



Department of Health and Social Services (35-00-00)
Fiscal Year 2027 Governor's Recommended Budget Summary

Requested Items Description/Detail	Recommended FTEs			Recommended \$		Not Recommended			Not Recommended \$	
	NSF	ASF	GF	ASF	GF	NSF	ASF	GF	ASF	GF
Fiscal Year 2026 Budget (Base Budget)	915.8	79.5	2,845.1	\$178,137.5	\$1,752,220.5					
Fiscal Year 2026 Personnel Contingency					\$11,926.3					
Requests										
Office of the Secretary (OTS)										
Lease Escalators				\$2.0	\$91.0					
Add funding and increase spending authority to meet the contractual obligations negotiated by the Office of Management and Budget for leased space. These increased costs include 38 leased properties and other common area maintenance costs for the Department.										
Division of Medicaid and Medical Assistance (DMMA)										
DMMA Medicaid Adjustments					\$128,500.0					\$500.0
Add funding to address the increased shift in the Federal Matching Assistance Percentage (FMAP), which governs federal funding, the increases in Medicare premiums for qualified eligibles, and negotiated annual rate changes.										
Delaware Healthy Children Program (DHCP)					\$1,587.4					
Add funding to address the increase in projected growth in eligibility for FY2027, resulting in higher capitation payments.										
Tobacco Fund Switch Fund: Delaware Prescription Assistance Program				(\$116.5)						\$1,100.0
Switch fund Tobacco Master Settlement Agreement funds to support restoring the original General Fund allocation at the request of the Health Fund Advisory Committee (HFAC).										
Tobacco Fund Switch Fund: Medical Assistance Transition (MAT) Medicaid Eligibility				(\$487.5)	\$250.0					
Switch fund Tobacco Master Settlement Agreement funds to support restoring the original General Fund allocation at the request of the HFAC.										
Tobacco Fund Switch Fund: Pregnant Women/Infants				(\$433.6)	\$433.6					
Switch fund Tobacco Master Settlement Agreement funds to support restoring the original General Fund allocation at the request of the HFAC.										
Tobacco Fund Switch Fund: Social Determinants of Health				(\$650.0)	\$650.0					
Switch fund Tobacco Master Settlement Agreement funds to support restoring the original General Fund allocation at the request of the HFAC.										
Division of Substance Abuse and Mental Health (DSAMH)										
Mental Health Provider Rate Increase Phase I, Part II					\$1,153.3					
Add funding to support the continued advancement in provider rates associated with the Promoting Optimal Mental Health for Individuals through Supports and Empowerment (PROMISE) program.										



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Division of Social Services (DSS)										
SmartComm Cloud Maintenance/Upgrade Add funding to support a direct upgrade to a cloud-based software to continue to provide over 20 million client notices and letters annually through the ASSIST platform.					\$223.2					
Supplemental Nutrition Assistance Program (SNAP) Case Reading Team Add funding to support a contractual arrangement to expand case reading efforts to reduce the SNAP error rates and associated new financial penalties.					\$891.6					
SNAP State Match Administrative Cost Add funding to support the increase in Personnel Costs and Administration state match, moving SNAP Administrative Costs to 75%. These funds are used for resources necessary to determine eligibility, issue benefits, and ensure program and data integrity.					\$9,229.3					
Switch fund positions from NSF FTEs to ASF FTEs and FTEs to reflect the SNAP change related to the Federal/State cost share.	(62.5)	1.5	61.0			(1.1)		1.1		
Childcare Policy Changes Add funding to implement the new requirements under the federal Child Care and Development Fund (CCDF) Final Rule. Several changes include transitioning to prospective payments as well as payments based on enrollment. Additionally, the expansion of the Graduated Phase Out has increased from 215% to 300% of FPL.					\$25,266.2					
Tobacco Fund Switch Fund: State Supplemental Program for SSI Recipients Partial switch fund of Tobacco Master Settlement Agreement funds and increase of General Fund allocation to support restoring the original General Fund allocation at the request of the HFAC.				(\$319.8)	\$664.2					
Division for the Visually Impaired (DVI)										
Contractual Teachers Add funding to support the updated contractual agreement for teachers with vision-specific certifications.					\$106.0					
Division of Developmental Disabilities Services (DDDS)										
DDDS Residential Habilitation Add funding to annually support 70 individuals for residential services in FY27.					\$11,413.2					
DDDS Community-Based Services Add funding to support service system growth for an estimated 348 individuals eligible for community-based, non-residential services in FY27.					\$1,138.0					



