



Supporting Vermonters to lead healthy and satisfying lives community by community

Legislative Update for February 12, 2019

Community-Based Public Hearings on the Governor's Recommended FY2020 State Budget

Here's your chance to have your voice heard and fight for adequate funding for our service system. Share your life experiences; the values of developmental disability, mental health and substance use disorder services; or how it feels to work in this system of care. What the challenges and opportunities are and what resources are required to best serve Vermonters. Each person generally has just 2 – 3 minutes to speak.

*Vermont Care Partners is requesting a two-pronged multi-year investment to address an under-resourced system of care beginning with a **4% increase for FY2020**. Specifically we are requesting:*

- Invest in the DA/SSAs' workforce to recruit and retain qualified experienced staff*
- Invest in the DA/SSAs' to develop community services that reduce emergency room and Inpatient bed need*

The Vermont House and Senate Committees on Appropriations are seeking public input on the Governor's Recommended FY2020 State Budget and will hold **community-based public hearings on Monday, February 25, 2019, 6:00 – 7:00 p.m.** at the following 5 locations. An additional location in Springfield will be held from 5:30 – 6:30 p.m.

- Morrisville – People's Academy High School, Auditorium, top of Copley Avenue
- Rutland City – Rutland Public Schools, Longfellow School Building, Board Room
- St. Johnsbury – St. Johnsbury House, Main dining room, 1207 Main Street
- St. Albans City – St. Albans City School, Library, 29 Bellows Street
- Winooski – Community College of Vermont, Room 108, 1 Abenaki Way
- Springfield – Springfield Town Hall, 96 Main Street, 3rd Floor Conference Room (Selectmen's Hall) 5:30-6:30 p.m.

The Committees will take testimony on the Governor's recommended State budget at the above dates and times. Anyone interested in testifying should come to one of the hearings. Time limits on testimony may apply depending on volume of participants. If you have a story you would like to share privately with the committee members, please contact Theresa to schedule this at the end of one of the hearings.

To view or print a copy of the proposed budget, go to the Department of Finance and Management's website at the following URL address:

<https://finance.vermont.gov/budget/budget-recommendations/operating-budget/fy2020>

For more information about the format of these events, or to submit written testimony, contact Theresa Utton-Jerman or Rebecca Buck at tutton@leg.state.vt.us or rbuck@leg.state.vt.us or at 802-828-5767 or toll-free within Vermont at 1-800-322-5616. Requests for interpreters should be made by Friday, February 8.

Another Way to Provide Input on the Fiscal Year 2020 Budget

Now is the time to contact your Legislators who serve on the House Appropriations, Health Care and Human Services Committees.

HOUSE COMMITTEE ON APPROPRIATIONS

Rep. Catherine Toll , Chair	NKHS, WCMHS
Rep. Mary S. Hooper , Vice Chair	WCMHS
Rep. Peter J. Fagan , Ranking Member	RMHS
Rep. Charles Conquest	CMC, NKHS, UVS, WCMHS
Rep. Martha Feltus	NKHS
Rep. Robert Helm	RMHS
Rep. Diane Lanpher	CSAC
Rep. Linda K. Myers	CCS, HC, NFI
Rep. Maida Townsend	CCS, HC, NFI
Rep. Matthew Trieber	FFSV, HCRS, LSI
Rep. David Yacovone	GMSS, LCMHS, WCMHS

Maria Belliveau, *Associate Fiscal Officer*
mbelliveau@leg.state.vt.us

Theresa Utton-Jerman, *Staff Associate*
(802) 828-5767
tutton@leg.state.vt.us

HOUSE COMMITTEE ON HUMAN SERVICES

Rep. Ann Pugh , Chair	CCS, HC, NFI
Rep. Sandy Haas , Vice Chair	CMC, HCRS, RMHS, UVS
Rep. Francis McFaun , Ranking Member	WCMHS
Rep. Jessica Brumsted	CCS, HC, NFI
Rep. James Gregoire	NCSS
Rep. Logan Nicoll	HCRS, LSI, RMHS
Rep. Daniel Noyes	GMSS, LCMHS
Rep. Kelly Pajala	FFSV, HCRS, LSI, UCS
Rep. Marybeth Redmond	CCS, HC, NFI
Rep. Carl Rosenquist	NCSS
Rep. Theresa Wood	WCMHS

