



DEPARTMENT OF MENTAL HEALTH

FY26 BUDGET

**Samantha Sweet, Deputy Commissioner
Shannon Thompson, Financial Director**

DEPARTMENT OF MENTAL HEALTH

Mission:

To promote and improve the mental health of Vermonters.

Vision:

Mental Health will be a cornerstone of health in Vermont.

People will live in caring communities with compassion for and a determination to respond effectively and respectfully to the mental health needs of all citizens. Vermonters will have access to effective prevention, early intervention, and mental health treatment and supports as needed to live, work, learn, and participate fully in their communities.



OVERVIEW AND PARTNERSHIPS

Oversight & Designation

10 Designated Agencies

2 Specialized Service Agencies

6 Designated Hospitals

Operation and Care

Vermont Psychiatric Care Hospital (25 beds)

River Valley Therapeutic Residence (16 beds)

Staff Positions (302)

233 at Care Facilities, 69 at Central Office:

Administrative Support, Business Office & Legal Services

Quality, Research and Statistics Teams

Clinical Care Management Team

Operations, Policy and Planning Team

Child, Adolescent and Family Team

Adult Mental Health Services Team

Suicide Prevention Team

Notable Collaborations

Vermont hospitals, forensic psychiatrist, psychiatric consultation with primary care, law enforcement, courts, other VT state agencies and departments.

Community Partners

Vermont Care Partners, Vermont

Federation of Families for Children's Mental

Health, Center for Health and Learning,,

National Alliance on Mental Illness VT,

Pathways, and many others.

MENTAL HEALTH RESIDENTIAL AND CRISIS CAPACITY

Designated Agencies

- Adult Crisis Beds: 38 beds
- Youth Crisis Beds: 18 beds
- Adult Intensive Residential: 42 beds

Designated Hospitals

- Adult – Level 1 involuntary: 57 beds
- Adult – Non-Level 1 (involuntary and voluntary): 128 beds
- Children and Youth: 30 beds

Peer Service Agencies

- Adult Crisis Beds: 2 beds
- Adult Intensive Residential: 5 beds

State Secure Residential

- River Valley Therapeutic Residence: 16 beds



SUMMARY

PROPOSED EXPENSES

BUDGET REQUEST (UPS/DOWNS)

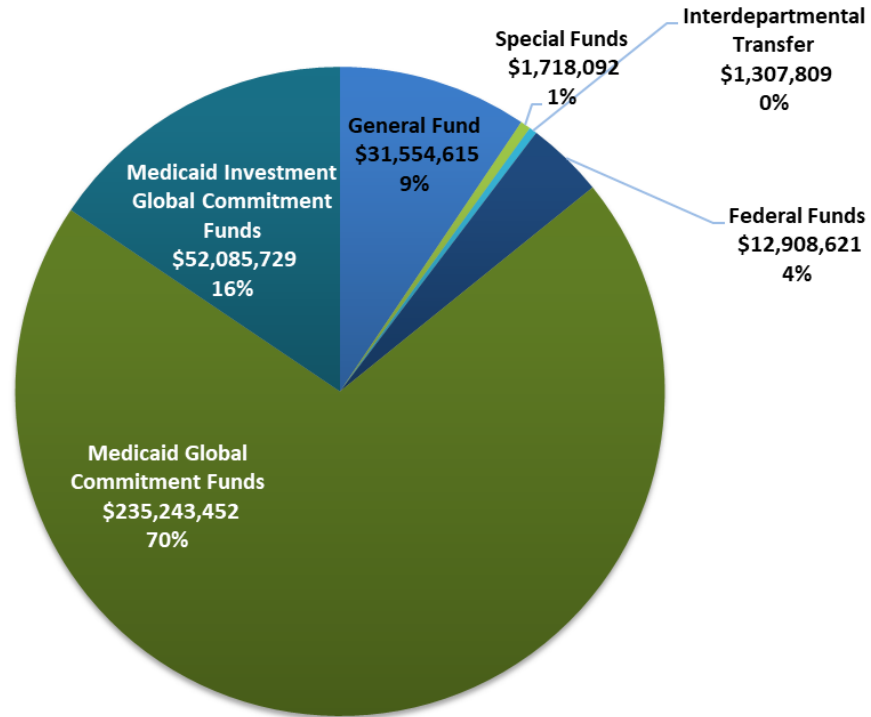
FY26 BUDGET

SUMMARY

FY26

GOVERNOR'S RECOMMENDED BUDGET

\$334,818,318



DMH Budget Ups - Gross: \$7,101,586

- Salary and Fringe (including Shift Differential Increases and Overtime)
- Benefit rate changes, including retirement
- Act 264 Parent Rep Stipends and Training
- Internal Service Fund Changes
- PNMI Budget Pressures for utilization and case mix
- Private Non-Medical Institution (PNMI) rate adjustment
- Additional Federal and Interdepartmental Spending Authority

