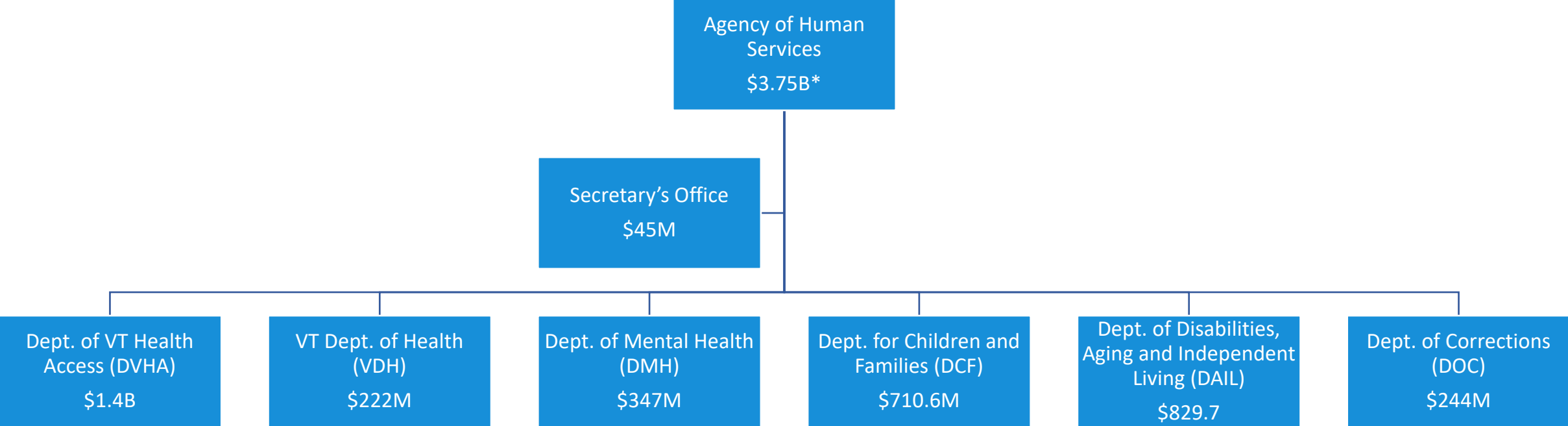


# Agency of Human Services

FY 2027 Budget

March 9<sup>th</sup>, 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.

