for SFY27)
- (\$3,090,385) GF – impact of Childless New Adults at 90% FMAP
- (\$6,643,315) GF – impact of expanding CCBHCs to 5 new sites at 70.65% FMAP
- \$23,341,620 GF – state match needed for all Global Commitment spending changes in the AHS Depts.
- \$27,813,517 FF – federal Medicaid match changes for FMAP items above + all Global Commitment spending changes in the AHS Depts.

Grants Out

		SFY2026 As Passed	SFY2027 Gov Rec Changes	SFY2027 Gov Rec Totals
3400001000 - Agency of Human Services - Secretary's Office		\$3,795,202	\$ (537,338)	\$ 3,257,864
600110 - Refugee Resettlement Program	Grants to support Refugee Program Administration, Social Services, and Cash Assistance	\$1,480,207	\$ (500,000)	\$ 980,207
600170 - Miscellaneous Grants	Field Service Grants: Miscellaneous Grants: Age Well Rutland Community Programs United Way of Northwest Vermont	\$ 216,786	\$ (37,338)	\$ 179,448
600270 - Committee For National & Community Services	Grants to support host site program and administration	\$2,098,209	\$ -	\$ 2,098,209
3400009000 - Developmental Disabilities Council		\$ 191,595	\$ -	\$ 191,595
600220 – Developmental Disabilities Council	Family Network Green Mountain Self-Advocates	\$ 191,595	\$ -	\$ 191,595
Grand Total		\$3,986,797	\$ (537,338)	\$ 3,449,459

Supplemental Documents

- AHS Ups/Downs
- AHS Summary Budget
- SFY25 Carryforward and Reversion List
- Single Audit Findings
- 1% Community Based Provider Rate Calculation

AHS Contacts

- Jenney Samuelson, AHS Secretary
 - Kristin McClure, AHS Deputy Secretary
- Jill Olson, Medicaid and Health Systems Director
 - Tracy O'Connell, AHS Chief Financial Officer
- Brendan Atwood, AHS Director of Policy and Program Integration