Budget Initiatives - Gross \$4,104,032

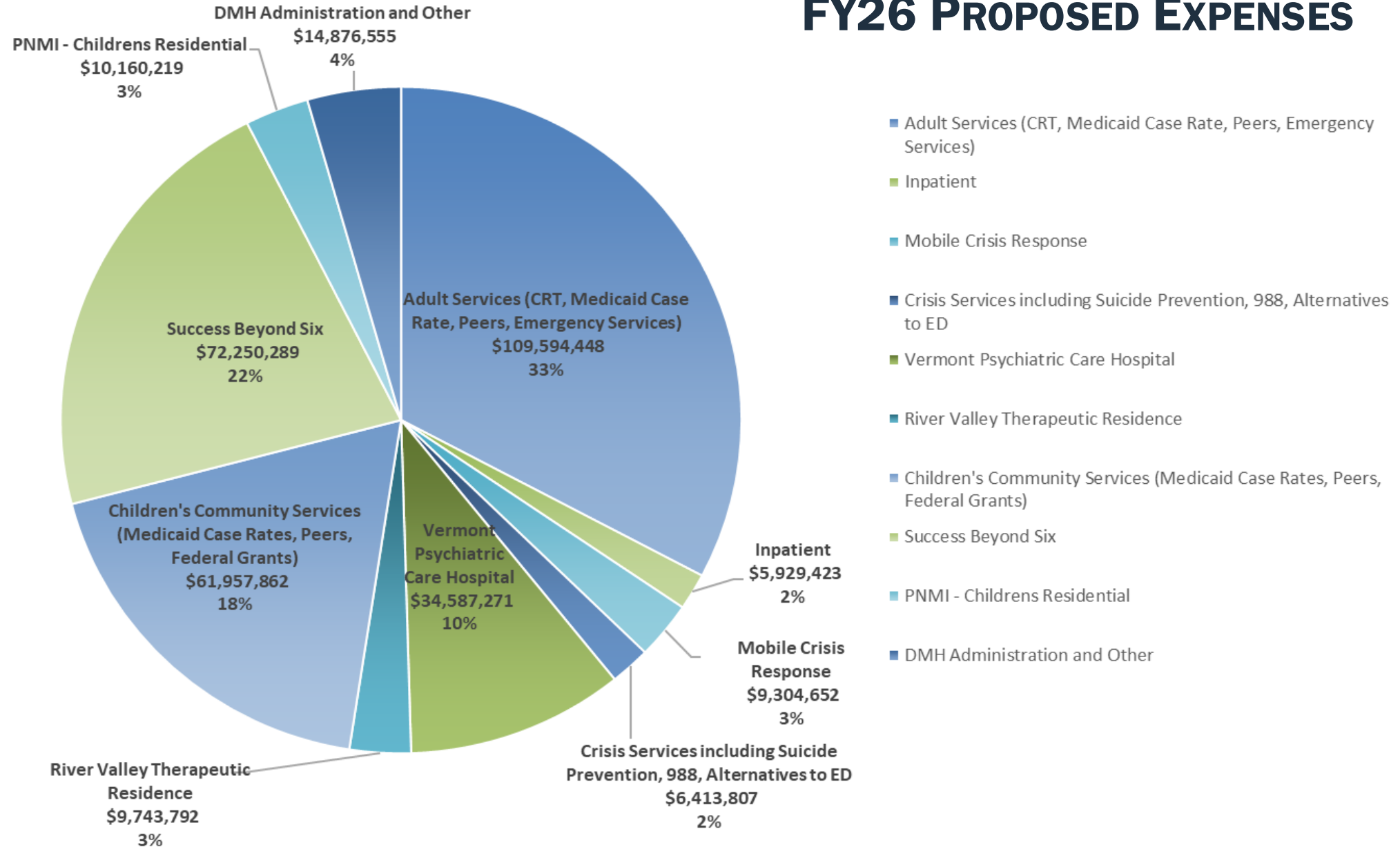
- CCBHC Reimbursement Model for CMC and RMHS
- Alternatives to the Emergency Department (4 regions)

DMH Budget Downs - Gross (\$2,721,523)

- Transfer of funding from DMH to DCF to move Integrating Family Services (IFS) programs back to DCF
- Howard Center Community Outreach
- Embedded Clinicians in Pediatric Practice



FY26 PROPOSED EXPENSES



FY26 Department Request - DMH							
	GF	SF	ldptT	FF	Medicaid GCF	Invmnt GCF	TOTAL
Approp #3150070000 - DMH Mental Health As Passed FY25	25,555,311	1,718,092	14,140	11,436,913	232,152,581	55,457,186	326,334,223
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY25 budget)							
FY25 After Other Changes	0	0	0	0	0	0	0
Total After FY25 Other Changes	25,555,311	1,718,092	14,140	11,436,913	232,152,581	55,457,186	326,334,223
FY25 After Other Changes							
Personal Services:							
Personal Services transfer to Mental Health Facilities appropriation (B.315)	(13,368,798)	(1,677,595)			(8,368,219)	(15,266,558)	(38,681,170)
500000: Salary & Wages: Classified Employees							
500010: Salary & Wages: Exempt Employees	312,561		149,032	401,956		(380,274)	483,275
501500: Health Insurance: Classified Employees							
501510: Health Insurances: Exempt Employees	146,789		74,466	105,870		(72,532)	254,593
502000: Retirement: Classified Employees							
502010: Retirement: Exempt Employees	134,729		42,921	160,886		(84,744)	253,792
All Other Employee Payroll Related Fringe Benefits	25,207		13,822	34,141		(36,019)	37,151
504040: VT Family & Medical Leave Insurance Premium	1,256		553	1,589		(1,342)	2,056
504045: Child Care Contribution	3,822		656	4,236		(368)	8,346
505200: Workers' Compensation Insurance Premium	(6,862)			17,904		(16,378)	(5,336)
508000: Vacancy Turnover Savings							0
Other Personal Services	(118,633)			(118,634)			(237,267)
Act 264 Board stipends and Parent Representation	110,000		40,000				150,000
							0
Operating Expenses:							
Operating Expenses transfer to Mental Health Facilities appropriation (B.315)	(260,289)	(33,661)				(3,012,358)	(3,306,308)
515010: Fee-for-Space Charge	54,676			49,066		2,968	106,710
516000: Insurance Other Than Employee Benefits	96			266		(366)	(4)
516010: Insurance - General Liability	5,424			2,669		(9,225)	(1,132)
516671: VISION/ISD	9,322			10,321		12,260	31,903
516685: ADS Allocated Charge	20,694			22,312		(5,300)	37,706
519006: Human Resources Services	3,224			1,802		(12,700)	(7,674)
Technical Correction Operating Fund Sources	43,090			(67,785)		24,695	0
516662: ADS End User Computing Exp	(5,683)			(14,383)		60,895	40,829
							0

