

## Theresa Utton

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**Subject:** FW: \$31 Rescission Impacts Lamoille Family Center  
**Attachments:** 3-16-14 Scott email to Ancel, Heath and Johnson.doc; 8-12-14 \$31 mil Rescission letter.doc

Subject: \$31 Rescission Impacts Lamoille Family Center  
Date: Tue, 12 Aug 2014 09:16:03 -0400

August 12, 2014

Members of the Joint Fiscal Committee

I am writing in my role as Executive Director of the Lamoille Family Center and as a member of the Vermont Parent Child Center Network. Please accept this as my written comment regarding the recommended rescissions to the FY'15 budget.

During the 2014 legislative session I emailed Representatives Ancel, Heath and Johnson and advocated for maintaining the Medicaid Provider increase. Please see my attached communication.

The Governor's recommended cut to the Medicaid Provider increase is devastating to my small agency because it eliminates **the only increase the Lamoille Family Center would have received in FY'15**. Our agency's \$2 million FY'15 budget (includes approx. 50% Medicaid and 50% grants), anticipated the Medicaid Provider increase of 1.6% or .8% over 6 months of FY'15 at an approximate \$9,000 revenue increase on the \$1,000,000 Medicaid portion of our overall budget. Anticipating that revenue increase in FY'15 helped us to justify a staff cost of living increase that was put in place on July 1st.

**The Vermont social safety net of contracted non-profit, human service providers cannot maintain critical services that are level funded year after year.**

A poignant example of level funding highlights the importance of regular increases and the inequities of our State grant and contracting process: The VT Parent Child Center Network base grant has been level funded for 20 years.

40 years ago, VT chose to contract out many human services to the non-profit sector to provide a social safety net of support/services to Vermonters. Over these decades, many of the contracted programs (within my world of AHS) have been level funded. Our organizations can't continue to be leveled funded and still keep pace with the cost of living or we will erode critical services and continue to lose good staff to higher paying sectors, e.g., State government, health care, etc.

**The non-profit sector is approximately 12% of the Gross State Product** (excluding N-P hospitals, colleges, universities and religious organizations) and needs the attention it deserves as part of the economic engine in VT!

I appreciate your consideration of my concerns as you deliberate the budget.

Sincerely,  
Scott Johnson

Scott Johnson, Executive Director  
Lamoille Family Center

**From:** Scott Johnson

**Sent:** Sunday, March 16, 2014 10:36 AM

**Subject:** Medicaid Provider Increase - Also The Little Guys COLA

Representatives Ancel, Heath and Johnson

The 2 articles this week and again today in VT Digger highlight your respective concerns for the Medicaid provider increase. I respect your concerns and want to point out that the dialogue neglects the impact on the human/social service organizations providing Medicaid services.

In my 4 years as Executive Director at the Lamoille Family Center, FY'14 was the first time any of my programs received a built in increase/adjustment thru our grants and contracts with State government; that increase came from the 2.5% Medicaid increase that went into effect on November 1, 2013. The increase applied only to our Medicaid programs which are about 55% of our total budget or approximately \$1 million in total Medicaid programs including: Children's Integrated Services and Runaway and Homeless Youth.

The FY'14 2.5% (over 8 months) Medicaid increase provided my agency approximately \$16,000.00. Prior to the Medicaid increase, we approved an FY'14 2.5% staff wage increase that totaled approximately \$28,000.00 or about \$12,000.00 more than the overall Medicaid increase provided. Like everyone, each year we have increased facility and staff costs and we cover the difference with increased fund raising and use those precious, unrestricted donor dollars to keep programs whole, or we squeeze as much vacancy savings as we can without disrupting service. To date, we haven't had to close programs.

One additional example, separate but related to this topic, highlights the importance of regular increases and the inequities of our State grant and contracting process: The VT Parent Child Center Network base grant has been level funded for 20 years.

I realize that we are small players in the world of delivering Medicaid health related services but we remain critical to the overall health and well-being of children and families in Vermont. If we don't watch out for and take care of the human/social service system, we won't have a thriving health care system!

Please consider the little guys who need a regular COLA to survive.

Thanks for all your hard work and ongoing commitment to the health and well-being of Vermonters.

Best regards,

Scott

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