



Supporting Vermonters to lead healthy and satisfying lives community by
community

Legislative Update for March 2, 2022

WHAT'S HAPPENING IN THE LEGISLATURE

The House and Senate have worked out their differences in the FY22 Budget Adjustment Act including agreement on one-time funds to stabilize our workforce that will be both sufficient and flexible enough to effectively address workforce challenges in the short-term. The Senate has passed the agreed upon bill, but the House will not complete approval of the bill until they return from the town meeting break on March 8th.

On the long-term front we have been actively advocating for a 10% Medicaid rate increase to reduce our workforce crisis and improve access and quality of care to Vermonters whose need for our services have never been greater. The House Policy Committees recommendations to the House Appropriations Committees on the FY23 budget included 10% rate increases for designated and specialized service agencies. The House Commerce and Economic Development Committee will make recommendations on workforce development. The House Appropriations Committee will weigh priorities and should finalize the FY23 budget later this month for the full House to vote on. Advocacy to all House members over the next 2 weeks would be most helpful.

The Senate Appropriations Committee is already taking testimony on the budget and several members including the Chair have expressed concern about the 3% cost of living increase recommended by the Governor for DA/SSAs when the need is much higher.

Vermont Care Partners Legislative Agenda for 2022

The Vermont Care Partners legislative agenda is quite comprehensive and focuses on our need for adequate resources to meet our mission and mandates. See this link:

<https://vermontcarepartners.org/wp-content/uploads/2021/12/legislative-agenda-2022-working-draft-1-1.pdf>

This Week's Testimony and Legislative Action

Budget Adjustment Act Specifies funding for Community-Base Workforce

The Legislature set up two pools of funds for workforce retention for health and human services providers. The first pool of \$40 million is reserved for designated and specialized service agencies (DA/SSAs) inclusive of shared living providers, assisted living, residential care facilities, nursing homes, adult day centers, area agencies of aging, DCF residential treatment providers and home health agencies. These agencies may apply to the Agency of Human Services to access up to \$2,000 per employee, as long they have a 10% staff vacancy rate or higher and less than 180 days of cash reserves. The agencies will have flexibility in determining how best to apply the funds and encourage continued employment. The second pool of \$20 million is open to DA/SSAs and many other providers, including direct support professionals contracted through ARIS, and as such is more competitive. The potential for agencies to access the full \$2,000 per employee will depend on the number of applicants and employees to be covered by the funds.

House Health Care Committee Hears Green Mountain Care Board Proposed Process for Health Reform

GMCB Commissioner Robin Lunge and Commissioner Jessica Holmes accepted questions from the Committee on their \$5 million proposal to develop value-based payments.

They reviewed the components of the ask:

1. \$3 million would be used for community engagement for delivery system design specific to each community which will be data informed. Health system experts will share information on opportunities to improve health care and value-based payment. The funding will be used for careful design of the process, data analysis, and presentation and facilitation of regional processes.
2. \$1.4 million would be used for design of payment reform and regulatory changes for Medicaid, Medicare, and private coverage. The payment design be based on the outcomes from the community processes.
3. \$600,000 would be used for renegotiation of the agreement with CMMI. The state must submit a proposal by the end of 2022 for negotiations in 2023. Expertise will be hired to develop spending projections and prepare proposals. AHS, GMCB and possibly someone from the Governor's office would be involved in the negotiation.

The current agreement was extended for six months and approval of the full 1-year extension is still pending. Robin Lunge said OneCare is making fixed payments to hospitals. She said hospitals will be able stay out of OneCare in the future under this scenario.

Jessica Holmes is committed to having the larger community informed in the regional planning process including community leaders who may not be involved in regional hospitals. Access, quality, and cost will all be addressed. Jessica Holmes said value-based care will lead to improved investment in primary and mental health care to achieve improved population health and reduce costs. The current fee-for-service payment system incentivizes high-cost services.

