

**Agency of Human Services**  
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**MEMORANDUM**

TO: Susanne Young, Secretary of Administration

FROM: Sarah Clark, AHS CFO

THROUGH: Michael K. Smith, Secretary, Agency of Human Services

DATE: June 11, 2021

RE: Medicaid Waiver Closeout Adjustments – SFY21

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Please find attached a list of requested Medicaid Waiver adjustments that reflect the AHS closeout plan for Agency Central Office and AHS Departments.

Some key points on this year's adjustments:

- The DVHA Global Commitment program needs additional funds due to three main factors.
    1. Caseload and utilization experience is higher than budgeted due to the public health emergency (PHE). By accepting the 6.2% fmap bump for Medicaid, DVHA had to forfeit processing eligibility redeterminations while the PHE is in effect. The caseload is approximately 20k more members than budgeted.
    2. An alternative payment methodology was developed for the Brattleboro Retreat that combines DVHA and DMH funding into a per member per month (pmpm) rate. DMH will be transferring the respective portion of their budget to DVHA to accommodate the pmpm.
    3. The timing of drug rebate deposits can be unpredictable and pose spending authority challenges at year-end. AHS is transferring known GC underspend from other departments to DVHA in order for the last Gainwell payment on June 25<sup>th</sup>, 2021, to be successfully posted.
  - DMH, VDH and DAIL are experiencing surpluses that can accommodate these DVHA pressures. The DMH Success Beyond Six program is experiencing underspend. Though this does not reflect state match savings, the spending authority will be transferred to DVHA to address drug rebate timing issues at fiscal year-end.
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- Additional unspent GC funds from VDH are being transferred to DVHA to accommodate the amount that needs to be carried forward per H.439 Sec. C.101.1 for the Delivery System Reform projects of the Accountable Care Organization.
- The DAIL Long Term Care program is experiencing a surplus in which GC will be converted to GF to be used as the 15-25% state match for the American Rescue Plan Title III funding for the Area Agencies of Aging (AAA). Additional surplus funds will also be converted to GF for administrative expenses related to the CMS-mandated Electronic Visit Verification (EVV) system.
- Other changes reflect the ebb and flow of Medicaid earnings and services for consumers across the AHS appropriations.

These adjustments reflect the approved process for limited appropriation adjustments per Act 154 Sec.E.301.2 of the 2020 session (see next page for detail).

#### AHS ADJUSTMENTS ON ATTACHED SPREADSHHET

- AHS Central Office
- Department of Corrections
- Department of Vermont Health Access
- Vermont Department of Health
- Department of Mental Health
- Department of Disabilities, Aging, and Independent Living
- Department for Children and Families

Approved:

Susanne R.  
Young

Digitally signed by Susanne R.  
Young  
Date: 2021.06.16 13:50:46  
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Date: 6/16/21

Susanne Young  
Secretary of Administration

Sec. E.301.2 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER;  
REPORT

(a) In order to facilitate the end-of-year closeout for fiscal year 2021, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the September 2021 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

**Global Commitment SFY21  
AHS GC Closeout Adjustments**

Department	Dept ID	Fund Codes	General 10000	Federal 22005	Global Commitment 20405	Total
AHS	340001000	<b>AHS Secretary's Office</b>				
		Convert GF to GC	(436,415)		1,026,617	590,202
						0
HSB	34000100000	<b>Human Services Board</b>				0
						0
<b>TOTAL AHS/DRS</b>			<b>(436,415)</b>	<b>0</b>	<b>1,026,617</b>	<b>590,202</b>
DOC	3480004000	<b>Correctional Services</b>				
		Convert GC to GF	76,328		(179,552)	(103,224)
<b>TOTAL DOC</b>			<b>76,328</b>	<b>0</b>	<b>(179,552)</b>	<b>(103,224)</b>
DVHA	3410010000	<b>Admin</b>				
		Receive GF from Non-Waiver Matched	1,544,766			1,544,766
		Receive GC from VDH (use for CY 2021 DSR)			2,095,382	2,095,382
	3410015000	<b>Global Commitment</b>				
		Receive GC from DMH for BR APM			1,495,236	1,495,236
		Receive GC from VDH			5,904,618	5,904,618
		Receive GC from DAIL DS			6,244,134	6,244,134
		Receive GC from DAIL DS (USPs)			783,000	783,000
		Receive funds from State Only (converted to GC)			10,585,745	10,585,745
		Receive GC from DMH (SBS underspend; only to accommodate drug rebate timing)			15,000,000	15,000,000
						0
						0
	3410017000	<b>State Only</b>				0
		Transfer funds to Global Commitment	(4,500,000)			(4,500,000)
		Receive GC from DMH for BR APM			1,504,764	1,504,764
						0
	3410018000	<b>Non-Waiver Matched</b>				0
		Transfer to Admin	(1,544,766)			(1,544,766)
						0
<b>TOTAL DVHA</b>			<b>(4,500,000)</b>	<b>0</b>	<b>43,612,879</b>	<b>39,112,879</b>
VDH	3420010000	<b>Admin &amp; Support</b>				0
						0
	3420021000	<b>Public Health</b>				
		Transfer to DVHA GC			(2,904,618)	(2,904,618)
		Transfer to DVHA Admin			(2,095,382)	(2,095,382)
						0
	3420060000	<b>ADAP</b>				
		Transfer to DVHA GC			(3,000,000)	(3,000,000)
						0
<b>TOTAL VDH</b>			<b>0</b>	<b>0</b>	<b>(8,000,000)</b>	<b>(8,000,000)</b>

