

**Fiscal Year 2016 Appropriations Testimony**  
**Vermont Council of Developmental and Mental Health Services**  
**Julie Tessler, Executive Director**  
**February 25, 2016**

**1. Medicaid Reimbursement Rates - 1st Priority**

**Designated and Specialized Services Agencies support the proposed 2.5% Medicaid Rate Increase**

- Over the last 10 years our rates have trailed the Consumer Price Index by nearly 15%
- Meanwhile our costs for employee health benefits, fuels and IT have risen substantially
- Staff recruitment /retention is a challenge, Some agencies have turnover rates over 40%
- Salary levels of our staff are \$9,000 to \$16,000 below comparable state employees
- Our staff are being asked to do more and work with people with more complex needs
- Quality of care requires lasting trusting relationships that get disrupted by turnover
- Unlike other health providers we can't cost shift to commercial insurance
- Designated Agencies depend on Medicaid and state funding for 90% of our revenues

**2. Developmental Services Budget – 2<sup>nd</sup> Priority**

**The \$1.96 million savings incentives is really another Rescission**

- After reductions totalling \$14 million over 6 years, too many individuals have lost needed individualized services and now have limited support to participate in community living.
- The quality of care has been impacted; an additional reduction will further impact the well-being of people with developmental disabilities currently served.
- Instead of a rescission, caseload funding situation should be reviewed, and if necessary adjusted, during the fiscal year 2016 budget adjustment process, just like DVHA caseload and utilization numbers are reviewed and adjusted.
- If necessary, at the end of FY16 DAIL should establish a waitlist of people seeking services, triage criteria and method for people to come off the waitlist as funding allows
- Access to housing vouchers for supervised living could reduce service expenditures

**3. Mental Health Budget - 3rd Priority**

**We oppose the \$381,000 reduction in non-categorical funding in the Children's Mental Health**

- These funds are for children with disabilities who would lose or have reduced EPSDT Personal Care services following the new assessment and redetermination process.
- The reassessment/redetermination process has been delayed and transitional funds have continued to be available, consequently, the funds have been underutilized in FY2015
- Once the reassessment/redetermination process is completed and transitional funds are no longer provided in FY2016, the non-categorical funds will be necessary
- Children with disabilities and their families may not be eligible for any other funding
- We also oppose the elimination of funding for the Sparrow and CSIP programs which reduce incarceration rates

**4. Substance Abuse Services Budget Fiscal Year 2016 Budget**

- We support the 2.5% rate increase for ADAP services
- We support increased funding for opiate treatment, including new funding for Bennington
- We oppose the decrease for the corrections reentry projects of \$200,000