

# FY 2027 Big Bill House Proposal H.951 Budget Summary

## *Health & Human Services Highlights*

Nolan Langweil & Aimee Pope  
Joint Fiscal Office  
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The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this presentation is meant to provide information for legislative consideration, not to provide policy recommendations.

This presentation is intended to be a *brief high-level overview* highlighting only some (and not all) of the many budget and policy initiatives contained in the House Passed Budget. Members are still encouraged to review the House Budget in its entirety on their own.



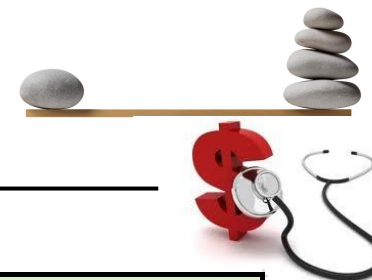
# OUTLINE OF PRESENTATION

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- Overview of major changes in Governor's Recommendation
- High-level overview by Department:
  - Governor's Rec. – No changes by House
  - Proposed House changes to the Governor's Rec.
  - House changes not included in Governor's Rec.
- Questions



# Budget At-a-Glance



**Table 1. AHS Gov Rec. Budget at a Glance**

| Department   | Total Budget   | General Fund* |
|--|----------------|---------------|
| DVHA – Vermont Health Access                       | \$1.4B         | \$125.2       |
| DAIL – Disabilities, Aging, and Independent Living | \$829.7M       | \$39.2        |
| DCF – Children & Families                          | \$710.6M       | \$288.0       |
| DMH – Mental Health                                | \$347.4M       | \$39.8        |
| DOC – Corrections                                  | \$244.1M       | \$230.8       |
| VDH – Health                                       | \$221.7M       | \$24.7        |
| AHS Secretary's Office                             | \$45M          | \$12.7        |
| <b>*in millions</b>                                | <b>Total</b>   | <b>760.4M</b> |
|  | <b>\$3.75B</b> |               |

Source: AHS Budget Gov Recommendation materials FY 2027



# Agency of Human Services, Central Office

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## No House Changes to Gov. Rec.

- *REMINDER: All Global Commitment Federal Matches happen in AHS CO.*
- FMAP rate change over FY26 (0.74%): **\$13.6M GF**
- Underutilization of Refugee Resettlement Program Transitional Housing: **- \$500K GF**

# Agency of Human Services, Central Office

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## House Changes not included in Gov. Rec.

- Health Care Advocate base funding increase: **\$450K GC / \$58.5K GF**
- HCBS / DA's & SSA Rate Increases (across multiple AHS Departments): **\$6.48M GC / \$2.72M GF**
- Home Health Rate Increase: **\$329K GC / \$140K GF**
- Meals on wheels: **\$500K GF / \$1.19M Gross (one-time)**
- VLA Helpline: **\$56K GF / \$100K GC (one-time)**
- VLA Immigration attorney: **\$200K GF (one-time)**

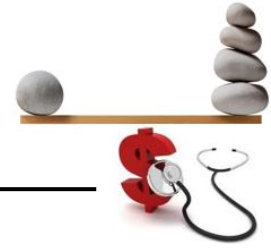
# Department of Vermont Health Access (DHVA)



## No House Changes to Gov. Rec.

- H.R.1. Impacts to Medicaid:
  - 12 New positions: **\$510K GF / \$1M Gross**
  - Other operating costs: **\$ \$72.5K GF / \$290K Gross**
- Consensus Caseload & Utilization: **\$14.93M GF / \$35.48M Gross**
- Medicare Part D Clawback Increase: **\$1.52M GF**
- Northeastern Family Institute (NFI) rate increase: **\$251K GF / \$601K Gross**
- FQHC & RHC required rate increases: **\$693K GF / \$1.65M Gross**
- Provider Stabilization: **\$2M GF (one-time)**