Grants:								0
Transfer to DCF - CDD funds for Northwestern Counseling & Support Services (NCSS) for DS Waiver Children (AHS net-neutral)						(846,817)		(846,817)
Transfer to DCF - CDD funds for NCSS for Children's Integrated Services (BAA item, AHS net-neutral)						(435,988)		(435,988)
Transfer to DCF - CDD funds for Addison County Parent Child Center (BAA item, AHS net-neutral)						(739,896)		(739,896)
Transfer from VDH for SUD services in Certified Community Behavioral Health Clinic (CCBHC) (AHS net-neutral)						594,020		594,020
CCBHC rate adjustment for Clara Martin Center and Rutland Mental Health Services						2,643,779		2,643,779
Federal Authority (BAA item)				1,128,903				1,128,903
IDT Spending Authority			472,219					472,219
IDT Authority for Responsible Gaming (Department of Liquor and Lottery MOU)			500,000					500,000
Private Non-Medical Institution (PNMI) Caseload and Utilization mix	381,611					440,693		822,304
PNMI Inflationary Pressure	33,559					275,889		309,448
Convert GF from Pathways Bennington (Increase funding to Soteria, Warm Line, Community Center and other Consumer Support/Peer programs)	(263,906)					263,906	370,179	370,179
Howard Center Community Outreach	(160,000)							(160,000)
Embedded Clinicians in Pediatric Offices (Howard Center and Northeast Kingdom Human Services)	(269,411)				(269,411)			(538,822)
Shared Living Providers no longer eligible for Medicaid	298,702					(298,702)		0
Alternatives to Emergency Departments							866,233	866,233
FY26 Subtotal of Increases/Decreases	(12,868,820)	(1,711,256)	1,293,669	1,471,708	(6,471,335)	(17,560,934)	(35,846,968)	
FY26 Gov Recommended	12,686,491	6,836	1,307,809	12,908,621	225,681,246	37,896,252	290,487,255	
FY26 Legislative Changes								
FY26 Subtotal of Legislative Changes	0	0	0	0	0	0	0	0
FY26 As Passed - Dept ID 3150070000	12,686,491	6,836	1,307,809	12,908,621	225,681,246	37,896,252	290,487,255	

Approp #3150100000 - DMH Mental Health Facilities							
As Passed FY25							
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY25 budget)							
FY25 After Other Changes	0	0	0	0	0	0	0
Total After FY25 Other Changes	0	0	0	0	0	0	0
FY25 After Other Changes							
Personal Services:							
Personal Services transfer to Mental Health Facilities appropriation (B.315)	13,368,798	1,677,595			8,368,219	15,266,558	38,681,170
500000: Salary & Wages: Classified Employees							
500010: Salary & Wages: Exempt Employees	2,920,570	25,830			192,556	(2,188,654)	950,302
501500: Health Insurance: Classified Employees							
501510: Health Insurances: Exempt Employees	977,455	13,033			217,076	(613,293)	594,271
502000: Retirement: Classified Employees							
502010: Retirement: Exempt Employees	867,090	10,709			143,000	(371,623)	649,176
All Other Employee Payroll Related Fringe Benefits	271,221	2,179			16,706	(208,132)	81,974
504040: VT Family & Medical Leave Insurance Premium	9,566	90			781	(7,129)	3,308
504045: Child Care Contribution	12,352	324			4,887	1,561	19,124
505200: Workers' Compensation Insurance Premium	88,511				(7,511)	(131,321)	(50,321)
508000: Vacancy Turnover Savings	197,071	(52,165)				(136,793)	8,113
Internal Service (ISF) Workers Compensation							0
							0
							0
Operating Expenses:							
Operating Expenses transfer to Mental Health Facilities appropriation (B.315)	260,289	33,661			295,554	2,716,804	3,306,308
515010: Fee-for-Space Charge	(113,239)				331,527	(126,675)	91,613
516000: Insurance Other Than Employee Benefits	3,721					(3,729)	(8)
516010: Insurance - General Liability	4,719				(589)	(8,097)	(3,967)
516671: VISION/ISD							0
516685: ADS Allocated Charge							0
519006: Human Resources Services							0
523620: Single Audit Allocation							0
							0
FY26 Subtotal of Increases/Decreases	18,868,124	1,711,256	0	0	9,562,206	14,189,477	44,331,063
FY26 Gov Recommended	18,868,124	1,711,256	0	0	9,562,206	14,189,477	44,331,063
FY26 Legislative Changes							
FY26 Subtotal of Legislative Changes	0	0	0	0	0	0	0
FY26 As Passed - Dept ID 3150070000	18,868,124	1,711,256	0	0	9,562,206	14,189,477	44,331,063
DMH FY26 Governor Recommend							
DMH FY26 Governor Recommend	25,555,311	1,718,092	14,140	11,436,913	232,152,581	55,457,186	326,334,223
DMH FY26 Reductions and Other Changes							
DMH FY26 Reductions and Other Changes	0	0	0	0	0	0	0
DMH FY26 GovRec Total After Reductions and Other Changes							
DMH FY26 GovRec Total After Reductions and Other Changes	25,555,311	1,718,092	14,140	11,436,913	232,152,581	55,457,186	326,334,223
DMH FY26 Total Increases/Decreases							
DMH FY26 Total Increases/Decreases	5,999,304	0	1,293,669	1,471,708	3,090,871	(3,371,457)	8,484,095
DMH FY26 Governor Recommend Addendum							
DMH FY26 Governor Recommend Addendum	31,554,615	1,718,092	1,307,809	12,908,621	235,243,452	52,085,729	334,818,318
DMH FY26 Total Legislative Changes							
DMH FY26 Total Legislative Changes	0	0	0	0	0	0	0
DMH FY26 Total As Passed							
DMH FY26 Total As Passed	31,554,615	1,718,092	1,307,809	12,908,621	235,243,452	52,085,729	334,818,318