Julie Tucker, *Committee Assistant*
(802) 828-2265
jtucker@leg.state.vt.us

HOUSE COMMITTEE ON HEALTH CARE

Rep. William J. Lippert Jr. , Chair	CCS, HC, NFI
Rep. Anne B. Donahue , Vice Chair	WCMHS
Rep. Lori Houghton , Ranking Member	CCS, HC, NFI
Rep. Annmarie Christensen	HCRS, LSI
Rep. Brian Cina	CCS, HC, NFI
Rep. Mari Cordes	CSAC
Rep. David Durfee	UCS
Rep. Benjamin Jickling	CMC, UVS
Rep. Woodman Page	NKHS
Rep. Lucy Rogers	GMSS, LCMHS
Rep. Brian Smith	NKHS

Demis Martin, *Committee Assistant*

(802) 828-2264

House Appropriations Committee Hears DAIL Budget Request for 2019

Commissioner Monica Hutt of the Department of Disability, Aging and Independent Living (DAIL) gave the House Appropriations Committee an overview of the Governor's budget request for fiscal year 2020. Monica highlighted that Vermont ranks high for community inclusion of people with disabilities and for supported employment. She credited the staff and community partners for the quality of our services.

A copy of her testimony can be found at this link:

<https://legislature.vermont.gov/Documents/2020/WorkGroups/House%20Appropriations/FY%202020%20State%20Budget/C.%20Human%20Services/19-0730~Monica%20Caserta%20Hutt,%20Commissioner,%20Department%20of%20Disabilities,%20Aging%20and%20Independent%20Living~FY20%20Budget%20Testimony~2-6-2019.pdf>

Representative Mary Hooper asked about the use of nursing homes for psychiatric patients and corrections inmates. Commissioner Hutt said they have been digging into this. There is a complex care team in Choices for Care working with corrections and hospitals to find community and nursing home placements. Commissioner Hutt shared that nursing home level of care criteria of Medicaid may be higher than Corrections and Hospitals sometimes realize. The team of four staff are looking for options for older people who are stuck. Three nursing home facilities in the NEK have stepped up and are receiving enhanced rates for residents with complex needs.

Representative Mary Hooper is worried that we are building more psychiatric beds while not moving people out of beds or preventing hospitalization of geriatric patients. The Commissioner said she would love to look at the data and will work with mental health on this. Representative Fagan asked about how many people are stuck in beds that are eligible of discharge. The reply was that the teams respond when they are contacted. Hospitals have the responsibility for discharge and DAIL assists them if the person is nursing home eligible. When asked what happens if the patient is not nursing home eligible, Commissioner Hutt said it's a collective responsibility. She doesn't perceive this to be a major issue.

Developmental Services Appropriation state fiscal year (SFY 19) Base Appropriation \$221,097,985 Proposed Changes in total dollars

- 1) BAA Item – budget neutral GC MCO Decrease to Severely Functionally Impaired (SFI) budget that resided within DAIL in the DS appropriation. \$60,000
- 2) DS Caseload – 373 individuals @37,588 = \$14,020,324 less Equity Fund (\$6,398,899) = \$7,621,425

3) DS Public Safety/Act 248 Caseload 18@	\$74,122=\$1,334,196	\$1,334,196
4) DS Caseload utilization trend adjustment	(\$541,947)	
5) Internal Service Fund reduction – Workers Compensation Policy reduction (plan changes are allocated to DAIL)	(\$218,842)	
6) Budget Adjustment Act (BAA) Item – ASFCME Collective Bargaining Agreement Year 1	\$793,688	
7) ASFCME Collective Bargaining Agreement Year 2	\$828,964	
8) BAA Item – Allocation of AHS-wide Grants reduction plan (AHS-net neutral)	(\$707,945)	
Total changes		\$9,049,539
SFY 20 Recommend		\$230,147,524

The proposed fiscal year 2020 budget for DAIL has a 2.7% increase from SFY19. There are proposed cuts to SASH whose funding is both at DAIL and at OneCare. It is likely to impact the housing authorities who receive these funds.

When queried about the reduction of DS caseload of \$541,847. Monica spoke about increased revenues returned and said reduced utilization has led to the proposed reduction in caseload from the 3 year average. When Committee Chair Representative Toll asked if this could come up in budget adjustment next year and Monica said hopefully, not. The Committee Chair concluded that there are two outstanding issues: people stuck in hospitals and SASH funding reductions.

Health Commissioner Levine Gives Overview and Budget Request to House Appropriations Committee

Health Commissioner Mark Levine highlighted that the decrease in life expectancy in the US is due to diseases of despair: alcoholism, drug abuse and suicide. The Vermont Department of Health (VDH) is addressing these diseases by working on prevention, expanding treatment for opioids and supporting recovery programs. He shared the report card for opioids, which shows a slowing in the increase in deaths in Vermont.

