

State of Vermont

 Department of Mental Health
 280 State Drive, NOB 2 North
 Waterbury, VT 05671-2010

<http://mentalhealth.vermont.gov/>
Agency of Human Services

[phone] 802-241-0090

[fax] 802-241-0100

[tty] 800-253-0191

MEMORANDUM

TO: Senate Committee on Finance; Senate Committee on Health and Welfare; House Committee on Human Services; House Committee on Health Care

**FROM: Sandi Hoffman, Commissioner, Department for Children and Families
 Emily Hawes, Commissioner, Department of Mental Health
 Jill Bowen, Ph.D., Commissioner, Department of Disabilities, Aging and Independent Living**

DATE: May 6, 2026

RE: H.657 Fiscal and System of Care Impact – Agency of Human Services PRTF

DCF holds contracts for almost all residential treatment programs utilized by all Agency of Human Services (AHS) departments that fund children’s residential placements and treatment options under Medicaid. Therefore, the impact of H.657 is not limited to DCF placements but also can impact placements by other Departments within AHS. As such, Medicaid Policy, DAIL, and DMH share these concerns.

Psychiatric Residential Treatment Facilities (PRTFs) are governed by federal and state regulations covering certification, licensing, administrator qualifications, patient care, and emergency preparedness. Under the Centers for Medicare & Medicaid Services (CMS) condition of participation for PRTFs, restraint and seclusion use is tightly regulated. However, to operate as a PRTF, the program must be able to use chemical restraints under the supervision of a psychiatrist or medical doctor. If AHS is unable to use PRTFs, this bill will remove access to least restrictive care options, which may require hospitalization at a higher cost of care. The following table demonstrates the number of out of state PRTF placements for AHS:

	Total Vermont youth who are out of state	Youth in an out of state program that isn't a PRTF	Youth in an out of state PRTF	% Out of State in a PRTF
DMH	56	47	9	16%
DCF	71	60	11	15%
DAIL	11	7	4	36%
Total AHS	138	114	24	17%

(FY25 Totals)

