



State of Vermont
OFFICE OF THE GOVERNOR

**Emergency Board Meeting Minutes
January 16, 2020 – 11:00 a.m.**

Pursuant to notice, the Emergency Board met in the State House Ceremonial Office, 115 State Street, Montpelier, Vermont, on Thursday, January 16, 2020, at 11:00 a.m.

Members present: Governor Philip B. Scott, Chair; Senator Jane Kitchel; Senator Ann Cummings; Representative Janet Ancel; and Representative Catherine (Kitty) Toll

The items on the agenda were as follows:

ITEM 1. Allocation for calendar year 2020 Private Activity Bond (32 V.S.A. Sec. 992(b))
Presentation by Scott Baker, Financial Reporting Director, Office of the State Treasurer

Senator Cummings made the following motion, seconded by Representative Toll:

Moved: To allocate Vermont's Private Activity Bond Allocation of \$321,775,000 for calendar year 2020 as follows:

Vermont Housing Finance Authority (VHFA)	\$	0
Vermont Student Assistance Corporation	\$	0
Vermont Economic Development Authority (VEDA):	\$	40,000,000
Vermont Municipal Bond Bank: (VMBB)	\$	20,000,000
Contingency:	\$	<u>261,775,000</u>
TOTAL	\$	321,775,000

The allocation to the Vermont Municipal Bond Bank includes such governmental units as defined in 24 V.S.A. § 4551, that are recipients of proceeds issued by VMBB during calendar year 2020, to which the VMBB assigns any portion of such 2020 volume cap.

The motion was passed unanimously.

ITEM 2. Medicaid Report (32 V.S.A. Sec. 305a(c))

Presentation by Nolan Langweil, Sr. Fiscal Analyst, Joint Fiscal Office and Sarah Clark, CFO, Agency of Human Services

Representative Toll made the following motion, seconded by Representative Ancel:

Moved: That the Vermont Medicaid Program estimated caseloads and estimated per member per month expenditures for FY 2020 and FY 2021 as follows:

Projected Enrollment and Per Member Per Month Expenditures

Eligibility Category	Jan. '20 E Board Enrollment		Jan. '20 PMPM Expend ¹	
	SFY '20 Projected	SFY '21 Projected	SFY '20 Projected	SFY '21 Projected
Full Coverage/Primary				
Aged, Blind, or Disabled (ABD) Adults	6,475	6,475	\$2,009.33	\$2,015.85
General Adults	9,657	7,899	\$559.70	\$589.55
New Adult Childless	35,559	33,834	\$521.79	\$526.67
New Adult w/Children	19,550	19,988	\$442.39	\$438.62
Blind or Disabled (BD) Kids	2,138	2,150	\$2,115.10	\$2,108.87
General Kids	58,256	57,393	\$471.37	\$476.19
SCHIP (Uninsured) Kids	4,399	4,274	\$256.68	\$249.91
Caseload Subtotal -Full/Primary	136,034	132,013		
Partial Coverage/Supplemental				
Choices for Care	4,135	4,135	\$5,107.66	\$5,125.65
Dual Eligible	17,828	17,898	\$1,177.36	\$1,183.38
Rx -Pharmacy Only Programs	10,050	9,664	\$66.73	\$64.36
VPA-Vermont Premium Assistance	16,988	16,515	\$29.36	\$29.36
CSR-Cost Sharing Reduction-subset of VPA ²	3,879	3,879	\$29.12	\$29.12
Underinsured Kids (ESI)	540	509	\$133.80	\$138.02
Caseload Subtotal -Partial/Supplemental	49,541	48,721		
Caseload Total	185,575	180,734		
Buy In			\$40,086,030	\$43,703,139
Disproportionate Share Hospital (DSH)			\$22,704,471	\$22,704,471
Clawback (Medicare Part D provision)			\$34,912,199	\$36,711,213

NOTES

¹ PMPMs do not include administration or Global Commitment Waiver Investment expenditures.