Robin said the sequence of work goes from: what health care is wanted; how it should be delivered; and then what financing options would best support the desired outcomes.

Afterwards the Committee decided to add language to their recommendations for FY23 the budget bill to add clarity on how the funds can be spent. Several Committee members expressed frustration that more focus isn't directed toward the social determinants of health.

House Health Care Committee Develops Budget Recommendations

The House Health Care Committee made a broad array of recommendations to the House Appropriations Committee for the FY23 Budget related to mental health and health reform.

These items are in or above the Governor's budget proposal

- 10% Medicaid rate increase for DA/SSAs, peer-led and other DMH providers rather than the 3% recommended by the Governor.
- \$7.85 million for mobile response expansion (see language below)
- \$215,000 for suicide prevention coordination and expansion of Zero Suicide
- \$440,159 to maintain 988 Suicide Lifeline

Additional Recommendations not in the Governor's budget

- \$1 million to set up short-term telehealth registration program
- \$5 million for the Green Mountain Care Board Health Reform Initiative – with specific language on the use of the funds. Later, when the House Appropriations Committee reviewed the recommendations, Representative Yacovone said he wants to ensure that the community-based services funding is addressed.
- \$390,000 for Pathways for Housing expansion into Bennington County
- Several proposals from the Center for Health and Learning related to suicide prevention were not funded due to limited information.

The Committee included this language in its budget memo.

- (a) The Department of Mental Health shall use the results of its analysis of statewide mobile crisis services and gaps pursuant to its State Planning Grant from the Centers for Medicare and Medicaid Services to help build an urgent care model for mental health by expanding mobile outreach services based on the Department's findings of the most significant gaps in care and access, including geographic gaps and the regions of the State in which lack of mobile outreach is most directly driving unnecessary emergency room visits or unnecessary law enforcement responses.
- (b) The new mobile outreach services shall be based on evidence-based and trauma-informed practices, including using peer support staff, shall be developed in conjunction with the continuum of urgent care response related to the new 9-8-8 suicide prevention line, and shall comply with federal requirements as needed to qualify for three years of federal financial participation at an enhanced 85 percent federal match rate.
- (c) The Department shall develop a sustainability plan to ensure that the services will continue to be available after expiration of the enhanced federal match rate

House Health Care Recommendations to the House Commerce and Economic Development

The Policy Committees are providing input to the House Commerce and Economic Development Committee for analysis and compilation into one workforce development proposal to feed into the House appropriations bill. The House Health Care Committee requested a 10% Medicaid rate increase for designated and specialized service agencies with a report due in January 2023 on the additional amount of funds that would be necessary to bring salaries for staff in the community mental health system up to the level of equivalent positions in the State workforce, Vermont hospitals, and school settings.

Sec. I. DESIGNATED AND SPECIALIZED SERVICE AGENCIES; MEDICAID RATE INCREASE; REPORT

(a) Since the 1960s, the State and federal governments have directed the community mental health system to provide care in the community using the least restrictive means for those who would previously have been institutionalized, but never redistributed the money to the

community mental health system or fully funded that mandate. The General Assembly is taking the steps set forth in subsections (b) and (c) of this section to address the shortfall. (b) The sum of \$12,738,070.00 in Global Commitment dollars is appropriated to the Agency of Human Services in fiscal year 2023 to increase the Medicaid rates for the designated and specialized service agencies by 10 percent. (c) The Department of Mental Health, in consultation with representatives of the designated and specialized services agencies, shall report to the House Committees on Health Care, on Human Services, and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations on or before January 15, 2023 with the total amount of funds that would be necessary on an annual basis to increase the salaries for all staff in the community mental health system to the level of equivalent positions in the State workforce, Vermont hospitals, and school settings.