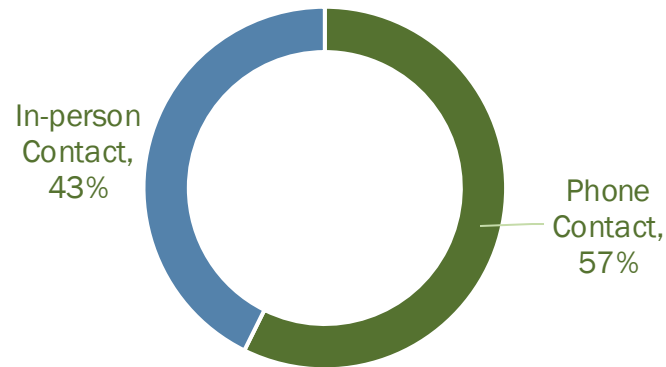
HOWARD CENTER COMMUNITY OUTREACH – INTEGRATION WITH MOBILE CRISIS

- Howard Center Community Outreach Program works in partnership with local and regional law enforcement and directly with the community to respond to individuals of all ages with unmet social service needs.
- The program provides services, supports, and referrals. Individuals may self refer, or may be referred to Community Outreach by service providers, police or other first responders, or concerned community members (including friends/family).
- In FY24, 1494 of the 2256 contacts made by Community Outreach (66%) were over the phone.
- This proposal would begin the integration of existing outreach programs into the statewide Enhanced Mobile Crisis program launched by the Department of Mental Health (DMH) on January 1, 2024. This proposal does not make any changes to Howard Center’s existing Street Outreach Program.
- DMH does not anticipate an impact to the community, as these staff will be transitioned to the Mobile Crisis Response team.

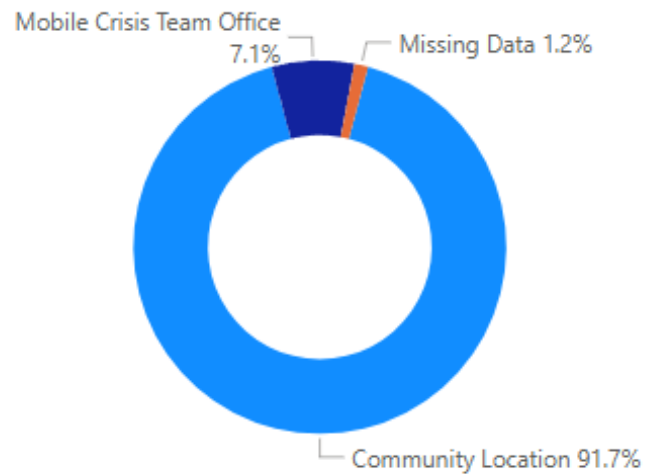
Gross: (\$160,000) General Fund Equivalent: (\$160,000)

COMMUNITY OUTREACH AND MOBILE CRISIS – LOCATION (Q1 of FY25)

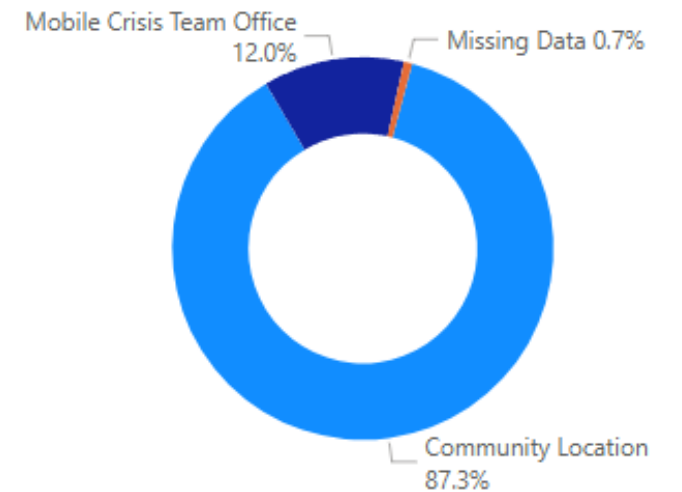
Howard Center Community Outreach



Howard Center Mobile Crisis



Statewide Mobile Crisis



EMBEDDED CLINICIANS IN PEDIATRIC OFFICES (HOWARD CENTER AND NORTHEAST KINGDOM HUMAN SERVICES)