² Beneficiaries with Cost Sharing Reductions also have Vermont Premium Assistance and not double-counted in the caseload subtotal.

Reimbursement rate increase estimated cost: 32 V.S.A. § 305a(c) requires that information on health care inflation be provided for Emergency Board consideration each January. The cost of a one percent (1%) increase in Medicaid provider payment rates effective July 1, 2020 for SFY2021 is estimated as:

DVHA	\$7.5 million gross funds of which \$3.42 million state funds
NON-DVHA	\$5.2 million gross funds of which \$2.37 million state funds
TOTAL	\$12.7 million gross funds of which \$5.79 million state funds

This estimate excludes nursing homes and private non-medical institutions (PNMI) which have a rate setting process and a statutory inflation factor; it also excludes case management services which are cost based; Pharmacy which is a system of manufacture set prices with rebates; and school-based services which are determined by the schools.

The motion was passed unanimously.

ITEM 3. Official State Revenue Estimate (32 V.S.A. Sec. 305a(a))

Presentation of Revenue Report by Jeff Carr, State Economist for the Agency of Administration and Tom Kavet, State Economist for the Legislature

Representative Ancel made the following motion, seconded by Senator Kitchel:

Moved: That the state revenue estimates pursuant to 32 V.S.A. Sec. 305a(a) for FY 2020, FY 2021 and FY 2022 are as follows:

	Fiscal 2020 Estimate (Millions)	Fiscal 2021 Estimate (Millions)	Fiscal 2022 Estimate (Millions)
General Fund	\$1,594.7	\$1,596.3	\$1,611.8
Transportation Fund	\$284.5	\$287.9	\$291.2
Transportation Infrastructure Bond (TIB) Fund	\$15.7	\$16.0	\$16.6
Education Fund	\$557.5	\$574.3	\$590.9
Federal Funds	\$2,051.1	---	---

The motion was passed unanimously.

ITEM 4. Reimbursements from the Insurance Reserve Fund (32 V.S.A. Sec. 135)

Presentation by Brad Ferland, Deputy Secretary, Agency of Administration

Representative Ancel made the following motion, seconded by Senator Cummings:

Moved: To reimburse both the Property Management Fund and the Facilities Operations Fund from the Insurance Reserve Fund, pursuant to 32 V.S.A. Sec. 135, as outlined below:

Property Management Fund	\$1,131,521.77
Facilities Operations Fund	\$35,706.83

The motion was passed unanimously.

ITEM 5. 2020 Estimated Effect Upon the Education Fund of Authorized TIF Districts (32 V.S.A. Sec. 305b)

Presentation by Jake Feldman, Senior Fiscal Analyst, Department of Taxes and Graham Campbell, Sr. Fiscal Analyst, Joint Fiscal Office

Senator Cummings made the following motion, seconded by Representative Ancel:

Moved: Pursuant to 32 V.S.A. Sec. 305b, the forecasted effect upon the Education Fund of authorized TIF districts for Fiscal Year 2021 is as follows:

FY 2021 Maximum Tax Impact on the Education Fund: \$5,990,000

The motion was passed unanimously.

ITEM 6. Other Business – Education Fund Outlook (32 V.S.A. Sec. 5402b(c))

Presentation by Mark Perrault, Senior Fiscal Analyst, Joint Fiscal Office

Mark Perrault provided the Education Fund Outlook pursuant to 32 V.S.A. Sec. 5402b(c).

No action was required.

With no other business, Representative Toll made a motion to adjourn, seconded by Senator Ann Cummings. The motion was passed unanimously.

The meeting was adjourned at 11:55 p.m.



A true record,

ATTEST:

Handwritten signature of Brittney L. Wilson in cursive.

Brittney L. Wilson

Secretary of Civil and Military Affairs

/kp 1/17/20

c: Board Members

Auditor of Accounts

State Treasurer