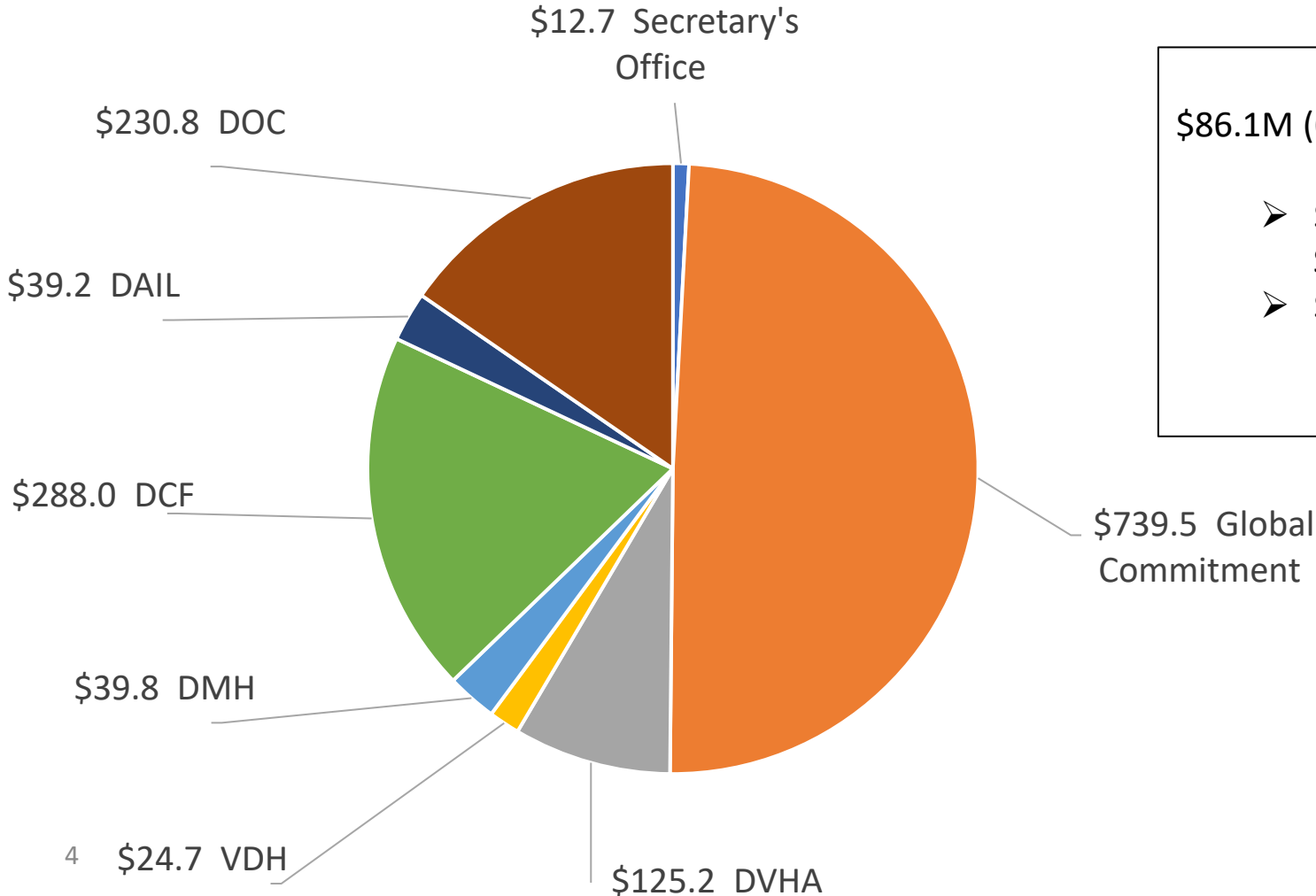
\*Note: Figures reflect all funds; removes Global Commitment double count.

# AHS – Positions by Department – 4,136

	DMH	AHS CO	DVHA	VDH	DCF	DAIL	DOC	Total
<b>Total Positions</b>	<b>328</b>	<b>85</b>	<b>387</b>	<b>670</b>	<b>1,157</b>	<b>390</b>	<b>1,119</b>	<b>4,136</b>
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
<b>Total Vacant</b>	<b>101</b>	<b>3</b>	<b>34</b>	<b>60</b>	<b>89</b>	<b>50</b>	<b>142</b>	<b>479</b>
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
<b>Vacancy Rate</b>	<b>30.79%</b>	<b>3.53%</b>	<b>8.79%</b>	<b>8.96%</b>	<b>7.69%</b>	<b>12.82%</b>	<b>12.69%</b>	<b>11.58%</b>

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, Commissioner, Vermont Department of Corrections

