



**Agency of Human Services**  
103 South Main Street  
Waterbury, VT 05671-3711

**Agency of Human Services**  
*Office of the Secretary*  
103 South Main Street  
Waterbury, VT 05671-0204  
[phone] 802-241-2220  
[fax] 802-241-2979

**MEMORANDUM**

**TO:** Neale F. Lunderville, Secretary of Administration

**FROM:** Jim Giffin, AHS CFO 

**THROUGH:** Robert Hofmann, Secretary, Agency of Human Services 

**DATE:** June 23, 2010

**RE:** Global Commitment Closeout Adjustments

Please find attached a second request for Global Commitment adjustments that reflect the AHS closeout plan for Agency Central Office and our Departments. As stated in my June 2nd memo we were continuing to monitor expenditures weekly and may need additional adjustments to ensure payment of all HP bills through the 53<sup>rd</sup> week.

The attached adjustments reflect the available unused GC funds in DMH and DAIL after the payment of all anticipated claims. The increases in the OVHA appropriations continue to reflect that the State has not received the pharmacy rebates at the rate and timing anticipated.

The full \$43M GC carry forward planned for in the SFY11 appropriations act will remain available in the GC fund June 30, 2010. Confirmation will occur in July after closeout of all appropriations.

I am cautiously optimistic that there will not be a need for any additional transfers on June 29<sup>th</sup> to ensure all departments can pay their 53<sup>rd</sup> week of HP payments.

These adjustments reflect the approved process for limited Appropriation adjustments per Section 86 of the SFY2010 Budget Adjustment Act (see next page for detail).

**AHS ADJUSTMENTS ON ATTACHED SPREADSHHET**

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



**Neale F. Lunderville Global Commitment Adjustment memo**

**June 23, 2010**

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Approved:

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Date:

Neale F. Lunderville

Secretary of Administration

**Sec. 86. GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT<sup>1</sup>**

In order to facilitate the end-of-year closeout for fiscal year 2010, 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 2010 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.

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<sup>1</sup> <http://www.leg.state.vt.us/docs/2010/Acts/ACT067.pdf>

## AHS GC Closeout Adjustments

Department	Dept ID	Fund Codes	IDT	Global Commitment	Total	
			21600	20405		
AHS	3400004000	<b>GC Appropriation</b>				
			neutral transfer from AHS GC to OVHA State Only - 53rd Week	(300,000)		(300,000)
		<b>TOTAL AHS/DRS/DOC</b>				(300,000)
OVHA	3410010000	<b>Administration</b>				
			neutral transfer from OVHA Admin to OVHA GC - 53rd Week		(1,200,000)	(1,200,000)
	3410016000	<b>Global Commitment</b>				
			neutral transfer from OVHA Admin to OVHA GC - 53rd Week		1,200,000	1,200,000
			neutral transfer from DMH to OVHA GC - 53rd Week		5,000,000	5,000,000
			neutral transfer from DMH-VSH to OVHA GC - 53rd Week		294,410	294,410
			neutral transfer from DAIL-DS to OVHA GC - 53rd Week		3,000,000	3,000,000
		neutral transfer from OVHA State Only to OVHA GC - 53rd Week		300,000	300,000	
	3410017000	<b>State Only</b>				
			neutral transfer from AHS GC to OVHA State Only - 53rd Week	300,000	(300,000)	0
<b>TOTAL OVHA</b>			300,000	8,294,410	8,694,410	
DMH	3160070000	<b>Mental Health</b>				
			neutral transfer from DMH to OVHA GC - 53rd Week		(5,000,000)	(5,000,000)
	3160080000	<b>Vermont State Hospital</b>				
	neutral transfer from DMH-VSH to OVHA GC - 53rd Week		(294,410)	(294,410)		
<b>TOTAL DMH</b>				(5,294,410)	(5,294,410)	
3460050000	<b>Developmental Services</b>					
		neutral transfer from DAIL-DS to OVHA GC - 53rd Week		(3,000,000)	(3,000,000)	
<b>TOTAL DDAIL</b>				(3,000,000)	(3,000,000)	
<b>SUBTOTAL AHSCO</b>						