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<u>Division of Services for Aging and Adults with Physical Disabilities (DSAAPD)</u>										
Tobacco Fund Switch Fund: Personal Attendant Services Partial switch fund of Tobacco Master Settlement Agreement funds and increase of General Fund allocation to support restoring the original General Fund allocation at the request of the HFAC.				(\$184.8)	\$383.8					
<u>Other Adjustments</u>										
Direct Support Professionals Rate Increases Add funding to continue the process of aligning newly established rates for Direct Support Professionals (McNesby Act).					\$10,582.9					
Funding Reductions Department-wide funding decreases to reflect proposed operating expenditure reductions.					(\$4,476.5)					
Spending Authority for Psychiatry Residency Program Increase spending authority to reflect the retention of reimbursements in support of program operations.				\$100.0						
Spending Authority for HFAC Recommendations Spending authority adjustments to reflect HFAC recommendations and actual funding availability.				(\$1,888.5)						
Position Adjustments Switch fund positions from NSF FTEs to FTEs to reflect a technical correction.	(1.1)		1.1							
Position Movement Reallocate (1.0) FTE Therapy Aide to Other, Elective, Lieutenant Governor (12-01-01) to meet critical workforce needs.			(1.0)							
<u>Discretionary 1% Requests</u>										
Medicaid Renewals Add funding to support contractual obligations to assist with Medicaid Renewals.										\$835.4
Mental Health Provider Rate Continued Increases Add funding to support the continued advancement in provider rates associated with the Promoting Optimal Mental Health for Individuals through Supports and Empowerment (PROMISE) program through FY29.										\$2,729.9
FY2025 Rate Study Implementation Add funding to continue the process of aligning newly established rates for Direct Support Professionals.										\$1,500.0



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Growth in Aging Population Add funding to address the growing older population in Delaware and the increased need for home and community-based services.										\$1,063.9
Delaware Psychiatric Center Contractual Staff Add funding to backfill vacant Psychologist, Registered Nurse, and Certified Nursing Assistant positions at the Delaware Psychiatric Center, utilizing contracted staff.										\$3,900.0
Licensing and Network Escalators Add funding to support Fiscal Year 2027 licensing and network escalator costs, meeting Departmental need.										\$2,078.0
Telephone Service Infrastructure - Firewall Add one-time funding to support the conversion from the Avaya phone infrastructure to a Cisco VOIP (Voice Over IP) phone system. The conversion includes the need to purchase a firewall appliance.										\$450.0
Integrated Critical Incident Management System Operations Add funding to aid in the development of an incident reporting system to allow for incident reports, investigations, and resolutions for DMMA and associated divisions. This system is required for compliance with the new CMS rules.										\$365.0
Electronic Visit Verification System - Maintenance & Operations Costs Add funding to support the maintenance and ongoing operations costs of the recently implemented Electronic Visit Verification (EVV) system with DMMA. This mandated system requires providers to verify service details to remain enrolled in the Medicaid program.										\$234.0
Mobile Health Vans Maintenance & Expenses Add funding to support the ongoing operations of four mobile health units, including maintenance and the stocking of essential medical and operational supplies to improve health outcomes and reduce barriers to care.										\$150.0
Kindergarten Oral Health Screening Program (KOHSP) Add funding to support the financial need and increased services following the implementation of House Substitute 1 for House Bill 83 of the 152nd General Assembly to provide oral health screenings to every kindergarten student in public and charter schools by the end of their kindergarten year.										\$156.2
Substance Use Disorder Services for the Uninsured Add funding to support an anticipated 15% increase in demand for state-funded Substance Use Disorder services. This funding would be specifically allocated to SUD treatment services that are Medicaid billable.										\$1,344.0



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Mental Health Treatment Services for the Uninsured Add funding to support an anticipated 15% increase in demand for state-funded Mental Health services. This funding would be specifically allocated to Mental Health Treatment services that are Medicaid billable.										\$2,239.9
Special Educator Pay Incentives Add funding to increase the number of vision educators (Certified Orientation & Mobility Specialists) by modeling the Alternate Route to Certification after the one used to develop other DVI educators (Teachers of the Visually Impaired). Funding will also support the expansion of teacher salaries and the opportunity to earn incentives for additional non-supervisory responsibilities.										\$246.0
DHCQ Licensing Surveys Add funding to support the contractual arrangement to ensure the completion of annual recertification surveys as well as complaint investigations for long-term care facilities and intermediate care facilities for persons with intellectual disabilities.										\$68.9
Process Serving Contractual Costs Add funding to support the difference in base budget funding and projected cost spending for vendor support and contractual services.										\$45.2
Aging Population Waitlist Maintenance Add funding to maintain service levels and prevent the expansion of the current waitlist, which is at risk due to increased staffing and service provision costs.										\$115.8
Fiscal Year 2027 Recommended Budget	852.2	81.0	2,906.2	\$174,158.8	\$1,952,234.0					\$19,122.2
<i>Increase/Decrease</i>	-63.6	1.5	61.1	<i>(\$3,978.7)</i>	<i>\$200,013.5</i>					
<i>% Increase/Decrease</i>	-6.9%	1.9%	2.1%	-2.2%	11.4%					
<i>% Increase/Decrease without Personnel Contingency</i>					10.7%					

Additional One-Time Supplemental Items (Office of Management and Budget, Contingencies and One-Time Items)	
Lead Remediation - DPH Additional one-time funding in Executive, Office of Management and Budget, Contingencies and One-Time Items (10-02-11) to continue lead remediation efforts.	\$2,000.0
Health Eligibility and Lifeline Program - Social Services, State Service Centers Additional one-time funding in Executive, Office of Management and Budget, Contingencies and One-Time Items (10-02-11) to support the Health Eligibility and Lifeline Program.	\$1,500.0
Total Fiscal Year 2027 Recommended One-Time Funding	\$3,500.0