- This program funds one position each at NKHS and HC, funded with Medicaid Admin (50% General Fund, 50% Federal Funds).
- The Howard Center has also been using this funding for their crisis programs.
- The position at NKHS has been vacant since 2020.
- Since the inception of this program, AHS has advanced other statewide resources to address the need for support in pediatric offices, such as the Vermont Consultation and Psychiatry Access Program, Blueprint for Health, and billable service.
- DMH does not anticipate an impact to the community

Gross: (\$538,822) General Fund Equivalent: (\$269,411)

DATA FROM THE HOWARD CENTER'S EMBEDDED CLINICIAN

EPSDT contracts FY 24	HowardCenter- Milton Peds			
	Q1	Q2	Q3	Q4
total number of children under 21 seen	10	14	11	11
% seen with a medical home	100%	100%	100%	100%
%seen with a dental home	100%	100%	100%	100%
%seen with health insurance for all or part of the year	80%	80%	91%	91%
%seen with mental health problems who receive treatment	60%	60%	36%	36%

	HowardCenter- First Call							
	Q1		Q2		Q3		Q4	
	Under 18	18-21 yo	Under 18	18-21 yo	Under 18	18-21 yo	Under 18	18-21 yo
total number of children under 21 seen	108	62	147	58	122	29	148	33
% seen with a medical home	100%	98%	100%	100%	98%	83%	98%	88%
%seen with a dental home	100%	100%	100%	100%	100%	100%	100%	100%
%seen with health insurance for all or part of the year	87%	65%	86%	57%	89%	100%	92%	100%
%seen with mental health problems who receive treatment	93%	92%	86%	83%	98%	83%	71%	100%



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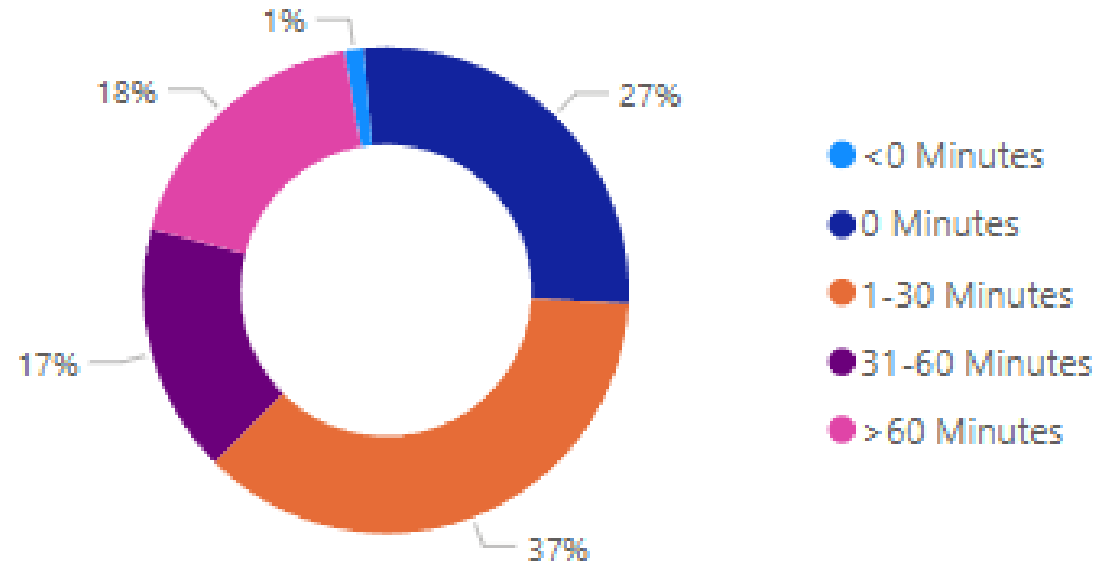
APPENDIX



CHITTENDEN COUNTY ENHANCED MOBILE CRISIS RESPONSE

- Chittenden County's Mobile Crisis needs are currently only served by the Howard Center.
- The Howard Center currently has 36 crisis clinicians and 19 co-responders (outreach teams and peers) available to provide Mobile Crisis response.
- Additional DAs are able to serve Chittenden County. Statewide, there are 160 crisis clinicians and 102 co-responders available for Mobile Crisis response.
- In CY2024, the Howard Center Mobile Crisis team had 314 encounters.

Howard Center Mobile Crisis Response Times (CY2024)

