

Cathedral Square's SFY 2026 Budget Priority Requests

Testimony to Senate Health and Welfare Committee

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- **Increase Funding for Permanently Affordable Housing.**

The House passed budget includes the Governor's recommended statutorily required funding from the Property Transfer Tax (PTT) revenue for the VHCBC which is essential for the creation and preservation of permanently affordable housing. **We need more funds than this.** There is a pipeline of housing projects, in the range of \$60M, ready for VHCBC funding to create the housing we so desperately need in our state. Importantly, the VHCBC funded housing that Cathedral Square and the other housing non-profits around the state utilize to build housing lessens the amount of funding that will be needed in the future for the homelessness response system- shelters, motel programs, etc. **Additional one-time funds to VHCBC over and above the statutorily required PTT is necessary to solve the housing crisis in our state.** The House passed budget includes an additional \$5M of one-time funds to VHCBC for housing only. Please support the \$5 M additional one-time funding at a minimum and ideally include \$25M which was recommended by the House General and Housing committee.

- **Increase Medicaid Payments to Providers of Long-Term Community-Based Services.**

The House passed budget includes a base funding increase of **\$2.74M of General Fund to make much needed progress to raise Enhanced Residential Care (ERC) rates and home-based CFC rates** to align more closely with the 2023 DVHA rate study. This amount gets us to about 2/3 of what the rate study recommends. We need to sustain and grow the ways in which older Vermonters whose health challenges and needs are growing stay in their homes and communities. These are the least expensive options and it's where folks want to stay! Cathedral Square's two Assisted Living communities rely on Medicaid payment to pay for the care for our mostly Medicaid insured residents. We need payments that meet the cost of the care that we provide for our residents. Please support the House's action on this as well as the **2% increase for community-based providers. Importantly, include Adult Day program and Skilled Home Health in the 2% increase.** They were excluded from the House passed budget.

- **Preserve the Statewide SASH model.**

The House passed budget includes the Governor's Recommend of **\$4.45M of one-time for the Blueprint and SASH programs.** This amount of state funds retains funding for

these essential and proven programs for the gap year between the end of the All-Payer Model and the AHEAD model starting in 2027. SASH serves over 12,000 older Vermonters and those with disabilities in all counties of the state and employs over two-hundred Vermonters. It has been independently evaluated and shown to reduce the growth in health care spending- both Medicare and Medicaid for those participating.

- **Preserve SASH for All Pilot and Possible Statewide Expansion.**

A one-time request of **\$400,000 would continue the SASH for All existing pilot** and an additional \$2M would expand the pilot to all regions of the state.

SASH for All is an innovative and highly effective pilot program built off the statewide SASH model. Different from the traditional SASH program, SASH for All partners with younger adults and families with children living in affordable housing to help them achieve housing stability and improved health and well-being. Proven outcomes include:

- preventing homelessness - 19 evictions prevented to date.
- improving health
- reduced social isolation and loneliness
- increased connections and community building

The long-term plan to fund SASH for All is within the AHEAD model (the All-Payer Model replacement that is expected to start in January 2027).

SASH for All is currently supported by a 3-year grant from M&T Bank and a one-time grant from the Agency of Human Services. Unfortunately, the Governor's recommended budget did not include the funds to continue the pilot or expand it despite the positive outcomes.