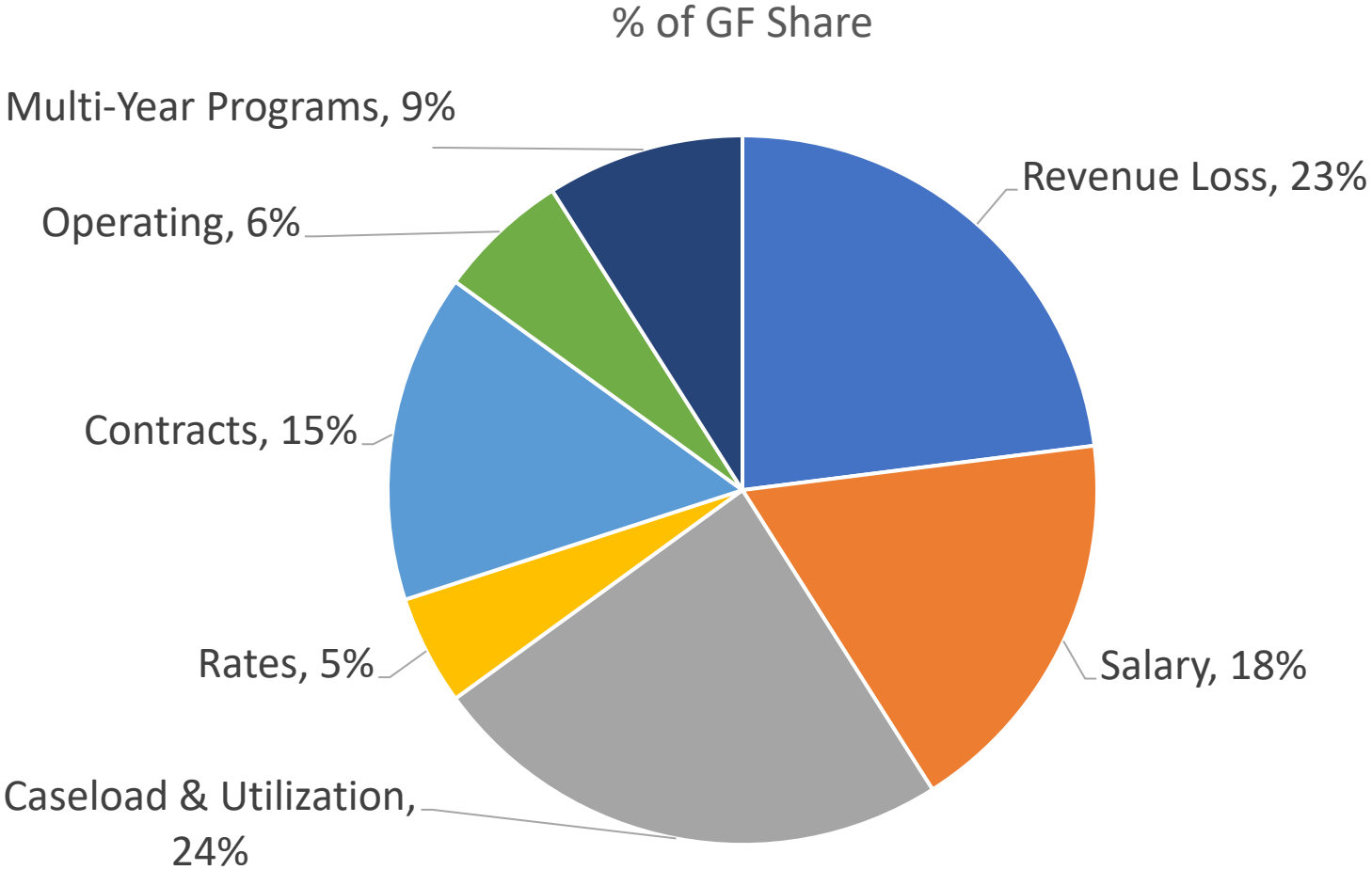
# AHS Policy & Budget Process

- 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 GF / \$33.3M GC
- DVHA Clawback: \$1.5M GF
- Developmental Services: \$4.1M GF / \$9.9M GC
- DAIL Choices for Care (Nursing Home and HCBS): \$4.4M GF / \$10.6M GC

