

# AHS FY 2013 Budget General Fund Changes Associated with Funding Impacts

1/11/2012

## Replace lost federal funds

FMAP Change Title XIX	19,370,593
Other lost federal	1,110,703
<b>Total</b>	<b>20,481,296</b>

## Replace declining tobacco settlement funds

<b>Total</b>	<b>5,996,280</b>
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## Replace FY 2012 One-time funds

<b>Total</b>	<b>32,095,711</b>
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## Use One-Time Funds in FY 2013 build

<b>Total</b>	<b>-19,975,309</b>
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## Net Effect of Funding Changes

<b>Total</b>	<b>38,597,978</b>
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## Total Changes in AHS versus FY 2012

versus FY 2012 As Passed	<b>32,253,261</b>
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## Share of AHS budget delta due to fund changes

120%

## AHS increase over FY12 As Passed

5.8%

## AHS increase net of fund changes

-1.2%

## Federal Funding Changes SFY '13

FMAP Change Title XIX	19,370,593
GC	15,821,697
LTC	2,938,524
Non-Waiver	610,372
FMAP Change Title IV	538,475
SSBG	53,061
DCF Prevention Grant	65,000
DCF Incentive Grant	380,000
VDH Oral Health	74,167
<b>Total</b>	<b>20,481,296</b>

## Replace Tobacco

5,996,280

## FY 2012 One-time funds

### AHS Global Commitment

FY11 \$48M Carry forward at current FMAP	20,432,997
FMAP from Jan. - Mar. Qtr.	3,600,000
Special Fund Mental Health Risk Pool	258,690
State Health Care Resources Fund FY11 unused balance	5,028,896

### DVHA - LTC Waiver

Planned Carryover from FY11 LTC portion	653,550
Budget Bill restoration using CFC carryover	1,043,578

### DCF - Child Development

Expected carryover federal funds from FY '11 (AHS/DCF)	1,078,000
<b>Total</b>	<b>32,095,711</b>

## FY 2013 One-time funds

AHS-GC: SFY11 Catamount unused balance	2,148,898
AHS-GC Remaining FY11 carry forward not needed for FY12	16,637,161
DVHA - LTC Planned Carryover	1,089,250
VDH Public Health - planned carryover of interdepartmental transfer	100,000
<b>Total</b>	<b>19,975,309</b>

**AHS - Caseload and utilization**

	<b>GF</b>	<b>Gross</b>
<b>Department of Vermont Health Access</b>		
<b>DVHA Global Commitment:</b>		
Caseload	(2,205,006)	(5,060,836)
Utilization	2,262,446	5,192,670
Change in Buy-in caseload	1,169,494	2,684,172
FY 2012 Family Planning initiative annualization	873,977	2,005,915
<b>Subtotal</b>	<b>2,100,911</b>	<b>4,821,921</b>
<b>DVHA Long-term care waiver:</b>		
Nursing Home utilization decrease 2.5%	(1,219,960)	(2,800,000)
Acute - change in buy-in caseload	11,565	26,543
Acute caseload	(804,497)	(1,846,447)
Acute utilization	(1,439,947)	(3,304,906)
<b>Subtotal</b>	<b>(3,452,839)</b>	<b>(7,924,810)</b>
<b>DVHA State-only programs:</b>		
State Only pharmacy caseload	(402,286)	(402,286)
State Only pharmacy utilization	465,445	465,445
Change in buy-in caseload	(30,486)	(69,971)
Civil union caseload	138,768	318,495
Civil union utilization	48,233	110,702
HIV caseload	(13,581)	(31,171)
HIV utilization	6,635	15,228
Change in clawback	1,863,550	1,863,550
<b>Subtotal</b>	<b>2,076,278</b>	<b>2,269,992</b>
<b>DVHA Medicaid non-waiver matched programs:</b>		
SCHIP caseload	187,523	614,830
SCHIP utilization	(138,512)	(454,138)
Refugee caseload	-	98,097
Refugee utilization	-	120,771
ACA rebate	-	1,620,280
Change to buy-in caseload	-	(46,565)
<b>Subtotal</b>	<b>49,011</b>	<b>1,953,275</b>
<b>Department of Health</b>		
<b>VDH - Alcohol and Drug Abuse Prevention</b>		
<b>Methadone - increase capacity of current providers</b>	<b>296,593</b>	<b>636,324</b>
<b>Department for Children and Families</b>		
<b>DCF Family Services:</b>		
Funding for 9 social workers	389,850	567,909
Adoption preservation	148,560	198,560