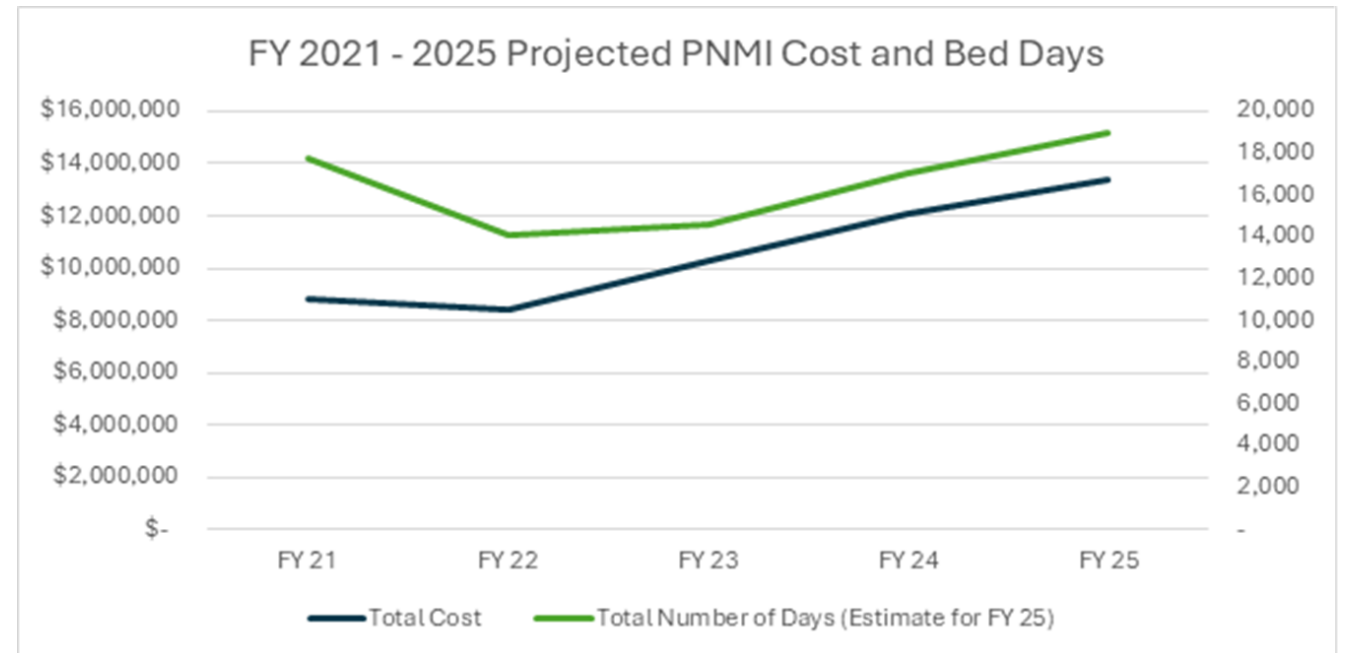


PNMI BUDGET PRESSURE

- The State of Vermont funds a network of treatment facilities for children and adolescents with emotional behavior and other challenges through Private Nonmedical Institutions (PNMI) for Residential Child Care, part of the State's Medicaid program.
- The facilities provide treatment designed to build on strengths and return children to their homes and communities whenever possible and appropriate.
- DMH is projecting a budget pressure for PNMI due to the utilization and mix of placements in and out of state, for Vermont's most vulnerable youth population. In addition, some of this increase is due to the rate setting process outlined in the PNMI rules. For FY 25, DMH received additional funding to cover the projected cost of these changes, which includes inflationary increases.

Gross: \$822,304

General Fund Equivalent: \$563,132



The PNMI program in Vermont is administered through an inter-agency group of Placement Authorizing Departments (PADs). Representatives from these departments serve on a Central Review Committee (CRC) which reviews referrals for residential care to determine the level of need and approve placement.

Presenting needs of children and youth placed at PNMI's include:

1. Conduct with Aggression
2. Self Harm Conduct
3. Suicidality
4. Sexual Behavior Problem
5. Developmental Disability
6. Special Circumstances
7. Risky Sexual Behavior
8. Fire Setting

PNMIs	In Vermont? Y/N
Cumberland Hospital (PRTF)	N
Devereux	N
Easter Seals NH Inc	N
Foundations for Living (PRTF)	N
Gulf Coast (PRTF)	N
Harbor Point (PRTF)	N
Hillcrest Educational Center	N
Howard Center - Park St & Transition House	Y
Howard Center - Jarrett/Crisis	Y
Justice Resource Institute (JRI)	N
Mount Prospect	N
Mountain Lake Children's Residence	N
Newport News (PRTF)	N
NFI - Group Home & Allenbrook	Y
NFI - Residential & Foster Care (Room and Board Only - GF)	Y
Pine Haven Boys Center	N
Sandy Pines (PRTF)	N
Seall	Y
Spaulding Youth Center	N
Stetson School	N
Stevens Children's Home	N
Vermont Permanency Initiative dba VT School for Girls	Y
Windsor County Youth Services	Y
Washington County Micro Residentials	Y

NEW INITIATIVES: CCBHC

CCBHC's 9 Required Services

Note: In Vermont, we have renamed the program to "Certified Community-Based integrated Health Centers" while retaining the CCBHC acronym for national consistency.



NEW INITIATIVES: CCBHC

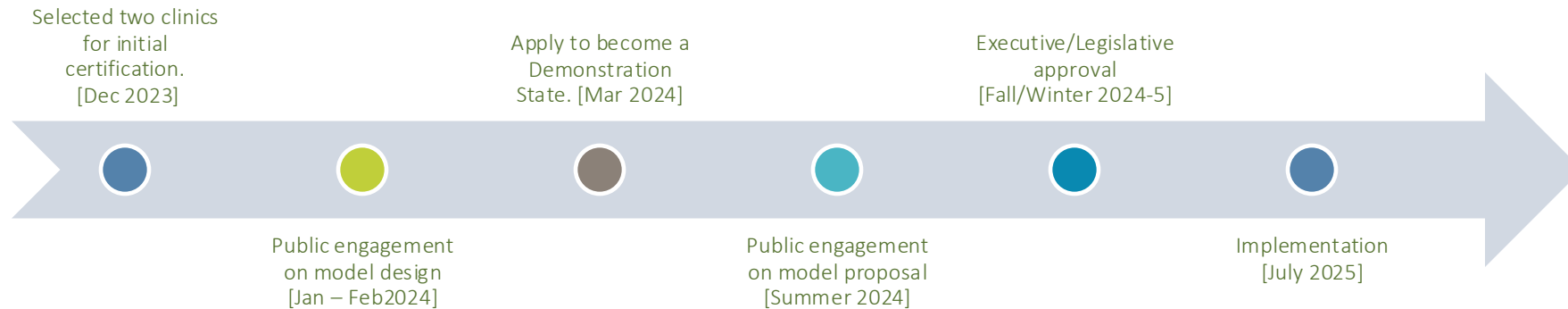
Be an integrated and sustainably-financed model for care delivery

- **Ensure access** to integrated, evidence-based substance use disorder and mental health services, including 24/7 crisis response and medication-assisted treatment (MAT).
- **Meet stringent criteria** regarding timeline of access, quality reporting, staffing and coordination with social services, criminal justice and education systems.
- **Receive flexible funding** to support the real costs of expanding services to fully meet the need for care in their communities.