# 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\*

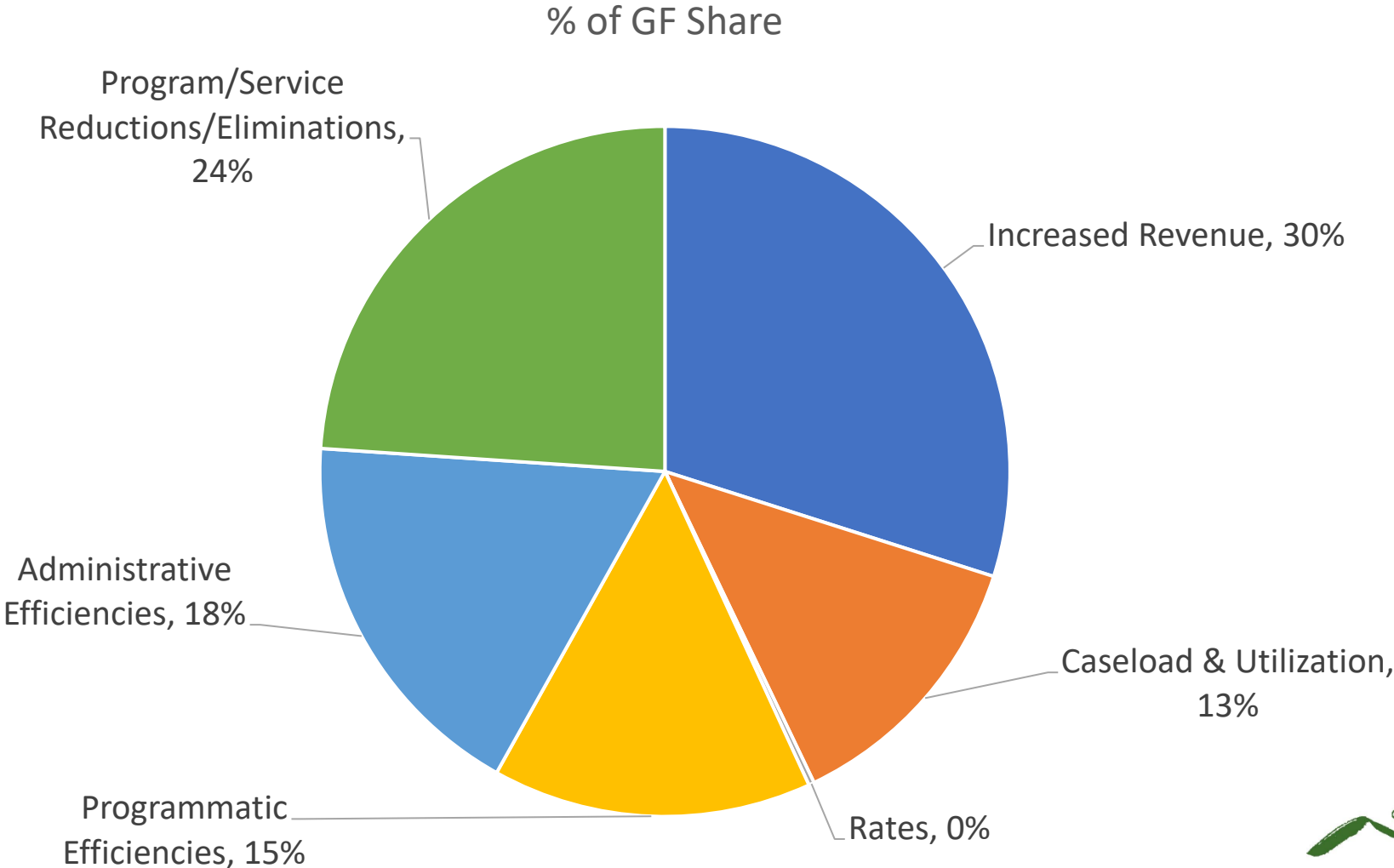
## ➤ Annualization of Multi-Year Programs \$10.6M

- DVHA Medicare Savings Plan: \$2.8M GF / \$11.2M GC
- DMH Alternatives to Emergency Depts: \$242k GF / \$578k GC
- DCF Shelter Investments: \$7.5M GF

## ➤ Provider Rates \$6M

- DVHA Northeastern Family Institute: \$252k GF / \$600k GC
- DVHA 2.73% for FQHC and RHC: \$694k GF / \$1.6M GC
- DMH and DCF PNMI: \$725k GF / \$917k GC
- DMH CCBHC: \$2M GF / \$4.9M GC
- DAIL Nursing Home inflation: \$2.3M GF / \$5.4M GC

# 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 GF)
- Secretary's Office Global Commitment CCBHC enhanced fmap: (\$6.6M GF)
- VDH Substance Use Treatment Revenue adjustment: (\$1.5M GF)
- DMH Increase Medicaid Billings at VPCH: (\$581k GF)
- DVHA Increase Prescription Drug Co-Pays: (\$461k GF / \$1.1M GC)

# AHS Budget Highlights: Current Services Savings\*

## ➤ Caseload and Utilization (\$5.1M) GF

- DMH Level I at RRMC: (\$718k GF / \$1.7M GC )
- DCF Reach Up: (\$3.3M GF)
- DCF SubCare: (\$582k GF)
- DAIL Adult Day Health and Rehab Services: (\$419k GF / \$1M GC)