The Committee also recommended continuation and expansion of the loan repayment and tuition assistance program for designated and specialized service agencies with an investment of \$6 million to continue the program recently started with \$1.5 million in Tobacco Settlement funds. They referenced the language from the previous appropriation which limits the funds to mental health and substance use disorder employees. Vermont Care Partner has contacted the Chairs of both committees to request that the funds also be made available to employees providing services to people with intellectual and developmental disabilities.

The Health Care Committee included information on its support for the certification of mental health peer support specialists through the passage of S.195, An act relating to the certification of mental health peer support specialists. This Bill is currently being reviewed by the Senate Health and Welfare Committee.

The Committee is also recommending that the Office of Professional Regulation review licensing processes for mental health and substance use disorder treatment professionals and address barriers to licensure. Their proposed language is as follows: “On or before January 15, 2023, the Office shall provide its findings and recommendations to address any identified barriers to licensure to the House Committees on Health Care, on Human Services, on Commerce and Economic Development, and on Government Operations and the Senate Committees on Health a Welfare, on Economic Development, Housing and General Affairs, and on Government Operations”

House Human Services Committee FY’23 Budget Recommendations

The House Human Services Committee has I/DD and substance use disorders under its purview. Here are the recommendations related to those areas that were made to the House Appropriations Committee.

Alcohol and Drug Abuse Programs

For the Alcohol Drug Abuse Programs’ (ADAP) the House Human Services Committee recommended the following

- Recovery Housing, Residential Treatment, and Detox Beds—\$3,700,00.00. However, \$2.45 million proposed for residential treatment facilities should be redirected to Medicaid rate for preferred providers. Residential treatment facilities have no waitlists but have capacity issues due to underfunding for staff.
- Employment Supports for Individuals in Recovery—\$1,270,000.00 not just for the proposed pilot in Chittenden County, but all 12 recovery centers. The Committee on Commerce and Economic Development was asked to provide recommendations for the program.

- Jenna’s Promise—\$400,000.00, for three years to expanded services, including employment, housing, and diverse community services. This is down from requested \$500,000.00 because of the large amount proposed for administrative costs.
- Recovery Center Funding—\$540,000.00. Due to the continued demand for recovery services, these funds are to be distributed evenly among the State’s 12 recovery centers.
- Expanding Capacity in AIDS Service Organizations and Syringe Service Programs— \$655,000.00. for the growing demand and need to expand syringe service programs, including mobile services. Increase HIV prevention funding and syringe service funding by \$360,000.00 and HIV service funding by \$295,000.00 whether or not SAMSHA grants are awarded.

When the House Appropriations Committee quickly reviewed the recommendation of the House Human Services Committee Representative Fagan said it might make sense to fund recovery centers on a one-time basis rather than adding to the base budget as recommended by the House Health Care Committee until CMS determines if Medicaid funding can be used to fund these services. He said that the decision won’t be made until this summer.

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

The Committee recommends, “within the funding available, additional support for long-term care providers, up to 10 percent, and to work toward a wage of \$20/hour for direct support professionals”

The Committee supports the DAIL budget proposal for:

- Long-term care oversight — six positions — \$671,807.00
- Adult Protective Services — two positions — \$189,554.00 — increase the timeliness of investigations and ability of DAIL to respond to allegations of abuse and neglect.
- Office of Public Guardian (OPG) — two positions — \$200,000.00 — in response to increased caseloads in the representative payee area and for public guardians. The Committee recommends that one of the positions be targeted to be an actual public guardian as contrasted to the position of Assistant Director of the OPG unit (which is how DAIL has targeted the position). The other position is to provide representative payee services.

In addition, the Committee recommends:

- Five positions be restored based Developmental Disabilities Services Division — \$506,158.00 for adding one Quality Review Team
- One limited-service position, a Residential Program Developer, with the FMAP supplemental funds targeted for pilot projects for new residential alternative services - \$500,000.00

Representative Yacovone reviewed recommendations noted House Human Services Committee concern about the safety and quality of care, but also acknowledged that adding a quality assurance team will impact the Medicaid cap.