# Department of Vermont Health Access (DHVA)



## No House Changes to Gov. Rec. (cont.)

- Dental Incentive Payment:  
**-\$60K GF / -\$142K Gross**
- Cancellation of VT Legal Aid Medicare Advocacy Program Contract: **-\$274K GF / -\$547K Gross**
- Elimination of the \$4.75 PMPM embedded in OneCare VT contract for VT Medicaid Next Gen ACO program which concluded 12/31/25: **-\$2M GF / -\$5M Gross**
- Increase Rx co-pays from \$1 (for preferred drugs) and \$3 (for non-preferred drugs) to \$4 and \$8, respectively: **-461K (GF) / -\$1.1M gross**
- Applied Behavioral Analysis (ABA) coding change: **-\$601K GF / -\$1.43M Gross**

# Department of Vermont Health Access (DHVA)



## House Changes to Gov. Rec.

- Family Planning Rate: Gov Rec included a reduction of **-\$85K GF / -\$850K gross**.
  - No change to approp. in House passed H.951 but language change (Sec. E.307.8).
- Shift of school-based Medicaid services to DVHA: Changes from Gov. Rec but **net neutral** funding swap between DVHA, AOE, and DCF.

## House Changes not included in Gov. Rec.

- Bridges to Health: **\$500K GF**
  - Technical correction – this appropriation should move to VDH in Senate version.

# Department of Mental Health (DMH)



## No House Changes to Gov. Rec.

- Certified Community-Based integrated Health Centers (CCNHC) - 2 sites live July 2025; 5 more certifying; 7 total by July 2026: Rate increase = **\$4.97M Gross / \$2.08 GF**
- Travel Nurses: **\$5.3M Gross / \$4.32M GF, \$996K GC investment**
- Forensic examinations increased costs: **\$645K GF**
- Alternatives to Emergency Depts (annualization): **\$578K GC investment**



# Department of Mental Health (DMH)



## No House Changes to Gov. Rec.

- DMH Outpatient shift to traditional access for services and case management (TBI, *Elder*, Reach Up): **-\$1.94M GC** – mental health supports
- DMH Level I at RRMC under-utilization: **-\$1.7M (GC Investment)**
- Vermont Psychiatric Care Hospital (VPCH) reducing from 25 to 21 beds by eliminating 12 vacant positions that couldn't be filled: **-\$1.42M GF**
- Chittenden County Community Outreach - ending a phone-based outreach program predating 988 and mobile crisis teams: **-\$160K GF**

# Department of Mental Health (DMH)



## House Changes not included in Gov. Rec.

- Elder Care Program at DMH increase: **\$150K GF / \$351K Gross (one-time)**
- Howard Center Community Outreach Program: **\$160K GF (one-time)**
- Champlain Valley Office of Economic Opportunity (OEO) – Community Resource Center: **\$469K GF (one-time)**

# Department for Children and Families (DCF)



## No House Changes to Gov. Rec.

- Backfilling of the Child Care Special Fund due to shortfall: **\$6.2M GF**
- Transportation (for kids in custody) Contract Pressures: **\$1M GF**
- Reach UP Caseload Adjustment: **-\$3.3M GF**
- Secure Treatment Facilities:
  - Windham West River Haven: **\$1M GF**
  - Red Clover Temporary facility: **\$4M (one-time)**
  - *DCF has plans to build Green Mountain Youth Campus as a permanent facility. The House Rec. includes language that prohibits DCF and BGS from spending more money on the project until certain conditions are met*

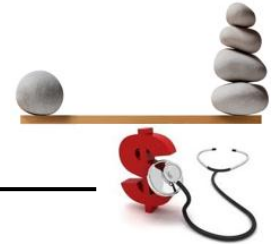
# Department for Children and Families (DCF)



## No House Changes to Gov. Rec.

- Strengthen Families Program Cut:  
**-\$492K GF / -\$1.1M Gross**
- Post-permanence Program – 25% reduction:  
**-\$123K GF / -\$294K Gross**
- Post Adoption Consortium Program Cut:  
**-\$200K GF**
- Nurturing Parent Program: **-\$143K GF, \$51K GC Investment / \$195K Gross**

# Department for Children and Families (DCF)



## House Changes to Gov. Rec.

- 211-emergency housing call center - hours of operation
  - Gov. Rec. reduced hours from 24/7 to 8am – 11PM:  
**- \$220K GF / -\$332K GC Investment**
  - House restored funding
- Vermont Homelessness Continuum (H.938)
  - Gov. Rec. included **\$82.6M** (mix of base, one-time, federal, and GC) for a homelessness and housing initiative.
  - House bill recommends the same funding mix as Gov Rec. but tied to language in H.938 (as passed the House).