## ➤ 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 GF)
- DVHA Utilization Management for Durable Medical Equipment: (\$922k GF / \$2.2M GC)
- DVHA Applied Behavioral Analysis Coding Compliance: (\$601k GF / \$1.4M GC)
- DMH Reduce VPCH Beds from 25 to 21: (\$1.4M GF)
- DAIL ARIS payroll benefit % withholding: (\$1.9M GF / \$4.5M GC)

# AHS Budget Highlights: Current Services Savings\*

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

- Secretary's Office Refugee Transitional Housing: (\$500k GF)
- DVHA VT Legal Aid Medicare Assistance Contract: (\$274k GF)
- DVHA ACO per member per month payment: (\$2.1M GF / \$5M GC)
- VDH Area Health Education Centers: (\$231k GF / \$550k GC)
- VDH Education Loan Repayment: (\$1.7M GF / \$4.1M GC )
- DMH Chittenden County Community Outreach: (\$160k)
- DMH Outpatient Services for TBI, Elder Care, Reach Up: (\$1M GF / \$1.9M GC)
- DMH Care Coordination at one Family Practice: (\$248k GF)
- DCF 211 Hour Reduction: (\$139k GF / \$332k GC)
- DCF Strengthening Families: (\$498k GF / \$1M GC)
- 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
<b>Sec. B.300</b>	<b>Approp #3400001000 - Secretary's Office As Passed FY26</b>	<b>15,569,598</b>	<b>135,517</b>	<b>119,784</b>	<b>14,023,964</b>	<b>2,510,857</b>	<b>32,359,720</b>
	<b>Personal Services:</b>						
	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
	<b>Operating Expenses:</b>						
	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)
	<b>Grants:</b>						
	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)
	<b>FY27 Subtotal of Increases/Decreases</b>	<b>(3,418,677)</b>	<b>0</b>	<b>219,038</b>	<b>1,028,156</b>	<b>(84,928)</b>	<b>(2,256,411)</b>
	<b>FY27 Gov Recommended</b>	<b>12,150,921</b>	<b>135,517</b>	<b>338,822</b>	<b>15,052,120</b>	<b>2,425,929</b>	<b>30,103,309</b>

# 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
<b>Sec. B.303</b>	<b>Approp #340009000 - Developmental Disabilities Council As Passed FY26</b>		<b>12,000</b>	<b>789,139</b>	<b>801,139</b>
	<b>Personal Services:</b>				
	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
	<b>Operating Expenses:</b>				
	516685: ADS Allocated Charge			6,773	6,773
	519006: Human Resources Services			236	236
	Special Fund Technical Adjustment		(12,000)		(12,000)
	<b>FY27 Subtotal of Increases/Decreases</b>	<b>0</b>	<b>(12,000)</b>	<b>30,459</b>	<b>18,459</b>
	<b>FY27 Gov Recommended</b>	<b>0</b>	<b>0</b>	<b>819,598</b>	<b>819,598</b>
<b>Sec. B.304</b>	<b>Approp #3400010000 - Human Services Board As Passed FY26</b>	<b>538,324</b>		<b>375,939</b>	<b>914,263</b>
	<b>Personal Services:</b>				
	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
	<b>Operating Expenses:</b>				
	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
	<b>FY27 Subtotal of Increases/Decreases</b>	<b>12,089</b>	<b>0</b>	<b>14,091</b>	<b>26,180</b>
	<b>FY27 Gov Recommended</b>	<b>550,413</b>	<b>0</b>	<b>390,030</b>	<b>940,443</b>

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

# 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
<b>3400001000 - Agency of Human Services - Secretary's Office</b>		<b>\$3,795,202</b>	<b>\$ (537,338)</b>	<b>\$ 3,257,864</b>
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
<b>3400009000 - Developmental Disabilities Council</b>		<b>\$ 191,595</b>	<b>\$ -</b>	<b>\$ 191,595</b>
600220 – Developmental Disabilities Council	Family Network Green Mountain Self-Advocates	\$ 191,595	\$ -	\$ 191,595
<b>Grand Total</b>		<b>\$3,986,797</b>	<b>\$ (537,338)</b>	<b>\$ 3,449,459</b>

# 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