House Corrections and Institutions Recommendations for the FY23 Budget

Corrections and Institutions Committee recommended to the House Appropriations Committee that Justice Reinvestment funds saved from reduced out-of-state placement of the incarcerated population be distributed as follows: \$330,000 for VT Network against domestic violence; \$60,000 for transitional housing; and \$417,000 to be distributed by a request for proposal (RFP) for community investments such as community justice centers, women’s programs and reentry services, and vocational training, program, and preparedness.

House Committee on Human Services Walk-through of DS System Bill

The House Committee on Human Services drafted and voted on a bill relating to the system of care for people with developmental disabilities. Changes within the bill include:

- A requirement for people who are eligible for services to receive information in plain language from DAIL.
- Individuals and stakeholders to be “respected and active participants in systems change activities” including payment reform and residential service options.
- System of Care requests for extension to be submitted in writing by DAIL to the House Committee on Human Services and Senate Committee on Health and Welfare at least two months prior to expiration.
- DAIL to perform at least annual on-site quality assurance and improvement visits to DA/SSAs.
- Creation of a Residential Program Developer limited-service position.
- DAIL, DD Council and statewide self-advocacy group to review housing models.
- \$500K in FMAP HCBS monies to develop housing pilot planning grants.
- Development of a steering committee to provide guidance on residential pilot planning grants.
- DAIL to seek approval from the General Assembly prior to implementing system-wide payment reform measures.
- DAIL to seek and consider input from stakeholders and seek approval from the General Assembly prior to implementing conflict-free case management measures.

The committee looks forward to a renewed sense of teamwork from DAIL and wants DAIL to rebuild trust by presenting a full and transparent impact analysis of payment reform and COI measures, in addition to a genuine stakeholder input and engagement process.

The Committee received generally favorable feedback on the draft bill, with the exception of requests by DAIL to remove several items, including the General Assembly approval for payment reform and COI work, which they characterized as “legislative overreach”. Because of the depth and acuity of fear from the I/DD community and the current system instability, the Committee will not remove the approval requirement so that they may monitor the process in the coming years. The Committee approved the Bill which is likely to need approval by the Appropriations Committee before a vote by the full House.

Health Care Flexibilities Bill Passes the Full Legislature

H.654 which extends regulatory flexibilities for health care providers to best serve Vermonters during the public health crisis for one more year has been passed by the full Legislature. It will be ready for the Governor to sign into law shortly.

Senate Health and Welfare Bill to Expand Blueprint for Health and Community-Based Services

The Senate Health and Welfare held two sessions on S.285 “An act relating to expanding the Blueprint for Health and access to home- and community-based services” is a committee bill which is based on analysis of by health consultant, particularly Donna Kinzer and Josh Slen (see previous updates). Legislative Council Jen Carbee reviewed the bill for the Committee. The Bill would achieve the recommendations of the Green Mountain Care Board (GMCB)

- \$1.4 million for the GMCB to develop a process for distribution of global payments from all payers to hospitals and to adjust the Board’s hospital budget review, ACO certification and budget review, and other regulatory processes.

- \$3 million would be used for regional community engagement for delivery system design, including design of the process plus data analytics and facilitation.
- \$600,000 would be used for negotiation with CMMI. Consultants will develop spending projections and prepare proposals.

The Bill would improve funding and strengthen quality improvement activities in the Blueprint for Health. Additionally, it asks the Department of Disabilities Aging and Independent Living (DAIL) to develop a working group to recommend improve funding for expanding moderate needs group of the Choices for Care program.

The Health Advocate Mike Fisher expressed support for expanding the Blueprint for Health and his office strongly supports GMCB request to develop global budgets for hospitals. They would like to see price increases for health care contained. The current strategies are not effective. He said it might cost over \$5 million to achieve the changes and strongly supports the proposal for engagement of community stakeholders.