Subadoption estimated caseload reduction	(354,415)	(700,000)
<b>Subtotal:</b>	<b>183,995</b>	<b>66,469</b>
<b>DCF Child Development Division</b>		
CCFAP CPC increase for STARS	1,596,483	1,596,483
CCFAP caseload increase	495,961	495,961
<b>Subtotal:</b>	<b>2,092,444</b>	<b>2,092,444</b>
<b>DCF Aid to Aged, Blind, and Disabled</b>		
Caseload increase	309,540	309,540
Increased Admin fee on caseload increase	15,393	15,393
FFY 12 yearly admin fee increase	12,580	12,580
<b>Subtotal:</b>	<b>337,513</b>	<b>337,513</b>
<b>DCF - 3 Squares VT Cashout</b>		
CPC for caseload	-	325,912
Caseload increase	-	777,600
<b>Subtotal</b>	<b>-</b>	<b>1,103,512</b>
<b>DCF - Reach Up:</b>		
<b>caseload reduction</b>	<b>(1,575,000)</b>	<b>(1,575,000)</b>
<b>Department of Disabilities, Aging, and Independent Living</b>		
<b>DAIL - Developmental Services</b>		
DS caseload (including high school graduates)	1,966,688	4,513,857
DS Public Safety / Act 248 caseload	861,070	1,976,292
<b>Subtotal</b>	<b>2,827,758</b>	<b>6,490,149</b>
<b>Department of Corrections</b>		
<b>Corrections - out of state beds</b>		
Average of 190 beds over appropriated level	4,078,926	4,078,926
Proposal to fill beds at work camps - 28 beds	(649,685)	(649,685)
Increase capacity at Northwest - 20 beds	(464,061)	(464,061)
<b>Subtotal</b>	<b>2,965,180</b>	<b>2,965,180</b>
<b>TOTAL - AHS Caseload &amp; Utilization changes</b>	<b>7,901,844</b>	<b>13,236,969</b>

**AHS "Downs"**

	<b>GF</b>	<b>Gross</b>
<b>AHS Central Office</b>		
Reduction to Vermont Legal Aid grant	(35,000)	(100,000)
Autism initiative - deferred implementation	(10,000,000)	(22,951,572)
<b>Department of Vermont Health Access</b>		
<b>DVHA Administration:</b>		
One-time base funding replaced by federal grants	(336,705)	(772,792)
<b>DVHA Program initiatives (across programs):</b>		
ONE TIME: COB Case Near Resolution	(217,850)	(500,000)
Contract for Nutritional Supplements	(11,596)	(25,000)
Co-Pay Restructuring	(166,423)	(384,041)
CURB: Earlier PT/OT/ST Utilization Reviews	(43,176)	(99,999)
CURB: Out-of Network Prior Authorizations for Non-Emergent Outpatient	(119,171)	(275,000)
Enhanced Pharmacy Edits (Limit 1st Fills to 15 Day Supply, Tighten up on 90-Day Refill Mgmt.)	(57,979)	(125,001)
Expand VCCI Initiatives / Savings	(650,647)	(1,501,303)
Increase "Pay and Chase" Receipts due to New Pharmacy Data Match Tool	(927,668)	(1,999,998)
Increase Utilization Review of MH Discharge Planning and Case Manage Psych. Inpatient	(325,507)	(750,000)
Manage High-Risk Pregnancies	(196,065)	(450,000)
Manage Substance Abuse Services	(265,367)	(609,059)
Perform Concurrent Reviews for all Medical Surgical Extended length-of-stay and post-payment review	(868,017)	(2,000,000)
Reduce Payments on Ultrasounds of Contiguous Body Parts	(71,366)	(165,001)
Require Insurance Co.'s to check for XIX Eligibility prior to individual reimbursement (Casualty)	(43,879)	(100,000)
Transportation Quality Assurance & Coordination	(391,170)	(899,999)
<b>Subtotal:</b>	<b>(4,355,881)</b>	<b>(9,884,401)</b>
<b>DVHA Long-Term Care</b>		
CFC HCBS - case mgmt - change from 15 minute units with cap of 48 hours/year to monthly rate of \$110 (requires CMS approval)	(130,710)	(300,000)
CFC ERC - eliminate ERC case management (requires CMS approval)	(130,710)	(300,000)
CFC HCBS - change reimbursement rates from \$15/hour to half-day and full-day rates (requires CMS approval)	(78,417)	(179,979)
<b>Subtotal</b>	<b>(339,837)</b>	<b>(779,979)</b>
<b>Total DVHA</b>	<b>(5,032,423)</b>	<b>(11,437,172)</b>

