

# Agency of Human Services

FY26 Budget Adjustment Request

January 8, 2026

# Agency of Human Services

- AHS is comprised of the Secretary's Office including Health Care Reform and six departments:
  - Aging and Independent Living (DAIL)
  - Children and Families (DCF)
  - Corrections (DOC)
  - Health (VDH)
  - Health Access (DVHA)
  - Mental Health (DMH)
- SFY26 Budget
  - \$5.8B appropriated across all funds; \$1.4B General Funds (GF)
- Budget Adjustment request
  - \$80M all funds; \$33.2M General Fund (GF), plus additional one-times

# AHS Budget Adjustment Overview

## Pressures \$49.5M GF

- Caseload and Utilization
- Required Rate Adjustments
- Contractual Agreements
- Other Operating

## Savings/Offsets (\$16.3M) GF

- Revenue
- Caseload and Utilization

# AHS Pressures

## ➤ Caseloads \$23.2M GF

- DVHA Medicaid consensus
- DVHA Clawback
- DMH Private Non-Medical Institution (PNMI)
- DCF SubAdoption
- DCF General Assistance Support Services
- DAIL Choices for Care
- DOC Out-of-State

# AHS Pressures

## ➤ Required Rate Adjustments \$6.6M GF

- DVHA Medicare Economic Index (MEI) for Federally Qualified Health Centers (FQHC) and Rural Health Centers (RHC)
- DAIL Choices for Care Extraordinary Financial Relief (EFR)
- DAIL Choices for Care Vermont Veterans Home Cost Settlement

# AHS Pressures

## ➤ Contractual Agreements \$14.8M GF

- DVHA Medicaid Management Information System (Gainwell)
- DVHA Medicaid Data Warehouse & Analytics Solution (Deloitte)
- DCF & DMH Transportation
- DMH Travel Nurses
- DMH Forensic Evaluations
- DCF Crisis Stabilization at Windham Facility
- DOC Healthcare Contract (Wellpath)

# AHS Pressures

## ➤ Other/Operating \$4.8M GF

- DVHA Pilgrim Park lease
- DVHA & VDH Planned Parenthood Medicaid backfill
- DCF Income Verification System
- DCF HOP Shelter expansion investments (from SFY25 1x startup)
- DOC Utilities
- DOC Staffing supports (hotels, water, uniforms)

# AHS Savings/Offsets

## ➤ Revenue \$11.6M GF

- AHS Global Commitment (GC) 90% fmap for Childless New Adults
- AHS GC SFY25 General Fund carryforward
- DOC GC eligible costs for Community Rehabilitative Care

## ➤ Caseload \$4.4M GF

- DVHA Buy-In
- DCF Other Caseloads

## AHS GF One-Times

- Return to Office fit-up (Waterbury State Office Complex and Pilgrim Park) \$385k
- Vermont Health Connect (VHC) Cloud Migration \$2.7M, \$5M Federal
- Brattleboro Retreat bed day utilization \$7.9M
- DCF Child Abuse Hotline \$150k

# AHS Contacts

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