Visiting Nurse Association Director Jill Olson testified about the expansion of the moderate needs program. She suggested studying the program and the potential costs and feasibility of expanding it before moving forward. VNAs would rather see the rates increased than the program expanded. She also said H.153 should be amended to include the review of Choices for Care to ensure regular rate increases. Information was shared by VNAs about the losses being sustained by the Choices for Care Program.

Agency of Human Services (AHS) Director of Health Care Reform Ena Backus said the work by consultant Donna Kinzer on hospital global payments will be among the value-based models explored in partnership with GMCB in preparation for negotiations with CMMI. She pointed out that the State's health care agenda is meant to drive toward an integrated and coordination health system. AHS already has a contractor supporting the work. She said adding additional contractors could add complexity for AHS to work with GMCB.

Ena Backus told the Committee that AHS does appreciate the community inclusive redesign of the system and said it should include the full care continuum. AHS supports the role of the Blueprint for local system coordination and system transformation. Senator Hardy agreed that the current model doesn't integrate community-based providers very well. Ena Backus wants to look at models that promote health care coordination. Committee Chair Senator Lyons wants to see the DAs integrated with hospital-based services. Senator Hooker pointed out that the Rutland health providers are already working together and could offer perspective.

GMCB Commissioners Robin Lunge and Jessica Holmes and Data Specialist. Sarah Lindberg from the GMCB testified, too. They think the fee-for-service system is not working effectively and are concerned that health costs will continue to rise, and unprofitable care will be discontinued. GMCB has been focused on hospital sustainability and will collaborate with AHS on the broader health care system. They also want the process informed by health experts who can share information on options for innovation.

While S.285 was the lead bill, the House is also addressing the proposal of the GMCB. The Committee will add more language on community process and where data will be collected.

House Human Services on Opioid Advisory Committee & Management of Abatement Fund

Monica Hutt, Chief Prevention Officer for the State requested insight related to some areas in the draft bill based on needed input from the Attorney General (AG). She said the Bill in good shape overall, however clarification is needed to better understand funding buckets related to advisory council: 70% - Abatement Fund connects to Advisory Council, but two other buckets do not. She also expressed concern about the timing and flow of the state and federal funds and noted that it will depend on how the Fund Administrator manages the fund. The Governor's office wants to ensure language realizes the greatest benefit.

Attorney Diamond from the AG's office suggested staying away from altering language given breadth of language already. The Chair hopes to vote out the Bill following the Town Meeting break after testimony from treatment provider(s), the Commissioner of Mental Health, VAMHAR, VCP, representatives of older Vermonters and the Substance Abuse and Prevention Oversight Council. These parties will provide insight on who should be on the Advisory Council rather than what should be included in the bill. In summary, the Committee wants to ensure that nothing is left out of the legislation to ensure best use of fund for the 18 years the funds are available, whether incarcerated populations, marginalized populations, or areas within education and beyond.

House General, Housing and Military Discussion of H.96 Truth and Reconciliation Bill

The original draft did not include people with developmental or other disabilities, which was then added after feedback from the disability community including Max Barrows of GMSA, Susan Aranoff of VTDDC, and Wilda White of MadFreedom.

The Committee discussed the process and timeline to select three commissioners, based on their learning from the International Center for Transitional Justice (ICTJ), the Maine Wabanaki-State Child Welfare Truth and Reconciliation Commission, and models from South Africa, Canada, and Australia. Priorities are for the selection panel to work autonomously with minimal intervention from state government. The selection panel would be appointed by an array of stakeholders of high standing the Executive Directors of the Vermont Racial Equity and Human Rights Commissions, representatives from the disability, person of color and indigenous communities. Document confidentiality and HIPAA rules were also considered, as were commissioner protections and salaries.

