

Emergency Board Minutes  
January 23, 2013, Called for 10:30 am

Pursuant to notice, the Emergency Board met in the Governor's Ceremonial Office at the Vermont State House, 115 State Street, Montpelier, Vermont on Wednesday, January 23, 2013 at 10:39 am.

Members present: Governor Peter Shumlin, Chair; Senator Tim Ashe, Senator Jane Kitchel, Representative Martha Heath, Representative Janet Ancel.

The items on the agenda were as follows:

**Item 1: Allocation of the calendar year 2013 Private Activity Bond Ceiling (32 V.S.A. Sec.992(b)).**

Governor Shumlin introduced the proposed allocation of the Calendar Year 2013 private activity bond ceiling pursuant to 32 V.S.A. Sec. 992(b), as recommended by the Private Activity Bond Advisory Committee (PABAC) provided in accordance with 32 VSA Sec 994(b)(4).

State Treasurer and Chair of the Private Activity Bond Advisory Committee Beth Pearce presented the proposed 2013 private activity bond allocation.

Following discussion, Senator Kitchel made the following motion, seconded by Representative Heath:

Motion is made to allocate Vermont's private activity bond allocation of \$291,875,000 for calendar year 2013 as follows:

Vermont Housing Finance Agency (VHFA)	\$ 50,000,000
Vermont Economic Development Authority (VEDA)	\$ 25,000,000
Vermont Municipal Bond Bank (VMBB)	\$ 20,000,000
Contingency	\$196,875,000
	<hr/> \$291,875,000

It is further moved that discussion of the allocations, including the contingency, and delegation of reallocation authority to the Governor, as provided for in 32 V.S.A. Sec. 992(b), be placed on the July, 2013 Emergency Board meeting agenda.

This motion was passed unanimously.

**Item 2: Transfers from the general fund to the Education Fund and to the Vermont Clean Energy Development Fund (2012 Act 162 Sec D.108(b)).**

Governor Shumlin introduced the proposed authorization of the transfers of \$2.1 million general fund to the Education Fund and \$3 million general fund to the Vermont Clean Energy Development Fund.

Secretary Jeb Spaulding of the Agency of Administration presented the proposed authorization of transfer of funds.

Following discussion, Representative Ancel made the following motion, seconded by Senator Ashe:

Pursuant to 2012 Act 162 Sec. D.108(b), the Emergency Board votes and determines that sufficient general fund revenues will be available in fiscal year 2013 to make the following transfers, and that the transfers do not create a projected negative balance in the general fund and reduce the reserve position anticipated for the close of fiscal year 2013:

- \$2.1 million general fund to the Education Fund
- \$3 million general fund to the Vt Clean Energy Development Fund

This motion was passed unanimously.

**Item 3: Presentation of the Administration's and Joint Fiscal Office's revenue estimate and Medicaid caseload and expenditure estimates (32 VSA Sec. 305a).**

Governor Shumlin introduced the Administration's and Joint Fiscal Office's Revenue Estimate (32 V.S.A. Sec. 305a). Jeff Carr, Consulting Economist for the Administration, and Tom Kavet, Consulting Economist for the Legislature, presented the January 2013 Economic Review and Revenue Forecast Update report.

Following discussion, Representative Heath made the following motion, seconded by Representative Ancel, to accept the revenue estimate as presented:

Moved: That the state revenue estimates pursuant to 32 VSA Sec. 305a for FY 2013, FY 2014, and FY 2015 are as follows:

	Fiscal 2013 Estimate  (Millions)	Fiscal 2014 Estimate  (Millions)	Fiscal 2015 Estimate  (Millions)
General Fund	\$ 1,262.5	\$ 1,320.2	\$ 1,396.5
Transportation Fund	\$ 229.1	\$ 233.7	\$ 239.9
Transportation Infrastructure Bond (TIB) Fund	\$ 23.2	\$ 23.5	\$ 25.00
Education Fund	\$ 166.8	\$ 177.9	\$ 184.4
Gross Receipts Tax	\$7.9	\$ 8.0	\$ 8.4
Federal Funds	\$ 1,781.7	----	----

The motion was passed unanimously.

Governor Shumlin introduced the Vermont Medicaid Program's estimated caseloads and estimated per member per month expenditures, and state revenue estimates for health care and Medicaid funds, presented by Stephanie Barrett of the Joint Fiscal Office.

Following discussion, Senator Kitchel made the following motion, seconded by Representative Heath:

Moved: That the Vermont Medicaid Program estimated caseloads and estimated per member per month expenditures for FY 2013 and FY 2014; and state revenue estimates for health care and Medicaid Funds pursuant to 32 VSA Sec. 305a are as follows:

**A. Projected Enrollment and Per Member Per Month Expenditures**

Eligibility Category <sup>1</sup>	Enrollment		PMPM Expenditures	
	SFY '13 Projected	SFY '14 Projected	SFY '13 Projected	SFY '14 Projected
<b>ADULTS</b>				
Aged, Blind, or Disabled (ABD)/ Medically Needy	14,189	14,360	\$990.65	\$1,025.64
Dual Eligible	17,215	17,800	933.93	951.64
General	11,614	11,993	524.96	536.07
VHAP	37,340	37,652	356.12	207.11
VHAP ESI	807	785	147.62	75.69
Catamount	11,582	12,372	425.61	203.15
ESIA	766	789	108.8	65.15
New Adult	n/a	34,490	n/a	221.58
<b>CHILDREN</b>				
Blind or Disabled (BD)/Medically Needy	3,727	3,740	1,950.14	1,996.17
General	55,519	55,762	339.33	346.11
Underinsured	1,029	993	170.14	177.96
SCHIP (Uninsured)	4,017	4,180	192.69	195.14
Pharmacy Only Programs <sup>2</sup>	12,565	12,669	-2.92	17.29
LTC – Choices for Care Waiver <sup>3</sup>			<b>Projected Spending</b>	
LTC - Nursing home, HCBS, and Residential Care <sup>4</sup>	3,859	3,850	\$179,045,305	\$179,889,590
LTC – Acute Care			22,464,894	22,856,511
Disproportionate Share Hospital (DSH)			37,448,781	37,448,781
Buy-In (in total)			33,992,575	37,235,943
Clawback			25,968,463	27,446,965

**B. Health Care and Medicaid Revenues, Estimates in Millions**

	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
State Health Care Resources Fund	267.6	267.7	268.3
Global Commitment Fund <sup>5</sup>	1,156.2	1,195.4	----

<sup>1</sup>Excludes Federal Only Ladies First Program (approx. 3,000 people).

<sup>2</sup>Pharmacy Only includes both Global Commitment and State Only spending and is net of rebates

<sup>3</sup>Inclusion of Choice for Care waiver into Global Commitment waiver for calendar 2014 is pending

<sup>4</sup>FY13 excludes \$1.6m of carryforward funds that are not designated for expenditure at this time

<sup>5</sup>GCF revenue is dependent on appropriations made by the legislature to pay GCF premium.

The motion was passed unanimously.

The meeting adjourned at 11:18 am.

A true record,

ATTEST:



Louis Porter  
Secretary of Civil and Military Affairs

cc: Board Members  
State Treasurer  
State Auditor of Accounts  
Other interested parties