# Department of Disabilities, Aging and Independent Living (DAIL)



## No House Changes to Gov. Rec.

- Nursing home system: 1 closing April 2026, 2 expanded in January 2026; net bed losses of 33. 50 beds lost in 2023
- DD payment reform (conflict-free case management) live Oct 1, 2025 — early phase
  - DAIL's new conflict-free case management and per-member per-month payment model for Developmental Services went live October 1, 2025. Restructuring involving two new independent case management entities. \$4.1M in caseload pressure in the budget.
- Opioid Recovery Employment Program (OREP) with HireAbility: **\$875k (GF)** in base to continue at 5 current sites;
- DS caseload increase: **\$6.6M (GC)**/Statutory Nursing Home inflation **\$5.47M (GC)**
- DAIL requested APS statute update needed for federal compliance (caregiver negligence definition)

# Department of Disabilities, Aging and Independent Living (DAIL)

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## No House Changes to Gov. Rec.

- DAIL Adult Day Health, Caseload decline:  
**-\$1M GC**
- ARIS payroll benefit withholding percent reduction  
– no impacts on consumers: **-\$4.7M GC**

# Department of Disabilities, Aging and Independent Living (DAIL)

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## House Changes to Gov. Rec.

- New Disability Housing Coordinator position:  
**\$130K GF**
- Funding for Deaf and Blind Support services:  
**\$150K GF**
- HomeShare Grant: **\$235 GF (one-time)**

# Vermont Department of Health (VDH)



## No House Changes to Gov. Rec.

- Cannabis Substance Misuse Prevention Fund: **\$6.75M→\$9.5M** (30% cannabis excise tax)
- Substance use prevention school-based program doubling: **\$1.75M→\$3M**
- Immunization program grants: **\$1.8M SF**
- Elimination of healthcare loan repayment & AHEC: - **\$4.1M (GC), \$250K FF, \$550K program support (GC) cut**
  - VSAC Grants to VSAC – healthcare (-\$3.32M)
  - VSAC Dental hygiene (-\$100K) and
  - VSAC Dental scholarships (-\$50K)
  - AHEC grant - Program support (-\$500K)
  - AHEC grant - Physician Recruitment (-50K)
  - AHEC grant - Education Loan Repayment (-\$667.1K).
- Discontinue efforts to implement an unused drug repository: **-\$350K GC investment**



# Vermont Department of Health (VDH)



## House Changes to Gov. Rec.

- AHEC Primary care loan repayment: **\$550.8K GC**
- AHEC MD placement: **\$50K GC**

## House Changes not included in Gov. Rec.

- Funding for Free and Referral Clinic: **\$462K GF / \$924K Gross**
- Harm Reduction Services: **\$45K GF**
- Automated external defibrillators (AEDs) in schools: **\$150K GF (one-time)**
- Vermont State Youth Council: **\$140K GF (one-time)**

# Resources

- [AHS–Summary-Budget](https://ljfo.vermont.gov/assets/Uploads/WJenney-SamuelsonFY27-AHS-Summary-Budget1-28-2026.pdf)  
<https://ljfo.vermont.gov/assets/Uploads/WJenney-SamuelsonFY27-AHS-Summary-Budget1-28-2026.pdf>
- [FY 2027 Human Services budget documentation](https://ljfo.vermont.gov/subjects/departments-budgets/fy-2027/human-services)  
<https://ljfo.vermont.gov/subjects/departments-budgets/fy-2027/human-services>