CCBHCs have dramatically increased access to mental health and substance use disorder treatment, expanded states' capacity to address the overdose crisis and established innovative partnerships with law enforcement, schools and hospitals to improve care, reduce recidivism and prevent hospital readmissions.

NEW INITIATIVES: CCBHC

- Five Designated Agencies received federal planning grants for ~\$1 million per year for four years to prepare to become a CCBHC. They are:
 - Clara Martin Center [**Preliminary Certification – with a start date of 7/1/2025**]
 - Health Care & Rehabilitation Services of Vermont
 - Howard Center
 - Northeast Kingdom Human Services
 - Rutland Mental Health Services [**Preliminary Certification – with a start date of 7/1/2025**]
- Vermont received a federal planning grant for \$1M (Mar 2023-Mar 2025) to cover state costs related to implementation.



NEW INITIATIVES: ALTERNATIVES TO EMERGENCY DEPARTMENTS



A Critical Alternative to Emergency Departments

- Provides immediate, community-based mental health support.
- Designed to offer a more appropriate care setting for those in crisis.

A Much-Needed Service in Vermont

- Expanding access to timely, compassionate crisis care.
- Helping individuals receive support before a crisis escalates.

Positive Community & Media Response

- High engagement and support from local communities, providers, and media.
- Recognized as a transformative approach in mental health crisis intervention.

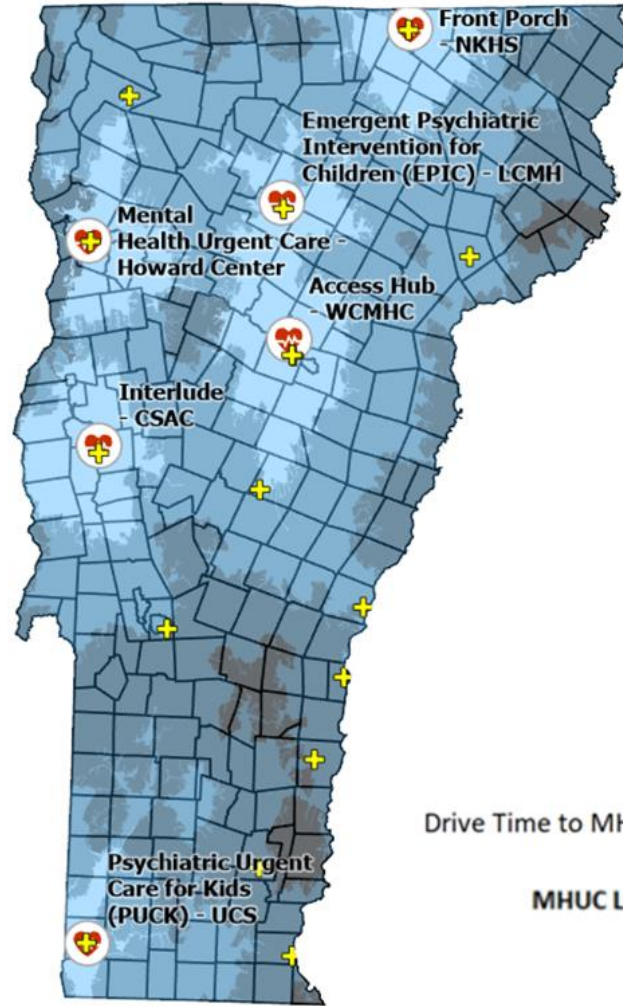
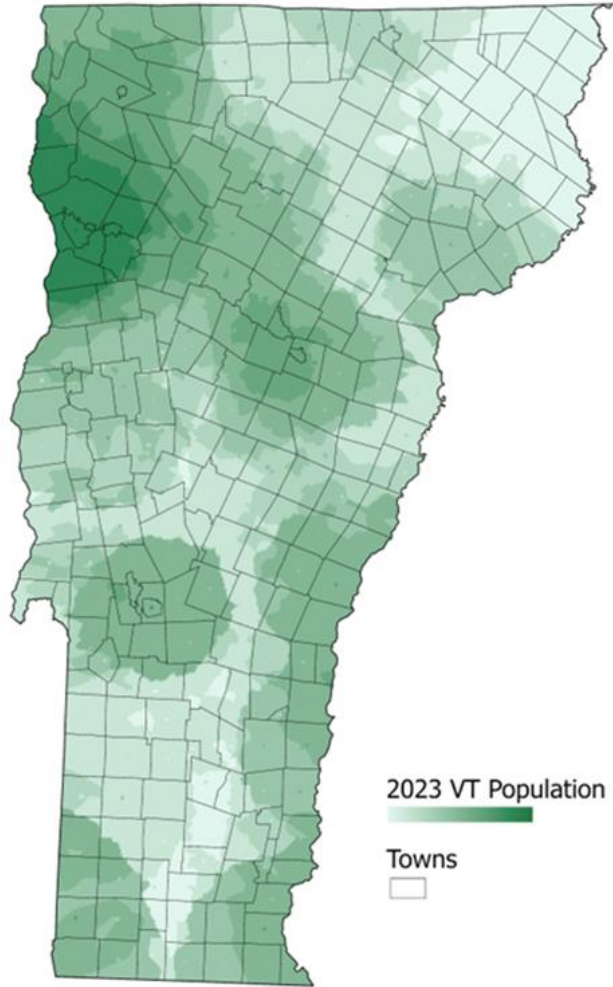
Building a Stronger Mental Health System

- Strengthening Vermont's behavioral health infrastructure.
- Ensuring same-day access to person-centered, and stigma-free care.