DMH	3150070000	<b>Mental Health</b>					
		Convert GF to GC		(284,434)		669,099	384,665
		Transfer to DVHA GC for BR APM				(1,495,236)	(1,495,236)
		Transfer to DVHA State Only for BR APM				(1,504,764)	(1,504,764)
		SBS underspend - Transfer to DVHA GC				(15,000,000)	(15,000,000)
							0
<b>TOTAL DMH</b>				<b>(284,434)</b>	<b>0</b>	<b>(17,330,901)</b>	<b>(17,615,335)</b>
DDAIL	3460010000	<b>Administration &amp; Support</b>					0
		Receive funds from DS for assessment contract (convert to GF)	1,656,571				1,656,571
		Receive funds from LTC for EVV (convert to GF)	533,249				533,249
						120,000	120,000
	3460020000	<b>DAIL Grants</b>					
		Convert GC to GF	175,000			(411,668)	(236,668)
		Receive funds from LTC for match for ARPA funding for AAA's (convert to GF)	1,302,767				1,302,767
		Transfer GC to Admin				(120,000)	(120,000)
	3460030000	<b>Blind and Visually Impaired</b>					
		Receive funds from DS (convert to GF)	150,000				150,000
		Receive GC funds from DS				50,000	50,000
	3460040000	<b>Vocational Rehabilitation</b>					
	3460050000	<b>Developmental Services</b>					
		Transfer funds to DBVI				(352,858)	(352,858)
		Transfer GC to DBVI				(50,000)	(50,000)
		Transfer funds to Admin				(3,896,897)	(3,896,897)
		Transfer GC to DCF FSD				(333,910)	(333,910)
		Transfer GC to DVHA GC (USPs)				(783,000)	(783,000)
		Transfer GC to DVHA GC				(6,244,134)	(6,244,134)
						0	
	3460070000	<b>TBI, Home &amp; Comm. Based Waiver</b>					0
		Receive GC from LTC				1,000,000	1,000,000
							0
						0	
						0	
	3460080000	<b>Long Term Care</b>					
Transfer GC to TBI					(1,000,000)	(1,000,000)	
Convert GC to GF for Money Follows the Person continuation and expansion		500,000			(1,176,194)	(676,194)	
Transfer funds to Admin for EVV					(1,254,409)	(1,254,409)	
Transfer funds to DAIL Grants for match for ARPA funding to AAA's					(3,064,613)	(3,064,613)	
						0	
<b>TOTAL DDAIL</b>			<b>4,317,587</b>	<b>0</b>	<b>(17,517,683)</b>	<b>(13,200,096)</b>	
DCF	3440010000	<b>Admin</b>					
		Transfer GC to Woodside				(35,041)	(35,041)
3440020000	<b>FSD</b>						
	Receive GC from DAIL DS				333,910	333,910	

		Receive GC from CDD		366,177	366,177
		Convert GF to GC	(311,345)	732,404	421,059
<b>3440030000</b>	<b>CDD</b>				
		Convert GF to GC	(13,227)	31,115	17,888
		Transfer GC to FSD		(366,177)	(366,177)
					0
<b>3440050000</b>	<b>AABD</b>				0
		Convert GF to GC	(761,566)	1,791,499	1,029,933
<b>3440060000</b>	<b>GA</b>				
		Transfer GC to Woodside		(113,216)	(113,216)
					0
<b>3440080000</b>	<b>Reach Up</b>				
		GF to GC Conversion	(157,130)	369,631	212,501
					0
					0
<b>3440100000</b>	<b>OEO</b>				
		Convert GC to GF	128,695	(302,741)	(174,046)
<b>3440120000</b>	<b>Woodside</b>				
		Receive funds from Admin and GC (convert to GF)	63,024		63,024
		Convert GC to GF	12,753	(30,000)	(17,247)
<b>3440130000</b>	<b>Disability Determination Services</b>				
					0
<b>TOTAL DCF</b>			<b>(1,038,796)</b>	<b>0</b>	<b>2,777,561</b>
					<b>1,738,765</b>
		<b>Net by fund all AHS Depts:</b>	<b>(1,865,730)</b>	<b>0</b>	<b>4,388,921</b>
					<b>2,523,191</b>
<b>AHSCO</b>	<b>3400004000</b>	<b>Secretary's Office</b>			
		<b>Global Commitment</b>			
		General and Federal Funds for GC Conversions	1,865,730	2,523,191	4,388,921
<b>TOTAL AHSCO</b>			<b>1,865,730</b>	<b>2,523,191</b>	<b>0</b>
					<b>4,388,921</b>