



GENERAL ASSEMBLY
STATE OF VERMONT
LEGISLATIVE JOINT FISCAL COMMITTEE

Agenda

Thursday, September 14, 2017

Room 10, State House

- 10:00 a.m. A. Call to order and approve minutes of July 21, 2017 [**Approved**] [*doc*]
- 10:05 a.m. B. Administration's Fiscal Updates
Adam Greshin, Commissioner, and
Matt Riven, Deputy Commissioner, Department of Finance & Management
1. FY2017 Final Closeout
 2. FY2018 Budget Adjustment Pressures
 3. FY2019 Budget Development Process and Instructions
 4. Management Savings Timeframe [Sec. B.1102 of Act 85 of 2017]
 5. General Fund 27/53 Reserve – report on anticipated liability for the next 27th payroll and 53rd week of Medicaid payments. [32 V.S.A. Sec. 308e(a)(2)] [*doc*]
- 10:20 a.m. C. Fiscal Office Updates [*doc*]
Fiscal Officers' Report – Stephen Klein, Chief Fiscal Officer
- 10:45 a.m. D. Federal Funding Update
Chris Saunders, Legislative Assistant, U.S. Senator Patrick Leahy's Office
Kathryn Becker Van Haste, Health Policy Director, U.S. Senator Bernard Sanders' Office
George Twigg, State Director, U.S. Representative Peter Welch's Office
- 11:15 a.m. E. Agency of Human Services Updates
1. AHS/DMH on Implementation of Rate Increases to Designated Agencies [Sec. E.306.2 of Act 85 of 2017] [*doc*]
Melissa Bailey, Commissioner, Dept. of Mental Health, and [2 *docs*]
Monica Hutt, Commissioner, Dept. of Disabilities, Aging & Ind. Living, and
Sarah Clark, Chief Fiscal Officer, Agency of Human Services
 2. LIHEAP Funding [*doc*]
Ken Schatz, Commissioner, and
Sean Brown, Deputy Commissioner, Department for Children & Families

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- 11:45 p.m. F. Vermont Employment Growth Incentive Program – Model Update
[32 V.S.A. § 3326(b)] [**Approved**] [2 docs]
Fred Kenney, Executive Director, Vermont Economic Progress Council
Ken Jones, Economic Research Analyst, Agency of Commerce & Community
Development
- 12:00 p.m. F. Federal Single Audit Review [Sec. E.100.5 of Act 172 of 2016] [Subcommittee
recommendations submitted 9/15/2016]
Doug Hoffer, Vermont State Auditor
Susan Mesner, Deputy Auditor of Accounts, Vermont State Auditor’s Office
Karen Jaquish, Statewide Grants Administrator, Department of Finance &
Management
- 12:25 p.m. G. Clean Water Fund Report [10 V.S.A. § 1389a as amended by Sec. E.700.1 of H.542
(Act 85) of 2017] [doc]
Susanne Young, Secretary, Agency of Administration
- 12:40 p.m. H. Grant JFO#2888–One (1) limited-service position tasked with working with team
members within the Medicaid Fraud and Residential Abuse Unit (MFRAU).
[**Approved**] [doc]
Jason Turner, Director, Medicaid Fraud and Residential Abuse Unit, Attorney
General’s Office
- 1:00 p.m. Adjourn [Next Meeting: Thursday, November 9, 2017]

Other Dates: All Legislative Briefing on November 30, 2017 at 10:00 a.m. in the Well of the House

Other Report Submissions:

- I. General Fund and Transportation Fund Balance Reserves [**Received – see August 2017
rescission documents**].

32 V.S.A. § 308c. General Fund and Transportation Fund Balance Reserves

(a) There is hereby created within the General Fund a General Fund Balance Reserve, also known as the "Rainy Day Reserve." After satisfying the requirements of section 308 of this title, and after other reserve requirements have been met, any remaining unreserved and undesignated end of fiscal year General Fund surplus shall be reserved in the General Fund Balance Reserve. The General Fund Balance Reserve shall not exceed five percent of the appropriations from the General Fund for the prior fiscal year without legislative authorization.

(d) Determination of the amounts of the General Fund and Transportation Fund Balance Reserves shall be made by the Commissioner of Finance and Management and reported, along with the amounts appropriated pursuant to subsection (a) of this section, to the legislative Joint Fiscal Committee at its first meeting following September 1 of each year.

II. Vermont Economic Growth Incentive joint report on the incentives authorized in subchapter 3340 of 32 V.S.A. [Received]

32 V.S.A. § 3340[(a) added in Sec. H.1 of Act 157 of 2016] REPORTING

(a) On or before September 1 of each year, the Vermont Economic Progress Council and the Department of Taxes shall submit a joint report on the incentives authorized in this subchapter to the House Committees on Ways and Means, on Commerce and Economic Development, and on Appropriations, to the Senate Committees on Finance, on Economic Development, Housing and General Affairs, and on Appropriations, and to the Joint Fiscal Committee.