Representative Hooper asked about use and abuse of alcohol and if the death rate is higher than those due to opiates. Commissioner Levine said opiate users are more likely to die. He also pointed out that there has been an increase in cannabis use, with one quarter of Vermont high school students using cannabis.

Commissioner Levine said they are working with DMH on preventing suicide. The causes of suicide are pervasive. The State Health Improvement Plan focuses on equity, chronic disease prevention, child development, mental health, substance use prevention and social determinants of health.

Representative Dave Yacavone asked about how the six domains impact the budget of VDH. He asked about where more investments should be made. Commissioner Levine said dental health could use greater investment. Representative Yacavone would like the contract for the ACO to direct them to focus resources in prevention and these domains. Commissioner Levine said the metrics for APM does include suicide, dental health and population health.

Representative Mary Hooper expressed concern about the plan to reduce the staffing for RBA as part of staffing cuts to meet Administration targets for reduced expenditures.

There will be expansion of Narcan distribution using funds from pharmaceutical companies. The good news is that there is a new \$2.9 million in federal funding for investment in substance use disorder (SUD) programs. Representative Fagan is very interested in prevention. VDH is targeting young adults through social media with ads about e-cigarettes and alcohol use.

House Health Care Committee Receives Presentation on Mental Health Budget Proposal

Mental Health Commissioner Sarah Squirrell spoke about her interest in meeting the continuum of mental health care needs and pointed out that a collective approach for an integrated, collaborative and coordinated mental health system is the right approach.

The Governor's proposed budget for Department of Mental Health (DMH) for FY 2020 is \$266,606,504

Highlights of the proposed DMH Budget Ups and Downs:

DMH Budget Ups -Gross: \$28,166,091 GF Equivalent: \$13,353,343

- Salary and Fringe DMH staff
- Increase Physician Contract with UVMMC
- VPCH Contracts –Traveling Nurses
- HUD Funding Replacement for Howard Center Branches
- Kids Residential Cost and Case Load
- Room & Board Phasedown
- Adult CRT Enhanced Plans –including enhancement of MyPad
- Success Beyond Six up \$17.9 million (Match Paid by Schools)
- Funding for 12 new level 1 beds at the Brattleboro Retreat

DMH Budget Downs –Gross (\$4,812,884), GF Equivalent: (\$2,270,553)

- Eliminate Sheriff Supervision in Emergency Departments
- DMH Contract Savings
- Operating Savings
- Grant Savings/Reductions
- Allocation of AHS-Wide Grant Reduction Plan

FY20 Capital Bill

- \$5M in funding allocated towards the replacement of Middlesex Secure Residential

The Committee posed over 30 questions that the Commissioner will be asked to respond to at a later date.

DVHA Commissioner Gustafson Presents Budget to House Health Care Committee

Commissioner Corey Gustafson of the Department of Vermont Health Access (DVHA) said that they are continuing to focus on three priorities; adoption of value based payments, management of information technology projects, and operational performance improvement. The work of DVHA revolves around three core responsibilities:

- Assisting Vermonters in need to enroll as members in appropriate health insurance programs.
- Paying for care. This work consists of building and collaborating with a robust network of healthcare providers, pharmacies, and others.
- Improving health outcomes.

DVHA recognizes that simply signing people up for health plans will not achieve optimal outcomes at the most efficient cost, so they strategically invest in programs that improve health. DVHA is responsible for health care access, quality and outcomes for Medicaid funded services. About 153,000 Vermonters have Medicaid coverage.

Michael Costa explained that each state customizes Medicaid with waivers, with the agreement not to spend more than they would have otherwise. Vermont's waiver is more generous than most other states. The current 1115 Medicaid waiver runs from 2016 to 2022.

Commissioner Gustafson said the All Payer Model (APM) is at its initial stage and they are working with departments on further opportunities to design and implement value-based payments. APM is about connecting providers to be aligned and aligning the payments to providers.

The delivery system reform investment (DSRI) funds will be allocated on an annual basis and are shown as a down in the DVHA budget. There is no guarantee or preclusion of investments in future years explained Deputy Commissioner Michael Costa. Representative Brian Cina asked if we could use the money for investments in other parts of the health care system. The reply was yes, but that other areas of the budget would need to be reduced. Each year thus far, DVHA has funded a limited number of DSRI within the ACO contract, which are designed to accelerate the progress of reform. Thus far, investments included in the budget have focused on technology tools. Given the temporary nature of these investments, DVHA proposes removing the investment funding from its base budget and addressing them, if at all, on an ad hoc basis at the conclusion of the annual contracting process and, if needed, in a future Budget Adjustment Act.