<b>Department of Health</b>		
<b>Public Health:</b>		
Reduction offset by increase in licensing fees as recommended in FY 2013 Fee Bill	(144,645)	(144,645)
Replace GF with AMAP rebate SF revenue for ASO grant awards	(200,000)	(200,000)
GC reduction to be offset by Federal Fund increase	(348,560)	(800,000)
<b>Subtotal</b>	<b>(693,205)</b>	<b>(1,144,645)</b>
<b>Department for Children and Families</b>		
<b>DCF Reach Up:</b>		
Unique post-secondary education grants to Champlain College and CCV	(150,000)	(150,000)
SSI disregard now counted as income going forward (241 cases)	(927,262)	(927,262)
<b>Subtotal:</b>	<b>(1,077,262)</b>	<b>(1,077,262)</b>
<b>Department of Disabilities, Aging, and Independent Living</b>		
<b>DAIL - Administration and Support</b>		
Increase in base federal receipts for Division of Licensing and Protection - Survey and Certification Title 18	(250,000)	110,000
<b>DAIL - Developmental Services</b>		
DS - HCBS waiver - change reimbursement practices during hospital admissions	(359,453)	(825,000)
<b>Department of Corrections</b>		
<b>Correctional Services</b>		
Reduction of one-time associated with facility change	(480,000)	(480,000)
<b>Subtotal - AHS "Downs"</b>	<b>(17,927,343)</b>	<b>(37,905,651)</b>
<b>AHS-GC "Downs" associated with increased SF revenues</b>		
Increase in cigarette tax above consensus forecast	(1,703,427)	(1,703,427)
Net provider tax projection vs. FY12 As Passed (annualized)	(1,107,557)	(1,107,557)
SFY '12 SHCRF revenues realized but not included in appropriation	(255,695)	(255,695)
Hospital Providers; State Health Care Resources Fund inc. 5.9% to 6%	(1,854,591)	(1,854,591)
Additional provider tax revenue based on BISHCA's approved 6.5% system weighted average rate increase for 2012	(3,112,358)	(3,112,358)
Additional Catamount employer assessment revenue forecasted but not booked in '12	(2,200,000)	(2,200,000)
'13 additional Catamount employer assessment revenue based on SFYTD '12 receipts	(2,202,168)	(2,202,168)
<b>Subtotal</b>	<b>(12,435,796)</b>	<b>(12,435,796)</b>
<b>TOTAL - "AHS Downs"</b>	<b>(30,363,139)</b>	<b>(50,341,447)</b>

**AHS "Ups"**

	<b>GF</b>	<b>Gross</b>
<b>AHS Central Office</b>		
Increase in audit costs	4,765	15,369
<b>AHS - Global Commitment</b>		
Change in member premium revenues per caseload forecast	878,942	878,942
Autism initiative - across AHS	10,000,000	22,951,572
<b>Department of Vermont Health Access</b>		
<b>DVHA Administration:</b>		
Additional positions (23 FTEs)	804,537	1,846,540
Net increase in leases	7,445	17,087
Operating Expenses for additional positions	99,636	219,500
<b>Subtotal</b>	<b>911,618</b>	<b>2,083,127</b>
<b>Across DVHA Programs:</b>		
Hospital rate increase	1,607,550	3,709,605
Increase in Home Health rates	126,564	292,112
<b>DVHA Long-term care waiver:</b>		
Nursing Home statutory increase	1,477,310	3,390,658
Pressure to meet minimum wage increase for small CFC services in half of SFY 2013	19,990	45,880
<b>Subtotal - all DVHA</b>	<b>4,143,032</b>	<b>9,521,382</b>
<b>Department for Children and Families</b>		
<b>DCF Administration:</b>		
Increased phone rate at IBM/Williston	59,097	86,999
Banking fees to Treasurer's Office ("lockbox")	43,800	43,800
<b>Subtotal</b>	<b>102,897</b>	<b>130,799</b>
<b>DCF Family Services:</b>		
USDA increase for foster care	180,388	316,230
<b>DCF Office of Child Support:</b>		
Banking fees to Treasurer's Office ("lockbox")	26,000	26,000
<b>DCF Reach Up:</b>		
SSI Recoupment not realized	500,000	500,000
<b>Department of Disabilities, Aging, and Independent Living</b>		
<b>DAIL - Traumatic Brain Injury - community based waiver</b>		
Increase in TBI daily respite to meet State minimum wage requirement	12,200	28,000
<b>Department of Corrections</b>		
<b>Correctional Services:</b>		
Corrections housing coordinator (1 FTE)	45,500	45,500
Increases in health and mental health costs	1,000,000	1,000,000
Inflation in operating expenses	425,679	425,679
Increased costs for rapid arraignment	14,000	14,000
<b>Subtotal</b>	<b>1,485,179</b>	<b>1,485,179</b>
<b>Corrections - out of state beds</b>		
Inflation at 3% on OOS beds	358,679	358,679
<b>TOTAL - AHS "Ups"</b>	<b>17,692,082</b>	<b>36,212,152</b>