NEW INITIATIVES: ALTERNATIVES TO EMERGENCY DEPARTMENTS

Program	Ages Served	Location	Hours	How to Access	Model
Interlude (CSAC)	Adults 18+	Middlebury	Monday-Friday, 10am-6pm	Walk-in	Living Room – focus on peer support
Front Porch (NKHS)	All Ages	Newport	24/7/365	Walk-in	Living Room – focus on peer support
Access Hub (WCMHS)	Adults 18+	Montpelier	Monday-Thursday, 7am-7pm Friday, 7am-4pm	Walk-in	Living Room – focus on peer support
Mental Health Urgent Care (HC)	Adults 18+	Burlington	Monday-Friday, 9am-5pm	Walk-in	Urgent Care model - includes medical care in addition to peer support
Psychiatric Urgent Care for Kids (UCS)	Youth, Ages 3-18	Bennington	Monday-Friday, 8am-5pm Saturday, 9am-12pm	Walk-in (with parent or guardian), Referral	Living Room – adapted for youth
Emergent Psychiatric Intervention for Children (LCMHS)	Youth of all ages	Morristown	Monday-Friday, 9am-4pm	Walk-in (with parent or guardian), Referral	Living Room – adapted for youth
Youth Stabilization Program (HCRS)	Youth, Ages 12-18	Brattleboro	Monday-Friday, 9am-5pm	Referral only	Community-based service, usually in the home. Intensive short-term supports for 3 months.

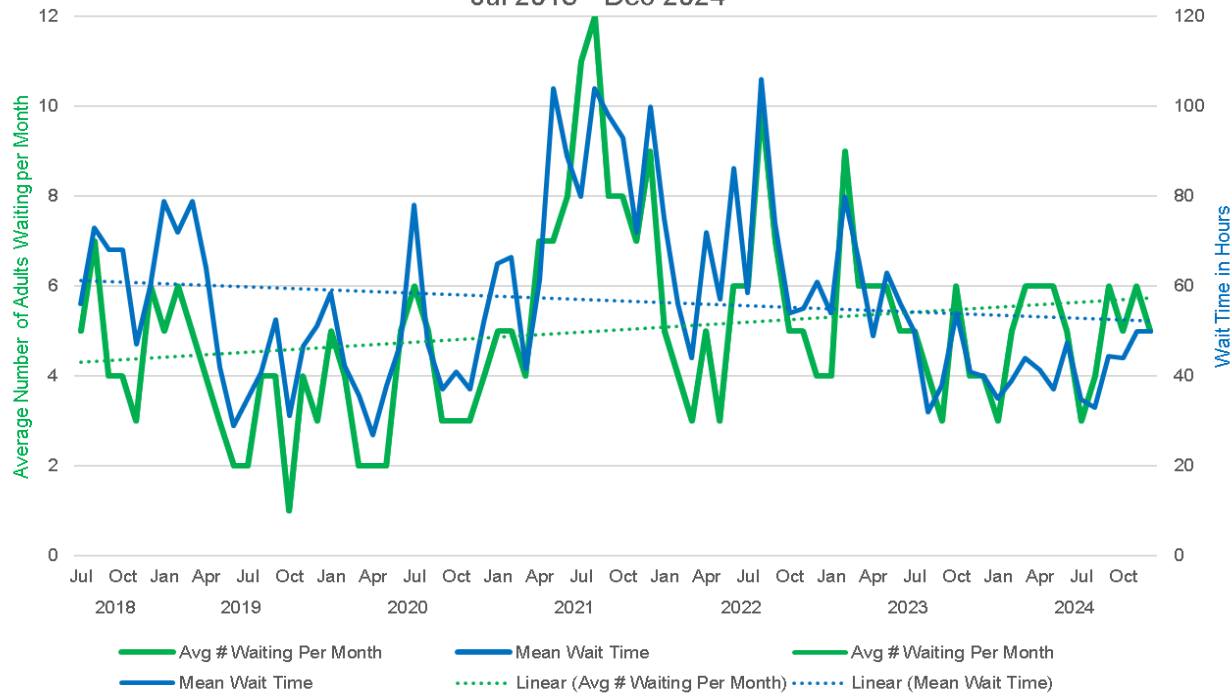
NEW INITIATIVES: ALTERNATIVES TO EMERGENCY DEPARTMENTS



DRIVE-TIME ANALYSIS

PERFORMANCE IMPROVEMENT: HOSPITAL WAIT TIMES

Comparison of Wait Time to Average Numbers of Adults Waiting Inpatient Placement for Adult Emergency Exams, Warrants, and Forensic Observations
Jul 2018 - Dec 2024



Comparison of Average Wait Time to Average Numbers of Youth Waiting Inpatient Placement for Youth Emergency Exams and Medicaid Voluntary and Forensic Observations
Jul 2018 - Dec 2024