The Deputy Commissioner said no increases in rates are planned, but it doesn't preclude it from happening. Over the last two years DVHA raised the primary care rates up to the Medicare rates, plus the primary care physicians receive payments from Blueprint and other investments.

Secretary of Human Services Gives Budget Overview to House Human Services Committee

This presentation was similar to the ones that Secretary Gobeille made to the House Appropriations and Health Care Committees (see previous updates). Just like those presentations, the Secretary highlighted the size and growth in DA/SSA expenditures. This spending is growing at 6.2% since FY06 and at 5.3% from FY10. The Agency of Human Services is looking at mental health and SUD use of emergency departments and those expenditures over time.

Success Beyond Six (SBS) program growth is at 7.9% since FY11. The Secretary said that the service is not delivered the same way in all communities and that the distribution of the programs is uneven around the State. He noted that without this program DAs would be in dire straits financially. "We don't want unintended consequence by changing this" he added.

Opioid Coordination Council Strategic Report Presented to House Human Services Committee

Jolinda LaClair, director of Drug Prevention Policy, presented on the 2019 strategic plan for the Opioid Coordination Council (OCC). See the report summary here:

<https://legislature.vermont.gov/Documents/2020/WorkGroups/House%20Human%20Services/Addiction/W~Jolinda%20LaClair~Building%20Bridges-%20The%20Opioid%20Coordination%20Council%E2%80%99s%20Recommended%20Strategies%20for%202019%20Executive%20Summary~2-6-2019.pdf>

She noted that the Council's subcommittees have been adjusted to a Prevention Committee and a Recovery Committee. The OCC has several priority strategies. One is expanding syringe services. She praised Howard Center's Safe Recovery Program and Vermont Cares, which is projected to serve 500 people this year, up from 400 last year.

She noted gaps in services with the lack of a hub in Orange County and only one spoke in Essex County. There has been an increase in spoke providers from 170 to 225 in the last two years.

Jolinda added that “transportation is something that we are really focused on.” The Agency of Transportation budget has \$200,000 general fund money for expanding transportation for people with addiction who are not able to access treatment. Innovations could include increased funding for volunteer drivers.

Another priority strategy is focusing on prevention through developing a comprehensive prevention strategy across all programs in the state and investing in afterschool and other prevention programs. A delegation will be going to Iceland to explore their work in reducing substance use among teens. She noted that it is likely that Vermont will receive another \$4 million in federal funds in October.

Jolinda also advocated for increasing universal home visiting – for example through expanding nurse home visiting partnership. Additional priorities include: continued focus on MAT in corrections; amplifying recovery coaching; and exploring recovery housing. She said “we need sober housing and housing which allows MAT”.

Secure Residential Proposal Presented at House Corrections and Institutions

(Excerpt from Testimony to House Corrections and Institutions Committee)

A. Middlesex ~ Therapeutic Community Residence - Replacement \$5,000,000

The Middlesex Therapeutic Community Residence (MTCR) was constructed as a temporary 7-bed facility in response to Tropical Storm Irene. The current facility is in dire need of replacement and is well beyond its useful life. The proposed replacement facility will be a 16-bed, state owned facility in central Vermont. FY 2020 funds are requested to allow AHS and BGS to locate property where a new facility could be built in central Vermont, to evaluate the property, and acquire a suitable site. The funds will also be used to begin the design and permitting process. FY 2021 funds will be used to complete the design process, receive bids and to begin construction.

Summary	Approved Through FY '18	Current Year FY '19	Budget Year FY '20	Budget Year FY '21	Future Requirements			Totals
					FY '22	FY '23	FY 24- FY '29	
Cost Allocation:								
Planning & Design, Outside Consultants			500	200				700
Site Acquisition	50		500					550
Construction				3,800	9,492			13,292
Fit-Up								
Total Appropriation for Fiscal Year(s)	50		1,000	4,000	9,492			14,542

The Department of Mental Health (DMH) continues to recommend the replacement of the Middlesex Therapeutic Community Residence (MTCR). The seven-bed secure residential program, temporarily sited in Middlesex, was created from Act 79 in 2012. The intent of the legislature in creating MTCR was to create a step-down facility for those who were no longer in need of inpatient care but continued to need intensive services involuntarily in a secure setting. In order to be placed at MTCR, an individual

needs to be in the custody of the DMH Commissioner on an Order of Non-Hospitalization (ONH). While many individuals receive services in the community under an ONH, in order to be placed at MTCR the judge needs to specifically find that the clinically appropriate treatment for the patient's condition can only be provided safely in a secure residential recovery facility.