(b) The Council and the Department shall include in the joint report:

III. Health IT-Fund Annual Report [Received]

32 V.S.A. § 10301. Health IT-Fund

(a) The Vermont Health IT-Fund is established in the State Treasury as a special fund to be a source of funding for Medical Health Care Information Technology Programs and initiatives such as those outlined in the Vermont Health Information Technology Plan administered by the Secretary of Administration or designee. One hundred percent of the Fund shall be disbursed for the advancement of health information technology adoption and utilization in Vermont as appropriated by the General Assembly, less any disbursements relating to the administration of the Fund. The Fund shall be used for loans and grants to health care providers pursuant to section 10302 of this chapter and for the development of programs and initiatives sponsored by VITL and State entities designed to promote and improve health care information technology, including:

(g) The Secretary of Administration or his or her designee shall submit an annual report on the receipts, expenditures, and balances in the Health IT-Fund to the Joint Fiscal Committee at its September meeting and to the Green Mountain Care Board. The report shall include information on the results of an annual independent study of the effectiveness of programs and initiatives funded through the Health IT-Fund, with reference to a baseline, benchmarks, and other measures for monitoring progress and including data on return on investments made.

IV. General Assistance Program Report [Received]

33 V.S.A. § 2115 is added to read: [amended by Sec. E.321.2 of Act 85 of 2017]

§ 2115. GENERAL ASSISTANCE PROGRAM REPORT

On or before of September 1 of each year, the Commissioner for Children and Families shall submit a written report to the Joint Fiscal Committee; the House Committees on Appropriations, on General, Housing and Military Affairs and on Human Services and the Senate Committees on Appropriations and on Health and Welfare containing: The report shall contain the following:

(1) an evaluation of the General Assistance program during the previous fiscal year;

(2) any recommendations for changes to the program; and

(3) a plan for continued implementation of the program.

(4) statewide statistics using deidentified data related to the use of emergency housing vouchers during the preceding State fiscal year, including demographic information, client data, shelter and motel usage rates,

clients' primary stated cause of homelessness, average lengths of stay in emergency housing by demographic group and by type of housing; and

(5) other information the Commissioner deems appropriate.

V. Global Commitment appropriations; transfer; report

Sec. 64 of Act 68 of 2016 as amended by Sec. 76 of Act 3 of 2017 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT [Refer to July and August Meeting/Rescission]

(a) In order to facilitate the end-of-year closeout for fiscal year 2017, 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 2017 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.

VI. Bill-Back Report - total amount of all expenses eligible for allocation pursuant to 18 V.S.A. §§ 9374(h) and 9415 during the preceding state fiscal year and the total amount actually billed back to the regulated entities during the same period. [Received]

Act 79 of Sec. 37c. of 2013 BILL-BACK REPORT

(a) Annually on or before September 15, the Green Mountain Care Board and the Department of Financial Regulation shall report to the House Committee on Health Care, the Senate Committees on Health and Welfare and on Finance, and the House and Senate Committees on Appropriations the total amount of all expenses eligible for allocation pursuant to 18 V.S.A. §§ 9374(h) and 9415 during the preceding state fiscal year and the total amount actually billed back to the regulated entities during the same period.

(b) The Board and the Department shall also present the information required by subsection (a) of this section to the Joint Fiscal Committee annually at its September meeting.

VII. Progress report on siting of seasonal warming shelters [Received]

Sec. B.1101 of Act 85 of 2017 FISCAL YEAR 2018 ONE-TIME GENERAL FUND APPROPRIATIONS

(a) Department for Children and Families: The sum of \$600,000 in general funds is appropriated to the Department for Children and Families to be used to facilitate the development of two seasonal warming shelters, one in the Rutland district office service area and one in the Barre district office service area to be in place for the 2017-2018 heating season. The Department for Children and Families and the local continuums of care in the Rutland and Barre districts shall report on or before September 15 and November 15, 2017 to the Legislative Joint Fiscal Committee on the progress of the siting and development of seasonal warming shelters in these two areas of the State. The Secretary of Human Services and the Commissioner for Children and Families shall work with hospitals and community organizations to access additional funding, matching funds, and in-kind contributions, and to facilitate siting to expand shelter availability throughout other regions of the State. A report on projected shelter availability for the 2017-2018 heating season shall be submitted to the Legislative Joint Fiscal Committee on or before November 15, 2017.

X. Choices for Care Savings Allocation Report [Received]

Sec. E.308.1 of H.542 (Act 85) of 2017 CHOICES FOR CARE

(a) In the Choices for Care program, "savings" means the difference remaining at the conclusion of fiscal year 2017 between the amount of funds appropriated for Choices for Care, excluding allocations for the provision of acute care

services, and the sum of expended and obligated funds, less an amount equal to one percent of the fiscal year 2017 total Choices for Care expenditure. The one percent shall function as a reserve to be used in the event of a fiscal need to freeze Moderate Needs Group enrollment. Savings shall be calculated by the Department of Disabilities, Aging, and Independent Living and reported to the Joint Fiscal Office.

(1) It is the intent of the General Assembly that the Department of Disabilities, Aging, and Independent Living only obligate funds for expenditures approved under current law.

(d) The Commissioner shall determine how to allocate any Choices for Care program savings available at the end of fiscal year 2017 and shall report to the Joint Fiscal Committee at the regularly scheduled September 2017 meeting on these allocations.

(e) Concurrent with the procedures set forth in 32 V.S.A. § 305a, the Joint Fiscal Office and the Secretary of Administration shall provide to the Emergency Board their respective estimates of caseloads and expenditures for programs under the Choices for Care program.