Elena Naughton of ICTJ encouraged the Committee to grant subpoena power to commissioners, and while the scope of the bill is broad, to decide and focus on specific priorities. Susan Aranoff of Vermont Developmental Disabilities Council (VTDDC) similarly urged the committee to refocus on eugenics and the harm cause by past well-intended legislators. Susan Aranoff also reminded the committee that as much as the disability community supports the truth and reconciliation bill, their priorities for state spending include support of living wage for the HCBS workforce with a rate increase of at least 10% to avert risk of nursing home placement, and support for affordable and accessible housing alternatives.

Vermont Care Partners Provides information on S.197

Anne Paradiso, the Director of School Programs for Howard Center, testified that we have been working with schools for 30 years and have well-developed expertise and skill set, as well as diverse array of programs. She said many DAs also work with childcare centers. She encouraged the Committee to consider the existing services.

Lance Meteyer of Director of School-based Clinical Services at Northwest Counseling and Support Services spoke about the services provided. He said the school-based clinicians are embedded in the

school communities and have strong relationships with the schools. They provide services and care coordination, as well as evaluations and supports for all students (not just clients) and coaching and support for school staff to create trauma-informed classes. He said students' mental health needs have increased in acuity during COVID. Lance Meteyer spoke to best support students. He suggested building on the relationships already developed in communities. He noted that his local school superintendent testified that providing supports through designated agencies is the best approach to meeting the mental health needs of students. He said we should sustain and expand our existing resources to meet the needs of even more students.

In response to the testimony, Senator Lyons spoke about increasing flexibility of the language in the draft bill to be inclusive of DAs. She noted the continuum of needs of the students requiring varying levels of skills by students. Senator Lyons asked if there are sufficient resources. Lance Meteyer replied, no. Senator Lyons wants to ensure we are serving all level of needs. She will work with the Education Committee and Agency of Education to ensure that we can cover a multitude of needs. Anne Paradiso noted that there are a continuum of school community supports to serve students with lower tier needs. They also equip staff with knowledge and skill set to serve students that have needs beyond their current skill and knowledge set.

House Appropriations has Joint Fiscal Office (JFO) Deputy Director Sarah Clark Review General Funds

JFO Deputy Director Sarah Clark reviewed the general funds available based on potential changes in revenues and expenditures. The Governor is proposing \$49.5 million in tax reductions. Currently, the House is considering \$44 million in tax reductions. Both the Administration and House want to invest funds in stabilization reserves and are looking at \$18.6 million and over \$3 million for the next year when there will be 53 weekly payrolls for state employees. New expenditures include \$26 million for state employee compensation increases. The Governor is proposing \$84.7 million in additional expenditures including \$7 million for home and community-based providers and \$5.5 million for Department of Vermont Health Access (DVHA) Medicaid rate increases.

Plan to Participate in these Advocacy Events

Save the Date! Vermont Disability Awareness Day

Join VCDR members and others from the disability community as we present our legislative priorities and share our stories about important issues. "COVID has challenged us to find ways to respond to new challenges with high expectations and a commitment to make sure that our best hopes for the future are Open to All." Deborah Lisi-Baker

Registration Link: <https://tinyurl.com/VCDRPresentation> This event will have ASL interpretation and live captioning Contact: Nick Morlan Nick@vcil.org or Call 802-224-1820

Vermont Disability Awareness Day will be observed in a three-part series. The first day is complete. Save these dates and watch for announcements coming soon:

- March 15th at 10:00 a.m. Home and housing is a high-priority topic at this moment in Vermont history. Format and details TBA
- April 13th – Time and keynote speaker TBA

Information on Your Senators and Representatives

Follow this link to determine your legislators and access their contact information. Legislators are listed both by DA/SSA and by the Committee they serve on. Please note there are new legislators on committees that have purview over policy and funding for the Vermont Care Partners network.

[2021 Legislative Committees by DA-SSA.xlsx](#)

Action Circles Calendar

Action Circles maintains a calendar of Legislative breakfasts and events. This information can be found at: <https://www.action-circles.com/legislator-events/>

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
- Legislators' email addresses 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.