The MTCR was designed as a temporary facility, using Federal Emergency Management (FEMA) funds until a long-term residence could be completed/identified. The temporary facility is failing and must be replaced, or the state will have to reimburse FEMA. The state is at risk for a claw back of roughly \$1.2 million, an inability to receive additional funds of up to \$800,000 for the construction of the temporary facility and another \$350,000-450,000 for decommissioning the temporary facility in Middlesex. Buildings and General Services (BGS) and the Agency of Human Services (AHS) have requested an extension until July 1, 2022.

Leading up to the last legislative session, AHS, DMH and BGS had begun touring properties for a new secure residential facility. However, when the University of Vermont Health Network proposal came out and included a plan for the secure residential to be in the potentially vacated Vermont Psychiatric Care Hospital (VPCH) building, this activity ceased. Now that we know the new beds at Central Vermont Medical Center will not include the VPCH 25 beds, the search for a new facility for the secure residential needs to begin anew. This search is the highest priority for AHS.

Senate Institutions Studies Woodside

On Thursday, February 7th, DCF Commissioner Ken Schatz presented to the Senate Institutions Committee. The Agency of Human Services is requesting funding in the budget for design and planning of a new building to replace Woodside on the current campus with capacity for a 30-bed program. Although Woodside's census has been lower, length of stay has not diminished and DCF noted that there are currently youth placed out of state that could be served at a renovated Woodside facility that would be more conducive to treatment. AHS outlined a timeframe that includes 12-18 months for design and an additional 12 months for construction, with an estimated cost of \$23.3 million. The discussion suggested an overall 3-5 year timeline.

Disability Rights Vermont (DRV) Attorney A.J. Rubin expressed that there has been a lot of concern over the years about the treatment of kids at Woodside, including concerns about lack of mental health treatment, the physical plant, and the culture. DRV is meeting weekly with DCF on these concerns. He noted the need for at least some capacity for secure treatment but, noting operating costs of \$6 million, wondered if some of Vermont's residential programs could be "enticed" to provide care for many youth at an enhanced rate to cover additional staffing needs.

Dillon Burns, Mental Health Services Director, noted that Woodside is an essential piece on the highest end of both the DCF and mental health spectrums of care. VCP agencies would like to work with DCF on exploring options for a public-private partnership, especially if that could open up Medicaid funding that has recently been withdrawn. She also noted that while VCP did not have a position yet on the specific proposal, DCF's goal of bringing back some youth to Vermont who were placed out of state aligns with VCP's philosophy of community-based care.

Senate Health and Welfare Hears about the Elimination of State Funding for Sheriffs at Hospitals

The Department of Mental Health (DMH) testified on their proposed budget adjustment to eliminate payment for sheriff supervision in Emergency Departments (EDs). They noted that sheriffs are "not allowed to go hands on" but when sheriffs' have been expected or asked to intervene physically; there

have been at least two hospitals that received regulatory citations. In one case the hospital had to develop a corrective action plan in order not to lose funding. Sheriff Roger Marcoux from the Lamoille County Sheriff's Department shared some history of these services. They are often provided by retired members of the law enforcement community.

Devon Green from the Vermont Association of Hospital and Health Systems testified about the challenge for hospital EDs due to the significant increase in people with acute mental health needs. Hospitals are recognizing that this is a long-term trend and they are renovating spaces, but are opposed to the reduction of funding for sheriff supervision. She is especially concerned about smaller critical access hospitals with workforce challenges and budgetary challenges for which this would be a blow. Committee discussion focused on how contracting could work so that appropriately trained staff could provide this supervision and support without running afoul of federal regulations.

To take action or for more information, including the weekly committee schedules:

- Legislative home page: <https://legislature.vermont.gov/>
- Sergeant-at-Arms Office: (802) 828-2228 or (800) 322-5616
- State House fax (to reach any member): (802) 828-2424
- State House mailing address (to reach any member):
Your Legislator
State House
115 State Street, Drawer 33
Montpelier, VT 05633-5501
- Email, home address and phone: Legislators' email addresses and home contacts may be found on the Legislature home page at <https://legislature.vermont.gov/>
- Governor Phil Scott (802) 828-3333 or <http://governor.vermont.gov/>

The purpose of the legislative update is to inform individuals who are interested in developmental, mental health and substance abuse services about legislative advocacy, policy development and activities that occur in the State Legislature. The Vermont Council is a non-profit trade association which works in partnership with Vermont Care Network to form Vermont Care Partners. Together our mission is to provide statewide leadership for an integrated, high quality system of comprehensive services and supports. Our membership consists of 16 designated developmental and mental health agencies.